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A thesis presented in partial fulfilment of the requirements for the degree of Master of Arts in History at Massey University, Palmerston North, New Zealand

Laura Halberg

2005
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Abbreviations

ANZUS  Australia, New Zealand and United States security treaty
ASEAN  Association of South East Asian Nations
DCLU  Developing Countries Liaison Unit
DWFN  Distant Water Fishing Nations
EEC  European Economic Community
EEZ  Exclusive Economic Zones
FFA  Forum Fisheries Agency
FIC  Forum Island Countries (excluding Australia and New Zealand)
FSM  Federated States of Micronesia
GSP  Generalised System of Preferences
LOS  Law of the Sea
MFA  Ministry of Foreign Affairs
PFL  Pacific Forum Line
PNG  Papua New Guinea
PIIDS  Pacific Islands Industrial Development Scheme
SPARTECA  South Pacific Regional Trade and Economic Cooperation Agreement
SPC  South Pacific Commission
SPEC  South Pacific Bureau for Economic Cooperation
SPF  South Pacific Forum
SPNFZ  South Pacific Nuclear Free Zone
SPNWFZ  South Pacific Nuclear-Weapons Free Zone
SRO  Single Regional Organisation
UN  United Nations
Introduction

This thesis examines the issues that shaped New Zealand's relations with the South Pacific Forum in the period 1976-1983. It seeks to explain New Zealand's attitude towards those issues, and considers the factors involved in influencing that attitude. It is not an examination of the policies of other Forum members and their motivations, except in as much as perceptions of those policies and motivations influenced New Zealand.

The Forum was established in 1971 under a National government as an annual meeting of the heads of government of the independent states of the South Pacific. It was the prime regional body in the period 1976 to 1983 and as an instrument of regional decision-making it dealt with both economic and political issues. McKinnon regards the South Pacific Forum as very important, 'both in registering the reality of an independent Pacific and also in providing a diplomatic means of fostering stability in the region'.1 Some commentators have regarded initial Forums, concerned with the economic development of the region, as having achieved few tangible initiatives.2 Nineteen Seventy-Six marked a turning point and corresponded with the attendance of Muldoon as New Zealand's newly elected National Prime Minister. The following eight years saw a dramatic transformation in the nature of the Forum and the issues with which it dealt.

This transformation should be considered against background changes domestically, regionally, and internationally. Such changes, which led officials to reconsider New Zealand's role in the region, were often interrelated. Domestically, immigration from the Pacific islands was increasing and there was a developing awareness of New Zealand's Pacific identity, strengthened in 1971 with the 'Year of the Pacific'. Regionally, the central development was the growing reality of decolonisation, and the resulting perceived danger of economic and political instability. New Zealand recognised that it had an obligation towards the South Pacific. 'We are responsible for the creation of economically non-viable states, so we have a long run responsibility to

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support their economically non-viable independence." There was also a greater awareness of the Pacific internationally, which developed as the Law of the Sea Conferences progressed and the potential of the Pacific as a large fishing ground was recognised. Soviet interest in the region also developed over the period and the 1978 Defence Review recognised that 'the South Pacific is no longer insulated against outside pressures." New Zealand also faced the consequences of the British decision to join the European Economic Community (EEC), which meant its trade relations were now dependent on good foreign relations with new trading partners, in particular France. The Nixon Doctrine, which called for greater burden sharing by all American allies, was re-emphasized in the mid-1970s as the United States withdrew from Vietnam and a Democratic President, Jimmy Carter, was elected. New Zealand was therefore faced with a growing responsibility in the Pacific.

The Muldoon administration was the first New Zealand government to deal with a largely independent South Pacific. The South Pacific Forum, the pre-eminent and most influential regional organisation in the region, offered New Zealand a means of maintaining a presence and influence in South Pacific affairs and therefore a means of fostering stability in the region. New Zealand's wider policy interests in the South Pacific were outlined by Graham Fortune, an Assistant Secretary in the Ministry of Foreign Affairs:

New Zealand's essential policy interest in the South Pacific has been clear and relatively unchanged for some time now. Briefly, this is to promote stability and security in the South Pacific through close political, economic and defence relationships. We attach importance to the economic development and continued political stability of the region. We consider it to be in our interests to see the countries of the region in a favourable relationship with the comity of Western countries of which we form a part. And we want to trade with and invest in South Pacific markets.

These wider policy interests provided the basis for New Zealand's attitudes in the Forum.

This thesis sets out to answer three questions. The first concerns the issues that

dominated New Zealand's relations with the South Pacific Forum in 1976-1983. Through secondary sources six key issues were identified; the nature of the Forum, trade, shipping, fisheries, nuclear concerns and decolonisation. These issues make up the six main chapters of the thesis. Other issues that came up in the period such as immigration and disaster relief have not been included in the thesis as they were treated on a bilateral basis and therefore kept out of the Forum. That is not to say considerations concerning immigration were not part of New Zealand's thinking with regards to other issues in the Forum, such as trade. Where the influence of immigration concerns and policy arose, they are dealt with in the thesis. Other issues such as the environment and telecommunications, did arise in Forum discussions but I did not perceive them as principal issues at the time.

The second question concerns New Zealand's attitude with regard to those six issues, and considers the position of both the Ministry of Foreign Affairs and Muldoon.

The final question relates to the factors that determined New Zealand's attitude. Each of these questions explores the nature of the relationship between New Zealand and the Forum and the factors that shaped that relationship.

For this research a variety of sources were drawn on. No secondary source dealt solely on the South Pacific Forum or New Zealand's attitudes in the period. Roderic Alley's *New Zealand and the South Pacific* does examine the Forum in part and as the book was written in 1984, at the end of the period, it provided a good source of contemporary commentary. The majority of other secondary sources have dealt only in part with New Zealand's foreign affairs in the Pacific, with brief mentions of the Forum. The primary sources, particularly contemporary articles, provided the detailed analysis of the Forums. The *Pacific Islands Monthly*, which reported each year on the Forum's progress and the issues dealt with, offered the most detailed contemporary observations. Newspapers were also a major primary source. *The Press, Dominion*, and *New Zealand Herald* were explored for New Zealand's attitudes. The newspapers were particularly useful initially in identifying the issues and providing New Zealand commentary on developments in the Forum. A particularly important primary source was the Ministry of Foreign Affairs files held at their own archives in Wellington and Archives New Zealand. These files contained, amongst other things, the confidential reports on the Forum written by Robert Muldoon to Cabinet, which identified the issues and Muldoon's take on them. In some instances, the briefing reports for the Prime Minister
by Foreign Affairs, which established the Ministry's attitude, were also available. There were also copies of cables sent from Foreign Affairs to the diplomatic posts in Canberra, Paris and those Pacific islands in the Forum. They also helped in identifying New Zealand's position.

The thesis deals with both the organisational issues of the Forum, and the economic and political issues dealt within it. Trade, shipping and fisheries tended to be identified as economic issues while nuclear concerns and decolonisation were considered political issues. In very broad terms the economic issues were predominant early on, while the political issues dominated the latter half of the period. The thesis, therefore, deals with them in that order.

'The Nature of the Forum' is the first subject to be explored. The chapter examines the issues surrounding the nature of the Forum, including the priority given to political issues over economic issues, and the perceived demise of the informal nature of the Forum, known as the 'Pacific way'. Accession issues, which include island, metropolitan, and organisational membership of the Forum are also examined. Finally the chapter explores the alternatives that were considered in the Forum, including sub-regionalism and a wider umbrella organisation. The chapter concludes that when it came to the nature of the Forum New Zealand's main concern was to keep it intact and as close to its original form and function as possible. New Zealand's attitude was determined by its economic concerns, its external relationships, and by Wellington's concern to retain its influence in the organisation.

The second chapter examines trade issues, in particular the development of the South Pacific Regional Trade and Economic Cooperation Agreement. Consideration is also given to other trade initiatives, such as the Pacific Islands Industrial Development Scheme, which, while outside the Forum, illustrate New Zealand's attitude to Pacific islands trade. In trade, Wellington was anxious to support any initiatives that developed the islands' economy, both as a means of keeping economic development at the forefront of the Forum's thinking and also as a means of Soviet denial, as an economical secure Pacific meant a politically stable environment.

Transport was an important issue in the Forum as it provided the basis for trade and tourism in the region. This chapter examines Muldoon's and Foreign Affairs' attitude towards the Pacific Forum Line (PFL) and their approach to the question of a single regional airline. Wellington's emphasis on regional cooperation in both fields
demonstrated its commitment to the ideals of the Forum and was beneficial to New Zealand and the islands' trade.

The fisheries chapter focuses on the development of the Exclusive Economic Zones (EEZ) and the resulting Forum Fisheries Agency (FFA), and explores Muldoon's and Foreign Affairs' approach to both. Both Muldoon and Foreign Affairs considered that a regional approach to the issue reinforced the concept and value of regional cooperation and the Forum, and ensured a maximisation of benefits, although both approached the issue differently.

The nuclear chapter deals with the South Pacific Nuclear Free Zone (SPNFZ), initially proposed in 1975 but opposed by New Zealand after the election of the National-led government. The chapter also examines briefly the proposal to dump nuclear waste in the South Pacific and French nuclear testing. Finally, the 1983 Australian proposal for a SPNFZ is discussed. Although New Zealand acknowledged Pacific apprehensions about nuclear issues, its attitudes were often contrary to that of a majority of its Forum partners. This was based almost solely upon its interests beyond the Pacific and concerns regarding its ANZUS partners.

Decolonisation was also essentially a political issue. Where New Zealand's interests were not at stake, Wellington was a strong advocate of peaceful decolonisation, as in the case of the New Hebrides. New Zealand, however, was more conservative in the case of New Caledonia, in part because its trading interests in the EC were threatened. Possible instability in the region as a result of New Caledonia's independence and the likelihood of New Zealand losing its influence in the Forum should re-inscription be approved also meant New Zealand's attitude was more conservative than it might have otherwise been. The chapter examines New Zealand's position with regard to both the New Hebrides and New Caledonia, and the factors that resulted in two different approaches.

Despite division in the Forum that might have resulted in threats to its existence New Zealand steadily maintained the value of the Forum and reinforced the concept of regional cooperation wherever possible. Sometimes it seemed that New Zealand rather than its Pacific partners was taking the lead in promoting the concept, to the extent that one anonymous commentator remarked regionalism was certainly 'alive and well and living in Wellington'.

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7 M. Templeton, Pacific 'Regional Institutions', in T.J. Hearn, (ed.), Foreign Policy School, New
The Nature of the Forum

The nature of the South Pacific Forum was a major issue for New Zealand throughout the period 1976-1983. Wellington's main concern was to keep the organisation intact, and as close to its original functions and nature as possible. This included giving priority in the Forum to economic issues over political issues, reinforcing its informal nature in the 'Pacific Way', and ensuring that it remained a group for the independent or fully self-governing states of the South Pacific. This chapter will analyse the motives for adopting these positions.

One of the fundamental issues with regard to the nature of the South Pacific Forum was the priority given to political issues over economic issues after 1976. Despite the assertion that the primary aim of South Pacific regionalism was to promote economic development, the South Pacific Forum was established as a place where political issues could be discussed freely. Ratu Mara, the organisation's principal architect, had on at least two occasions explicitly linked the origins of the Forum to the South Pacific Commission's (SPC) ban on politics. However, because the Forum lacked a formal constitution, no authoritative aims were formulated. The inaugural Forum referred to the advancement of 'the spirit of regional co-operation and mutual confidence'. The third emphasized the 'social and economic well-being of the peoples of the member countries'. Subsequent Forums in this period failed to produce any further declaration of aims.

Early Forums focussed on economic issues with an emphasis on the promotion of trade and economic cooperation. The establishment of the South Pacific Bureau for Economic Cooperation (SPEC) demonstrated the depth of the Forum's commitment to overcoming the region's economic handicaps. A reassertion of the Forum's political activities occurred after 1976 as more Melanesian states joined the Forum. The Melanesians' differing economic interests and their opposition to metropolitan

involvement meant that they gave greater priority to political issues.\textsuperscript{12} For many island leaders then, political, more than economic factors, became the driving force behind their commitment to the concept of regionalism and the Forum.

As a nation with close links to Polynesia, New Zealand’s support for regionalism and in particular the South Pacific Forum was based primarily on concern for the economic development of the region. Between 1976-1983 New Zealand sought to emphasize economic issues whenever possible. It strongly supported the PFL, signed SPARTECA in 1980 and worked hard on fishery issues.

Muldoon, like Foreign Affairs, was particularly concerned to promote economic initiatives in the region. As a cost accountant and Minister of Finance, Muldoon placed great emphasis on economic management and on the development of initiatives that would promote economic expansion. In 1981, Muldoon noted a trend in the Forum towards an emphasis on single-issue politics. This frustrated his attempts to deal with what he saw as the ‘real’ issues in economic and social development; he wanted ‘a low-keyed concentration on practicalities’.\textsuperscript{13} In 1982, at the Forum held in New Zealand, Muldoon ensured through his chairmanship that economic issues were given priority. This was demonstrated in the Forum’s published Communique, which ‘emphasised economic issues to a greater extent than affairs of the heart’.\textsuperscript{14} Earlier Muldoon had argued that as the 1982 Forum was likely to be difficult in political areas, ‘it made sense to seek for progress in the economic area’.\textsuperscript{15} Muldoon reiterated that ‘in the context of our limited resources we accorded high priority to addressing the special development problems of the South Pacific islands. Anything the Forum might do had to be relevant and attainable.’\textsuperscript{16} The following year, New Zealand’s Ministry of Foreign Affairs made clear to SPEC in Suva that Muldoon was concerned ‘to ensure practical matters of regional and economic cooperation receive full discussion’.\textsuperscript{17}

New Zealand’s reluctance to deal with political issues in the Forum was closely related to its trade relations with the European Community (EC). Wellington admitted, ‘In the past, New Zealand has been apprehensive about some of the topics that have been

\textsuperscript{13} ABHS, 6956 TKY 301/1/3, Box 66, Part 4, Archives New Zealand, Wellington.
\textsuperscript{15} ABHS, 950, 301/14/1, Part 1, Archives New Zealand, Wellington.
\textsuperscript{16} ABHS, 950, 301/14/1, Part 1, Archives New Zealand, Wellington.
\textsuperscript{17} ABHS, 950, 301/14/5, Part 2, Archives New Zealand, Wellington.
included on the Forum agenda (e.g. the French territories) and has been uncertain of the advantages of discussing them...'.\(^\text{18}\) Economic issues were apt to be less controversial, and therefore less likely to upset New Zealand's trading partners outside of the region.

New Zealand's commitment to the economic issues of the Forum was also firmly related to its interest in keeping the islands economically viable. 'Island states that are not economically viable are a greater charge on New Zealand aid ...'.\(^\text{19}\) The health of New Zealand's trade with the South Pacific was also dependent on the islands' economic viability. The Pacific Forum Line (PFL), the South Pacific Regional Trade and Economic Cooperation Agreement (SPARTECA) and the Forum Fisheries Agency (FFA) all had implications for New Zealand's trading interests. Hence, in part, New Zealand's continued emphasis on economic development in the Forum. A greater emphasis on the islands' economic development also lessened the impact on the islands of New Zealand's restrictive immigration policy. Most importantly, by keeping the region economically secure, New Zealand hoped to keep it politically stable and exclude those undesirable outside influences which were perceived to threaten the region.

The 'Pacific way', a new concept in regional collaboration, was the basis upon which the South Pacific Forum was established. It meant that there was no voting, no coercion, and a gentle give and take. The group's attitudes were expressed by consensus in an informal environment. New Zealand's Prime Minister, Robert Muldoon, provided the following description, 'the tradition is that you do a little talking and a lot of listening. Then, after long silences in the Polynesian way, people at the extremes are expected to move towards the centre.'\(^\text{20}\)

Piddington argued that the inclusion of Australia and New Zealand caused the waning of the 'Pacific way'. 'Not only were they developed countries with a different set of international interests, but they could not readily adapt to the ways in which business was dealt with in the islands, they belonged to an outside political culture. They were not comfortable with reflective silences and their natural instincts were more decision-making by majority rather than by consensus.'\(^\text{21}\) Piddington claimed 1977 marked a turning point in style and content of the Forum. For the first time leaders expressed themselves through a formal resolution, drafted in the style used in the United Nations

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\(^{18}\) ABHS, 950, 301/14/5, Part 2, Archives New Zealand, Wellington.

\(^{19}\) 'New Zealand: A Growing Effort in the Islands' Pacific Islands Monthly, June 1978, p. 41.

\(^{20}\) New Zealand Foreign Affairs Review, January-March, 1984, p. 21

(UN). According to Piddington, this approach didn't change until 1984, when a conscious decision was taken to revert back to the old style. Piddington argued, 'it is significant that this coincided with the return of the Forum to a true island setting after meetings hosted in New Zealand [1982] and Australia [1983]. Piddington, then, attributed the loss of the 'Pacific Way' in the Forum to the involvement of Australia and New Zealand. I will argue, however, that New Zealand and in particular Muldoon valued the 'Pacific way' and opposed those developments that might have caused the 'Pacific way' to wane.

New Zealand's attitude towards the 'Pacific way' evolved over the period 1976-1983. In his 1976 report to Cabinet, Muldoon noted that, 'The Forum is what its members make it. Too often in the past it has contented itself with taking the easy decisions, avoiding the more difficult or contentious issues. That was not the case this year.' Muldoon went on to note the business-like attitude and attributed the new spirit in the Forum to the younger members that 'believe in frank talk and want action'. By 1983, however, Muldoon was concerned to 'preserve as far as possible informality and the consensus approach in the Forum proceedings and to resist the trend towards UN type resolutions and declarations. According to a former official, Muldoon was a strong supporter of the Pacific Forum and never missed a meeting.

On these occasions his normal briskness was left behind in New Zealand and instead he became a benign Pacific leader. He understood and accepted the 'Pacific way' and, though he joked about the placid silences, he was happy to sit while issues were slowly talked through. Each year he briefed his delegation, solemnly advising them that pushing for brisk decisions was not the way business was done.

It was also noted in a cable in 1983 that, 'The Prime Minister has been concerned ... that the Forum has at recent meetings moved away from the informal, relaxed, free-flowing, talking-out-a-consensus style of the early meetings'. This was attributed to the over-long and detailed agendas and the introduction of overly specific draft resolutions. In his briefing to Cabinet on the 1981 Forum, Muldoon noted that, 'The Forum has grown too large and too formalised. The strength of this organisation has always been its informality with meetings developing as they go along and each issue being resolved by

22 ibid., pp. 21-22.
23 ABHS, Series 950, 301/14/5, Part 1, Archives New Zealand, Wellington.
24 ABHS, Series 950, 301/14/5, Part 1, Archives New Zealand, Wellington.
25 ABHS, Series 950, 301/14/5, Part 2, Archives New Zealand, Wellington.
27 ABHS 18069, W5402, BRU 301/2/1, Box 11, Part 1, Archives New Zealand, Wellington.
consensus ... I have attached very considerable importance to the Forum and I do not
want to see it go any further down the path of other international organisations. Muldoon and Foreign Affairs attributed the change not to the agenda items, but to the
growth of the Forum, 'Mr Muldoon blamed the problem on new Prime Ministers and the
move away from the old Polynesian style of Forums since the entry of newly
independent Melanesian states into the Forum.' According to Vaughan, the Prime
Minister did not want future Forums to become meetings where people simply voted on
issues. Muldoon was concerned to keep the Forum informal, in the 'Pacific way'.

The South Pacific Forum represented a meeting place where New Zealand was at
the forefront of decision-making and the informal atmosphere of the Forum reinforced
this trend. Muldoon in particular, was effective in this type of meeting. According to
Fortune the informal style and the lack of officials was also to Muldoon's liking and he
felt at home and comfortable in the Polynesian style of the Forum and was therefore an
effective figure in the informal environment. Muldoon argued against the UN type
resolutions and declarations, he believed this was the cause of the waning of the 'Pacific
way' and the informal and consensus style approach that he had known in earlier
Forums. New Zealand's emphasis on the informal nature of the Forum ensured it
continued its role as a leading member of the Forum. Wellington was therefore a strong
proponent of the 'Pacific way'. This directly contrasts with Piddington's view that the
inclusion of Australia and New Zealand caused the waning of the 'Pacific way'.

The question of membership epitomised much of the organisational debate in the
South Pacific. Membership of the Forum was a contentious issue, and it related
directly to the increased prioritisation given to political issues and the waning of the
'Pacific way'. Three issues dominated: island membership, metropolitan membership,
and the organisational membership of the Forum.

The Forum was an informal gathering, lacking a formal or written constitution. It
also lacked, in its early period, criteria for membership. Membership qualifications were
not set out till 1973, after a dispute in the Forum regarding Papua New Guinea's (PNG)
membership. At this stage, only independent or fully self-governing territories were
eligible for membership. Fiji argued that while PNG was self-governing, this was not

28 ABHS 6956, W5330, TKY 301/1/3, Box 66, Part 4, Archives New Zealand, Wellington.
30 Interview with Graham Fortune, 5th December 2005.
envisaged as the final stage in its political development, and it could therefore not join the Forum. As a compromise, observer status was developed to allow for territories on the brink of independence or full self-government to take part in discussions, though not to vote. Contrary to the resolution set out at the 1973 Forum, the Gilbert Islands (now Kiribati) was admitted as a full member in 1977. Fiji argued that a change in the criteria for membership to the Forum would bring about applications from other territories, more specifically French Polynesia, Micronesia and New Caledonia, that would then allow France or the United States admission to the Forum by proxy. In this event, they argued, the Forum would no longer remain a gathering of Pacific decision-makers.

Muldoon argued that the French Territories (excluding the New Hebrides) were unlikely to pursue this course in the near future, though he wished to see them independent or at least self-governing, 'until then they could not join the Forum'.\footnote{32 ABHS, 950, 301/4/2/1, Archives New Zealand, Wellington.} According to Foreign Affairs, 'the Prime Minister was adamant that the Forum should remain the meeting place of independent or truly self-governing nations. Muldoon made clear his view that the criterion for membership of the Forum was for a territory not only to be self-governing but also to be seen to be moving irrevocably towards independence.'\footnote{33 ABHS, 950, 301/4/2/1, Archives New Zealand, Wellington.} Muldoon acknowledged that the question of membership was complicated by colonial status and links with non-regional powers and concluded that New Zealand would be guided by the island nations on the issue.\footnote{34 R.P. Vaughan, 'Foreign Links Problem in Joining Forum' New Zealand Herald, 30 August 1983, p. 5.} For the New Zealand government wider membership of the Forum would necessitate a consideration of the political implications and a possible lessening of Wellington's influence in the Forum.

Metropolitan membership of the Forum was also an issue between 1976 and 1983. For various reasons, both France and Japan were eager for at least observer status. New Zealand was adamantly against any such membership. '... any dilution of the Forum structure that brought in the Pacific rim or European countries would probably be viewed with concern in Australia and New Zealand as it would weaken the cohesion of the Forum and the opportunity it provided Australia and New Zealand to develop close relationships with the island governments and vice versa.'\footnote{35 ABHS, 950, 301/14/5, Archives New Zealand, Wellington.} In a briefing to the Prime Minister, Foreign Affairs noted the increasing interest in the Forum by France and Japan and stated, 'it is our view that the Forum owes its success to its exclusivity and we think
few of the island states would wish to jeopardise the existing friendly and informal atmosphere by opening up Forum meetings to a wider audience'. Wellington was concerned that the inclusion of any metropolitan powers would weaken its influence in the Forum.

Another membership issue which threatened the size and informality of the Forum was the proposed inclusion, with observer status, of international organisations. In January 1977, PNG approached some Forum countries proposing that formal contact be established with the Association of South East Asian Nations (ASEAN). The Department of Foreign Affairs in Australia took the view that there would be some multilateral advantages for both organisations, particularly in exposing South Pacific leaders to a wider view of international affairs. The Forum Communique only noted the 'growing importance of ASEAN as an influential organisation in a neighbouring region,' and proposed that 'informal contact on matters of a common interest between the Forum and ASEAN should be initiated'. In his report to Cabinet, Muldoon claimed that he 'agreed with the consensus that it was undesirable to set up any formal links between the Forum and outside organisations'. In New Zealand's view this would weaken the cohesion of the Forum and introduce extraneous issues.

This issue became important again in 1983 when the European Community (EC) made an approach for observer status. New Zealand once again discouraged the proposal. Muldoon was concerned that the admission of observers might reinforce the trend towards a more 'business-like' approach. Wellington acknowledged that while New Zealand welcomed outside interest in the Forum's deliberations, 'we would not want the special character of the Forum altered through widening the provisions for observers'.

On membership issues New Zealand was concerned to keep the Forum small and manageable. By excluding outside powers and those with limited independence, New Zealand hoped to exclude political discussions, retain the 'Pacific way' and maintain its own influence in the Pacific.

36 ABHS, 950, 301/4/2/1, Archives New Zealand, Wellington.
37 ABHS, 950, 301/4/2/1, Archives New Zealand, Wellington.
39 ABHS, 950, 301/4/2/1, Archives New Zealand, Wellington.
40 ABHS, W5402, Archives New Zealand, Wellington.
41 ABHS, 950, 4370, 301/14/1 Part 4, Archives New Zealand, Wellington.
42 This was in direct contrast to Wellington's later attitude towards membership of the FFA when they...
The membership issues in the Forum led to an examination of possible alternative regional organisations: a new Commonwealth sub-grouping, as suggested by Australia; a political alliance proposed by PNG and supported by fellow Melanesian powers; or a single regional organisation (SRO) discussed by all members at intervals throughout the period.

In May 1977, Australia approached New Zealand with a proposal for a new Commonwealth sub-grouping that would include South Pacific Forum members, Malaysia, Singapore, and the Indian sub-continent. New Zealand argued that there was not a sufficient range of common interests to make the grouping viable or desirable. The National Government also felt that, with the possible exception of PNG, the island governments would not support the concept. The main argument for New Zealand, however, was that, with the coming independence of the Solomon Islands, Gilbert Islands, Tuvalu and the New Hebrides, the Forum would number as many as 13, almost twice its original size and 'this surely, is a big enough group'. New Zealand was concerned to keep the Forum small and manageable and therefore more open to its influence.

Sub-regionalism also became an issue in the latter half of the period, as the increase in Melanesian members of the Forum and the resulting increase in political issues led to divisions in the Forum between Polynesia and Melanesia, and between the Forum Island Countries (FIC) and Australia and New Zealand. Following the 1978 Forum, there had been speculation regarding an east Polynesian sub-regional grouping. This was blamed on the deterioration of the 'Pacific way', and the differing nature of the Polynesian and Melanesian problems. It was the political alliance proposal in 1981, made by PNG and strongly supported by fellow Melanesian Forum members, however, that most concerned New Zealand.

The proposal for a political alliance was put forward by PNG without a formal paper, and this fuelled speculation that it was designed to replace the Forum. Sir Julius Chan, the new PNG Prime Minister, wanted a power grouping, excluding New Zealand and Australia, which would be recognised in international forums as specifically representing Pacific islands. The proposal was attributed to New Zealand and Australia's unwillingness to deal with political issues (particularly New Caledonia) and their refusal

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43 ABHS, 950, 301/4/2/1, Archives New Zealand, Wellington.
to allow the Forum to take a stronger stance on nuclear issues. As Fry acknowledged, 'The symbolic significance of such a move should not be underestimated. A political alliance would demonstrate to the world ... that the Pacific island states determine their own regional positions on matters of concern to them and are not subject to visible metropolitan influence.'\(^{44}\) Fry argued that Australia and New Zealand would be unable to influence directly the deliberation of such an organisation in the way they had done in the Forum on matters such as nuclear testing and decolonisation. This may be seen as an important loss to Australia and New Zealand, as well as to their ANZUS partner, the United States, which to a certain extent 'subcontracts' its interests in the South Pacific to them.\(^ {45}\) Australia and New Zealand argued that they had a right to closer regional heads of government consultation with the islands than did the United States, France and Britain.\(^ {46}\) The proposal was given limited endorsement but due to the nature of its introduction at the Forum, it did not progress further.\(^ {47}\)

The concept of a SRO had been around since the formation of the South Pacific Forum. The Forum's initial focus on economic issues brought about a duplication of items with the SPC and a call for the creation of an umbrella organisation. One such duplication was in fisheries. Prior to the establishment of the FFA, fisheries had been the domain of the SPC. The duplication in responsibility for fisheries called into question the value of the SPC. According to Herr, the SPC represented an unwelcome colonial image, while its circumscribed powers and supranational membership all mitigated against the organisation.\(^ {48}\) However, Forum members, as well as the SPC, were in no hurry to 'grasp the nettle' because they were not united in how to approach it.\(^ {49}\) The concept was nevertheless officially broached in the 1976 New Zealand-sponsored report on the effectiveness of aid to the South Pacific, which recommended the eventual amalgamation of SPEC and SPC.

From the outset New Zealand was less than enthusiastic about a SRO. A New Zealand report stated that 'we have generally felt that the objective of greater efficiency

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45 ibid., p. 290.
47 A Melanesian Spearhead Group similar to the Political Alliance proposal was established in 1988 with an initial membership of PNG, Solomon Islands and Vanuatu.
49 ABHS, 950/4369, 301/14/1 Part 2, Archives New Zealand, Wellington.
could be pursued in practical ways within each organisation. Our reservations have centred on the political and financial implications particularly with regard to the metropolitan countries, and the need to find some accommodation for them without detracting from the role of the Forum.50 Both New Zealand and Australia agreed that a SRO was a good objective, but it would be tactically wise that the Forum should not go too far at that stage.51

New Zealand supported the continued existence of the SPC because it saw the Commission as a valuable source of aid and as the only organisation which embraced all the regional territories as well as the former and contemporary colonial powers. New Zealand believed that it was to the region's advantage to retain the interest and financial support of those powers and was aware that should the two organisations be amalgamated the United States and Britain willingness to contribute financially to the region might be weakened.

New Zealand was also keen to retain the interest of the United States in the region, firstly as a means of Soviet denial and secondly for financial reasons. Wellington was conscious that, in light of the interest in the region from China and the Soviet Union, 'it would hardly be circumspect to antagonise our Western friends'. Muldoon told the United States' Secretary of State that in his assessment the SRO concept would come to nothing.52

As its trade relations with the EEC depended on France, New Zealand was anxious to maintain amicable relations with Paris. It would therefore 'be counter-productive to antagonise France now by downplaying SPC or merging it with SPEC'.53

Wellington was aware, however, that Melanesia regarded the existence of two bodies as illogical and wasteful, and were especially concerned with the duplication involved.54 Officials were also concerned that Melanesia might form a harder line sub-regional grouping. It was careful therefore not to challenge the SRO proposal outright. Ironically, the establishment of the FFA limited in the first instance to Forum members (at the Melanesians' insistence) and established outside of SPEC, seriously weakened the chances of the formation of a SRO, as it would have involved incorporating two

50 ABHS, 6971, W4630, Box 47, Archives New Zealand, Wellington.
51 ABHS, 950, 301/14/5, Archives New Zealand, Wellington.
52 ABHS, 6971, W4630, Box 47, Archives New Zealand, Wellington.
53 ABHS, 950, 301/4/2/1, Archives New Zealand, Wellington.
54 ABHS, 950, 301/4/2/1, Archives New Zealand, Wellington.

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independent Forum agencies (the other being the PFL) as well as SPEC.

In 1980, Muldoon wrote that, 'My own thinking is that, whatever else may emerge from ... the current SPEC/SPC Review ... the place and value of the Forum, as we have known it for almost a decade, will be paramount in the South Pacific. I would not be happy to see its role diminished in any way. In the Forum Muldoon outlined his concern about a possible merger, 'he did not want SPC’s bad habits to infiltrate SPEC, which so far had been “lean and efficient”’.56

Wellington maintained that as more Pacific islands became independent and joined the Forum, the SPC would eventually have no further relevance in the region. Foreign Affairs concluded that 'In the light of these likely developments, it is questionable whether, for the time being, we should encourage a merger of SPC/SPEC in the greater interests of optimum regional cooperation and development.’57

The duplication of issues between the Forum and the Commission brought about discussion of an umbrella organisation. New Zealand's attitude was largely determined by its concern to retain the interest and financial support of the metropolitan powers. New Zealand's trading interests in Europe and the likelihood of antagonising France if the SRO concept came to fruition ensured New Zealand took a cautious approach to the concept. Muldoon was also concerned to retain the Forum as a unique and exclusive organisation tailored to the needs of the Pacific. However, Melanesian support for the concept also ensured that New Zealand could not challenge the proposal outright. New Zealand, along with fellow Forum members, therefore allowed the SRO issue to slide.

Throughout this period New Zealand's main concern was to keep the Forum intact, and as close to its original functions and nature as possible. New Zealand gave priority to economic issues, reinforced the 'Pacific way', and ensured the South Pacific Forum remained a group for the independent or fully-self-governing islands of the Pacific. New Zealand regarded regional cooperation as a means of maintaining economic and political stability in the Pacific and therefore maintaining its responsibilities and influence in the region as indicated in the Nixon doctrine.

55 ABHS, 950, 301/14/5, Archives New Zealand, Wellington.
56 ABHS, 18069, W5402/11, BRU 301/2/1 Part 1, Archives New Zealand, Wellington.
57 ABHS, 950, 4344, 301/4/2/1, Part 14, Archives New Zealand, Wellington.
Trade

New Zealand's focus on economic issues in the Forum involved an emphasis on increasing the region's economic development through trade initiatives. These included the Pacific Islands Industrial Development Scheme (PIIDS), the South Pacific Regional Trade and Economic Cooperation Agreement (SPARTECA), and indirectly the Pacific Forum Line (PFL) and the Forum Fisheries Agency (FFA), each of which aimed at encouraging economic growth in the South Pacific. The PFL and the FFA are covered in later chapters; the focus of this chapter is on the issues involved with the primary trade initiatives, PIIDS and SPARTECA, and the factors that determined New Zealand's approach.

With growing independence in the 1960s and 1970s, Pacific island nations became concerned that they would lose preferred trade access to their former metropolitan powers. The Pacific islands' narrow resource base, dominated by raw or semi-processed agricultural and fisheries products, and the nature of the islands' geography, including their small size and fragmentation, contributed to a dependence on special trade concessions. Access to Australia and New Zealand was particularly important because of their proximity. The region's markets, excluding Australia and New Zealand, were of limited capacity as a catalyst for accelerated development. Hence in 1971, at the first South Pacific Forum, trade between island nations and Australasia was the first item discussed. Within three months of the initial Forum a meeting of senior officials from the five island members was held to consider the prospects for island commodities in the region, and the possibility of establishing an economic union. At the time (November 1971), New Zealand apparently considered the prospects for a free trade area very poor, citing the competitive rather than complementary nature of the island economies and the nature of existing trade patterns. As an alternative New Zealand proposed a small secretariat be organised to deal with trade matters, and the following year the Forum agreed to establish a South

59 ibid., p. 193.
61 M. Margaret Ball, ‘Regionalism and the Pacific Commonwealth’ in Pacific Affairs, Summer 1973, p. 244.
Pacific Bureau for Economic Co-operation (SPEC). New Zealand's contribution of one third of the SPEC budget assured the Pacific islands of New Zealand's continuing commitment to the Forum and the economic development of the region.

In 1977 SPEC cooperated with the Commonwealth Secretariat to prepare a study on industrialization and trade in the South Pacific. The study, produced in 1978, recommended the revision of existing trade patterns in the Pacific and the creation of a new regional agreement under which Australia and New Zealand would grant preferential or duty-free access to goods from island member countries on a non-reciprocal basis. The initial meeting of trade ministers in June 1979 confirmed the need for such an agreement and in September senior officials met to negotiate terms. In July 1980 SPARTECA was adopted by the Forum and on the 1 January 1981 it came into force.

SPARTECA was a non-reciprocal free trade agreement between Australia, New Zealand and the Forum island countries (FIC). It was designed to redress the increasing trade imbalance between the Australia and New Zealand on the one hand, and the islands on the other, and to encourage regional economic development. The agreement offered duty-free and unrestricted or concessional access for virtually all products originating from the FIC's. It also offered 'commercial, industrial, agricultural and technical cooperation'.62 SPARTECA's principal objective was 'to accelerate the development of the Forum island countries'.63

There were, however, problems involved in Wellington signing the agreement. The different stages of economic development in the islands and the similarity of exports was one such problem. Secondly, there was New Zealand's special trade agreements with some of the islands, and thirdly its own economic interests. Within SPARTECA then, attention was given to New Zealand's domestic interests and those of its closest former colonial territories by the provision of a negative list of goods to ensure the continued viability of manufacturers in New Zealand and the Cook Islands, Niue and Western Samoa. Special provisions were also made for the treatment of smaller FIC's to take into account their special difficulties, including size, lack of economic development, and absence of raw materials. The agreement in itself was an acknowledgement of the differing stages of economic development and the need for a

63 ibid., p. 122.
rationalisation of goods exported to Australia and New Zealand from the Pacific.

By the late 1970s there were a number of economic, political and security factors that persuaded New Zealand to reconsider the value of a free trade agreement between itself and the Pacific. Firstly, there were political considerations. After its restrictive immigration policy in the mid-1970s, the Government needed to ensure the continued growth and development of the islands' economic structure as remittances from those Pacific Islanders living in New Zealand fell. The economic development of the islands also ensured that the Islanders had increasing job opportunities at home and were therefore less likely to seek opportunities in New Zealand. The agreement offered New Zealand the means of settling its relationship with the Pacific islands and provided for the continued economic development of the region. This ensured that New Zealand's position in the region was maintained, and through its influence in the Forum, economic development was kept at the forefront.

Another political consideration taken into account was New Zealand's relations with the European Community (EC). An active Pacific role would make New Zealand more relevant to European countries with South Pacific interests. Sir Guy Powles also claimed that 'you have to be well thought of before you can trade'. By maintaining a fair trade balance in the Pacific, Wellington hoped that the EC might maintain a favourable trade balance with New Zealand.

Politically, improved trade in the Pacific was a means of maintaining a regional approach to the issue, and therefore supporting regional cooperation. Piddington claimed that 'the signature of the SPARTECA represented a genuine statement of political goodwill by Australia and New Zealand. In a sense, it was the point at which they paid up their membership dues and this had a positive effect in the mood of the Forum and on the general climate for regional cooperation. Security was also a prominent factor in New Zealand’s support for the agreement, as an economically secure, and therefore politically stable Pacific would deter any outside influences Wellington considered undesirable. The Government tried to help in the economic development of the island states and to increase trade between

66 Ken Piddington, South Pacific Forum: The First Fifteen Years, Suva: SPEC, 1985, p. 28.
South Pacific countries. It regarded this as an essential counterpart of continued peaceful political development. Bellam argued that, 'The moves toward a non-reciprocal free trade agreement between the Pacific islands, Australia and New Zealand, ostensibly to redress the balance of trade deficit by opening New Zealand and Australia markets to Pacific island goods, should be seen, at least in part, as diplomatic moves, taken to ensure their continued influence in the South Pacific.' The agreement, therefore, continued the government's policy of Soviet denial.

There were also economic advantages to New Zealand in the trade agreement. New Zealand's strong support of the faltering PFL ensured its assent to a free trade agreement with the islands as it made greater sense to have real two-way trade operating between New Zealand and the islands keeping freight rates down on return journeys. New Zealand's PIIDS had faltered under strict import controls, but Wellington believed a free trade agreement such as SPARTECA would ensure the schemes success, as New Zealand manufacturers producing goods in the Pacific would be assured of limited costs and a market in exporting the goods to New Zealand. SPARTECA therefore boosted interest in New Zealand's trade initiatives.

Nevertheless, New Zealand's response to the agreement was, according to Debreceny, somewhat guarded. It would appear that New Zealand was not as enthusiastic as it might have been. Muldoon's role was minimal and it was left to the Under-Secretary for Trade and Industry, in response to the Trade Ministers' initial consensus in June 1979, to observe that

The general thrust of those proposals is in harmony with the evolution of New Zealand's policies and commitment to promote the economic growth and development of the region .... In short, Mr Chairman, the New Zealand Government is prepared to enter into negotiations on the establishment of a comprehensive regional trade arrangement with, and in favour of, the Forum island countries.

In a cable to Fraser dated 23 June 1980, a month before the agreement was

70 ibid. p. 88.

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adopted by the Forum, Muldoon noted that the agreement '... takes what I see as a fairly liberal approach. Certainly it is as far as we could hope to go at this stage.' Publicly Muldoon maintained that the agreement would provide the impetus to developing exports from Forum island countries, and be a useful framework for trade and economic relations with the region. Muldoon concluded that it would be recalled as one of the most significant events in the region since the establishment of SPEC.

At the same time New Zealand was keen to highlight some of its own regional initiatives, in particular the Generalised System of Preferences (GSP) introduced in 1972, the Handicraft Scheme introduced around the same time, PIIDS and the Developing Countries Liaison Unit (DCLU). The latter two were Labour Government initiatives but introduced under a National Government in 1976 and 1977 respectively. While outside the Forum, these initiatives were concrete expressions of New Zealand's policy of regional and economic development in the South Pacific. The PIIDS scheme in particular got Muldoon's strong support. The scheme was aimed at encouraging New Zealand-based companies to set up approved manufacturing operations, restricted initially to Fiji, Tonga, Western Samoa, the Cook Islands and Niue, but later extended to Kiribati, Nauru, PNG, the Solomon Islands and Tuvalu. It offered companies a range of financial inducements, including interest-free loans, assistance with up to 50% of the cost of labour training programmes, feasibility studies, and the transfer of key personnel from New Zealand. It was thus hoped to foster economic development and employment opportunities in the Pacific to offset the fall in remittances from island immigrants in New Zealand. This factor ensured that the New Zealand Government would not abandon it lightly.

PIIDS was an example of the essentially pragmatic approach New Zealand took in this period in developing the trade and economic relations with the islands. SPARTECA was a continuation of this policy and a fundamental part of its success. In

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72 ABHS, 950, W4627, 301/14/5, Part 2, Archives New Zealand, Wellington Office.
74 The GSP was a 'unilateral and non-reciprocal lowering of tariffs'. Under the Handicrafts Scheme access to New Zealand is duty free but subject to import licence. Handicraft goods must be made by hand and not by machine. Neither have been examined in this chapter as both were initiated outside the period. For more on both schemes see Roger Debreceny 'New Zealand and the South Pacific: Trade and Aid' in T.J. Hearn (ed.), New Zealand and the South Pacific – The Papers of the Fifteenth Foreign Policy School 1980, Dunedin: University of Otago, 1981.
76 'First Steps in NZ's Big Move to Take Industry to the Islands' in Pacific Islands Monthly, May 1977, p. 57.
accepting or promoting such schemes New Zealand's interests were taken into account. The promotion of economic prosperity and social stability expanded New Zealand potential markets and assisted in securing a politically stable environment. The primary objective, however, of New Zealand's trade policies in and out of the Forum, was encouraging regional cooperation in the economic development of the Pacific. As a package with the PFL and the FFA these schemes provided a basis upon which South Pacific economic development could evolve.
Transport

New Zealand's support for a regional approach to transport reinforced its own commitment to the Forum and the region's economic development. The contradictory nature of the Pacific Forum Line's (PFL) objectives was the main issue in shipping, while in civil aviation, national and regional interests prevented a regional air service getting off the ground. This chapter analyses New Zealand's attitude to both issues and examines the factors that contributed to New Zealand's regional approach.

Shipping was a major concern at the inaugural Forum in 1971. Irregular and unreliable shipping had been one of the enduring obstacles to the economic development of the Pacific islands.77 As Nightingale maintains, 'It was only with the advent of a sense of regional identity, cemented by the formation of Pacific organisations, that coordination became practicable.'78 In 1973 the New Zealand Prime Minister Norman Kirk convened a conference at Waitangi to discuss Pacific shipping. The possibility of a regional shipping line was considered but left in abeyance until further reports were reviewed. In 1974 the South Pacific Regional Shipping Council was established but no further decisions were taken. At this preliminary stage New Zealand favoured a regional approach, firstly as a means of overcoming the Seamen's Union objections to cross-trading and their opposition to non-New Zealand crews. Secondly, as Australia maintained, 'as a means of expanding the operations of the Shipping Corporation of N.Z. and spreading the burden of the losses on maintaining services to the Cook Islands and Niue'.79 After further study the Regional Shipping Council recommended that immediate steps be taken to establish the PFL.

In 1976 the Forum resolved to establish the PFL 'which it is hoped will overcome, to some extent, the difficulties of uneconomic and irregular services as well as providing the island nations with a degree of control over their shipping needs'.80 The PFL was formed with the purpose of providing a facility geared to the shipping requirements of the Pacific islands. It was intended to service some of the smaller ports, to facilitate trade within the region and to serve routes not catered for by other shipping

79 ibid., p. 22.
80 ABKL, W4291, 66, 78/1/5, Part 5, Archives New Zealand, Wellington.
companies. The PFL was established to “operate so far as possible on a viable basis,” but the Line should also “provide in special circumstances and in the interests of the Pacific region, shipping services designed to meet the special requirements of a particular area.” The PFL’s Memorandum of Understanding included ‘what in hindsight proved to be mutually contradictory objectives – to provide service to and from isolated Pacific island nations and to be a self-sufficient, profitable commercial operation’.

The PFL did not prove to be financially viable in the period 1976-1983. Despite this New Zealand’s support of the Line was unstinting. New Zealand provided a vessel at a subsidised rate, made cash grants, and guaranteed the Line with overdraft facilities. In March 1984 Treasury officials estimated New Zealand’s contribution to the PFL to have amounted to $44.4 million. Wellington also went to great lengths to gather support for the Line from outside the region and was successful in persuading Germany to support it financially. New Zealand also approached the Asian Development Bank for funding and the European Community (EC) for containers. In fact it has been claimed that the PFL would have been wound up were it not for the financial and political support of New Zealand and the Prime Minister Robert Muldoon.


84 Nightingale, p. 73.
There were a number of factors involved in New Zealand and Muldoon's strong support of the Line.

New Zealand's support for the PFL was first and foremost a demonstration of the value of regional cooperation and the South Pacific Forum. Wellington ensured that the Pacific islands were reminded of the original thinking behind the PFL, 'its role as a practical venture in regional cooperation', which New Zealand felt was in some danger of being lost. 86 A contemporary observer claimed that New Zealand's support of the Line was part of 'Muldoon's determination to see that the South Pacific pulls together as a region'. 87 Muldoon himself wrote that 'the Pacific Forum Line is an important regional initiative which we very much wish to succeed'. 88 The Ministry of Foreign Affairs' end-of-year report claimed that 'New Zealand is a warm supporter of the PFL, believing that quite apart from its intrinsic value in providing services to isolated Pacific countries it is an example of the sort of co-operation essential to the well-being of the South Pacific as a whole'. 89 Support of the Forum Line was a measure of the members' commitment to regional cooperation and the Forum. Muldoon also considered that 'the collapse of the Forum would be far more significant than the end of a shipping line because it was the first tangible effort at regional co-operation which the South Pacific Forum had initiated'. 90 New Zealand felt that the failure of PFL would discourage regional initiatives in other areas of the South Pacific, particularly in civil aviation, hence New Zealand's strong support of the regional initiative.

New Zealand was also aware that other Pacific islands, whose friendship in the Forum it valued, such as Western Samoa, were using the Line as a test case for the continued effectiveness of the Forum. 91 New Zealand's own participation was 'regarded as the principal measure of our concern to accelerate their [the Pacific islands] development and to promote economic integration on a regional basis'. 92 The withdrawal of New Zealand, the Line's principal financial supporter, would in the words of one official, 'throw into doubt ... the credibility of New Zealand's efforts to bolster its

86 ABKL, W4291, 66, 78/1/5, Part 5, Archives New Zealand, Wellington.
88 ABHS, 18069, BRU 301/2/1, Part 1, Archives New Zealand, Wellington.
91 ABKL, W4291, 66, 78/1/5, Part 5, Archives New Zealand, Wellington.
economic, political, defence and strategic relations in the region'.

A Forum shipping line also ensured that the Pacific islands were able to plan their economic development. New Zealand argued that commercial enterprises in the field of shipping in the Pacific were uneven, and were by no means geared to the true interests of all the communities they were serving. New Zealand was concerned that the smaller countries would be by-passed should commercial shipping be solely relied upon. In that event, the Pacific islands 'could not plan their economic development with confidence'. Wellington was concerned to promote the economic development of the region. Muldoon claimed that 'A vital requirement for the development of the island nations of the South Pacific is the promotion of trade in the region through the provision of adequate transportation services.' He believed that regular shipping was the key to the economies of the independent island states. As a package with Pacific Islands Development Scheme (PIIDS) and South Pacific Regional Trade and Economic Cooperation Agreement (SPARTECA), the PFL was seen as providing the preconditions for the economic development of the South Pacific. New Zealand in fact places great weight on the importance of shipping for the development of the economics of the South Pacific islands. According to Gustafson the importance of reliable shipping in the region to encourage trade instead of aid was of particular concern to Muldoon.

New Zealand's own trading interests were also taken into account as Wellington recognised that its trade with the islands could only improve with a more efficient and reliable service. The Ministry of Foreign Affairs commented, 'No less important has been the assumption that a viable regional line should benefit our substantial trade with the South Pacific countries principally by the rationalization of existing services. Our participation in the line would almost certainly help increase the value of that trade.' The 1977 Shipping Survey noted that the region as a whole, while not growing quickly,
was one of New Zealand's top ten export destinations.\textsuperscript{101} One of the reasons for Australia's reluctance to support the Line was that it was largely New Zealand's trading interests that were served by the Line.

Another factor influencing New Zealand's policy was its maritime unions' ban on cross-trading, which had initially forestalled the establishment of the Line. This meant that a national shipping line of the South Pacific was not a viable option. The PFL, however, established 'a framework in which the maximum possible degree of island involvement in regional shipping services to New Zealand could be complemented by the maximum degree of cooperation from the New Zealand maritime unions'.\textsuperscript{102} The PFL comprised a New Zealand-crewed ship and, in agreement with the New Zealand maritime unions, cross-trading could now occur. This enabled New Zealand to support the South Pacific in trade matters. Any failure on the part of the PFL would mean a return to competing national and sectional interests, hence in part New Zealand's continued support of the troubled line. A brief, written for the New Zealand delegation in 1980, commented that the PFL had provided a solution to a potentially serious regional industrial problem.\textsuperscript{103} Muldoon recognised this point and wrote in 1980 that, 'The line as a regional venture has also provided a means of compromise among diverse national and sectional interests that might otherwise have been the cause of differences among us.'\textsuperscript{104} Australia claimed that New Zealand's commitment to the Line was dictated

\textsuperscript{101}Nightingale, p. 36.
\textsuperscript{102}ABKL, W4291, 2/7/92/2, Part 6, Box 66, Archives New Zealand, Wellington.
\textsuperscript{103}ABHS, 950/W4627, 301/14/5, Part 2, Archives New Zealand, Wellington.
\textsuperscript{104}ABHS, 950/W4627, 301/14/5, Part 2, Archives New Zealand, Wellington.
first and foremost by necessity and self-interest. As the unions would ensure that a national shipping line engaged in Pacific trade would be blacklisted should the PFL fail, 'We believe it cannot do other than support the Line to the last gasp.'

As the headquarters of the shipping operators previously active in the region, New Zealand had received various complaints about inadequate services and/or high freight rates from its traditional Pacific island partners. A return to commercial ventures in the region would, as with the maritime union issue, damage New Zealand-Pacific relations. A Ministry of Transport report maintained that the demise of the Line would likely see shipping become a contentious bilateral issue with island governments. 'Any deterioration in services or increases in freight rates could see the onus for improvements directed at New Zealand.' The PFL provided the necessary mechanism for Pacific trade and enabled costs to be spread.

New Zealand's commitment to the PFL helped this form of regional co-operation in the South Pacific to survive. Its commitment to a regional approach in civil aviation, however, was less successful.

Civil aviation in the Pacific was another means by which isolated Pacific islands became part of the regional and international community. 'Indeed, possession of a modern air service not only unifies scattered islands into a more governable entity, but also links them to the outside world.' At the same time, ownership of an airline was seen as an assertion of nationhood. Consequently, the further decolonisation of the South Pacific served to increase the disparity between individual national and commercial interests and the interests of the region as a whole. This disparity was the main issue New Zealand wrestled with in civil aviation. Throughout the period it sought to generate a regional approach and to encourage discussion within the Forum rather than on a bilateral basis. There were a number of factors New Zealand took into account in adopting this approach, including its own and its traditional Pacific partners' interests.

A single regional airline, to replace the increasing competition amongst islands, was discussed in 1971 at the inaugural South Pacific Forum. Members, however, were unsure of the role the Forum should play. As with shipping, the region's ability to successfully form a regional airline was regarded as a test case for the continued

105Nightingale, p. 45.
106ABHS, 6971, W4630, Box 127, Archives New Zealand, Wellington.
effectiveness of the Forum. Fiji, a strong supporter of a regional airline, maintained that failure to solve the problem would lead to the Forum becoming nothing more than a talking shop. 'The South Pacific Forum will stand or fall on civil aviation.' In August 1974 New Zealand proposed the establishment of a regional airline, by combining Polynesian Airlines (owned by Western Samoa and Tonga) and Air Pacific (owned by Fiji) 'only to see independent states launch their own airlines and fly into prohibitive costs'. From then on Forum members recognised that due to national aspirations a single regional airline, while still discussed as a matter of course would not eventuate. Later on, 'the chequered course of the PFL gave pause to those who might have been enthusiastic about a commercial airline operating on a region-wide basis'. According to Inder, this was one aspect on which the Pacific islands all agreed - nobody wanted a Flying Forum Line.

The failure to establish a single regional airline left New Zealand in an exposed position, as route allocation and reciprocal landing rights between it and the Pacific islands became a major issue. Individual national and commercial, not regional interests continued to dominate discussions in the Forum. Nevertheless, according to a Ministry of Transport civil aviation overview, 'The thrust of New Zealand's general approach to any civil aviation matters which do arise is that emphasis be given to regional cooperation to ensure the best possible integrated network of air services.' New Zealand sought to use the Forum to encourage discussion on a rationalisation of services in the Pacific. There were a number of reasons for this approach.

New Zealand had a distinct financial interest in the development of civil aviation. As well as involvement with two of the Pacific's own regional airlines, Polynesian Airlines and Air Pacific, its own national airline, Air New Zealand, flew through the Pacific. In order to obtain better landing rights for its own airline it was in Wellington's interests to support a rationalisation of services through regional cooperation at the Forum. At that time, New Zealand stood to gain from a reallocation of routes that could only occur on a multilateral basis, such as in the Forum.

112Ministry of Transport, Civil Aviation Overview, Ministry of Foreign Affairs and Trade Archives, Wellington.
New Zealand was also responsible for the airports at Niue and the Cook Islands. 'Co-operation in the field of civil aviation, was described as insurmountable, as the island and metropolitan governments supported the airlines based in their countries and used the control of landing rights as bargaining counters.' New Zealand not only had to deal with the landing rights at Auckland airport but those in Niue and the Cook Islands for which it was responsible. While it had to get the best deal for those countries, it also had to be aware of its traditional links with those Pacific islands such as Western Samoa that were also in a position to ask New Zealand for special treatment. A rationalisation of services, including controversial landing rights, would get New Zealand off the hook.

New Zealand was also convinced that the Australian airline Ansett was attempting to force its way into the lucrative Tasman and Pacific markets. Fiji, Nauru, and New Zealand, with their own national airlines, were concerned about the inroads that Ansett was making into the region through its links with Air Vanuatu and Polynesian Airlines. Muldoon was concerned at the Australian Prime Minister publicly lobbying for Ansett within the Forum. 'In the discussion on civil aviation I found it somewhat disturbing that the Australian Prime Minister thought it necessary to defend with some vigour the efforts of Ansett Airlines to establish itself in the island region.'

By focussing the Forum on regional cooperation in civil aviation New Zealand believed a reasonable alternative could be developed to the expanding operation of Ansett in the Tasman and in the guise of national carriers such as Polynesian airlines and Air Vanuatu in the Pacific.

The issue of Soviet denial also contributed to Wellington's approach. 'Nothing seems to have more status among developing nations than to have one's own international airline along with an international airport.' The USSR recognised this and offered to finance the building or extension of an international airport in one or more of the islands in return for gaining fishing rights in the Pacific. New Zealand was therefore keen to foster regional initiatives in civil aviation in order to discourage Pacific involvement with the Soviet Union.

113 Tom Smith, 'South Pacific Regional Cooperation' in NZIR, July/August 1977, p. 31.
114 ABHS, 950, Box 4370 301/14/1, Part 3, Archives New Zealand, Wellington.
115 Ministry of Transport, Civil Aviation Overview, Ministry of Foreign Affairs and Trade Archives, Wellington.
116 'Power Political Overshadow Domestic Affairs at Forum' in Marlborough Express, 24 July 1976, in AAXO, W3694, Box 143, Folder 4, Archives New Zealand, Wellington.
In 1982 the Forum agreed to a proposal from the Regional Civil Aviation Council to have a study made of regional cooperation in the field of civil aviation with very broad terms of reference. Inder noted the New Zealand delegation's interest in the regional overview.\textsuperscript{117} Muldoon, however, did not expect much to come from it and wrote to Cabinet, 'I do not at present detect any strong inclinations among island governments to promote rationalisation of aviation services in the South Pacific, still less the creation of a single regional airline.'\textsuperscript{118} Muldoon was correct as bilateral negotiations continued amongst Pacific Islands and the review never occurred.

The transport issues measured the commitment of the island partners to the principle of regional cooperation in its widest sense, as both shipping and civil aviation provided a practical demonstration of the achievements of the Forum. The success of the PFL and a regional air service would have guaranteed a strengthening of the cooperative effect that New Zealand endeavoured to encourage. In aviation, however, New Zealand encountered difficulties with its Forum partners in harmonising a regional approach. Aviation policy in the South Pacific Forum remained dominated by individual national and commercial, not regional, interests. New Zealand, however, continued to emphasise regional cooperation in the aviation sector as it stood to gain from a rationalisation of services. Cooperation in aviation also ensured that the Soviets were excluded from contributing and therefore influencing Pacific islands. New Zealand's support of the PFL was based on three main factors: the desirability of improving Pacific shipping services in order to accelerate economic development in the region, to establish a tangible manifestation of regional cooperation and to provide a framework upon which the Forum and New Zealand's maritime unions could work from. These factors ensured the overall maintenance of New Zealand's credibility in the Forum and its continuing influence therein.

\textsuperscript{117}Stuart Inder, '13\textsuperscript{th} South Pacific Forum Meeting: What They Did in Rotorua' in \textit{Pacific Islands Monthly}, October 1982, p. 47.
\textsuperscript{118}ABHS, 950, Box 4370 301/14/1, Part 3, Archives New Zealand, Wellington.
The development of the fishing industry in the Pacific was crucial for the economic growth of the region. The consequences for the region of the Law of the Sea Conferences (LOS) and the resulting 200-mile exclusive economic zones (EEZ) provided the Forum with opportunities that had not existed upon its establishment in 1971. This chapter examines the development of the Forum Fisheries Agency (FFA) and explores the reasons for New Zealand's support of the EEZ and a fisheries agency. The chapter then considers some of the issues that New Zealand dealt with and the different attitudes of Muldoon and Foreign Affairs.

The United Nations' (UN) Conferences on the LOS run throughout the 1970s were expected to produce a comprehensive treaty bringing together all aspects of maritime law. The LOS conventions were designed to update and codify traditional maritime law while giving legal form to revolutionary new concepts such as the EEZ and incorporating them within existing elements into one comprehensive instrument. The EEZ extended coastal state ownership of all living resources for 200 nautical miles and provided the basis upon which countries could determine the allowable catch of such resources, and subsequently gain revenue from the Distant Water Fishing Nations (DWFN).

Although the final UN Convention on the LOS was not completed and opened for signature until December 1982, its development gave the island states a legal and political impetus for the establishment of cooperation in fisheries. In 1976 Fiji and Papua New Guinea (PNG) introduced papers at the Forum that proposed a regional approach to the issue. The following year Forum members agreed to establish 200-mile fishing or economic zones for each habitable island, a move that would enable the members to exact payments from DWFN. New Zealand took an active role in drafting the Forum's declaration on the LOS and, according to Wallace, seemed highly pleased with the result. In 1976 the Forum agreed to proceed with the establishment of a regional fisheries agency. In 1978 the South Pacific Bureau for Economic Cooperation
(SPEC), in consultation with South Pacific Commission (SPC), produced a draft convention for the establishment of a regional fisheries agency that allowed DWFN membership of the agency. Forum members, however, chose not to adopt the convention. Instead a Forum Fisheries Agency (FFA) was established, limited in the first instance to Forum members. The agency was designed to pool resources in the collection of statistical information and 'to promote joint action in the area of control, management and marketing of the resource, surveillance and policing of the zone and relations with distant water fishing countries'.

The development of LOS and the subsequent establishment of the EEZs and the FFA focussed attention on the Pacific and its resources, and created additional issues for New Zealand in the Forum. The first was the increased attention the Pacific received from the Soviet Union. 'For both the Australian and New Zealand governments LOS was inextricably bound up with the Soviet attempts to establish fishing bases in the South Pacific.' The Soviet Union approached both Tonga and Western Samoa for fishing rights and facilities in return for specific aid initiatives such as airport facilities and dockyards. This attempt to gain rights to the Pacific before the LOS was signed caused some concern in Wellington. New Zealand and its ANZUS partners responded with a policy of Soviet denial. By increasing aid, trade and transport to the South Pacific, by further developing and encouraging regional cooperation in the region and by supporting such regional developments as the PFL and the proposed fisheries agency, Wellington hoped to discourage the Pacific islands' acceptance of Soviet participation in the regions affairs. New Zealand also got an understanding from a Soviet delegation in 1977 that should the Soviet Union obtain satisfactory port facilities in New Zealand they would not look for any further facilities in the Pacific. An agreement was signed between the two countries in April 1978. New Zealand was understandably accused of being hypocritical and paternalistic in the manner in which it handled the issue. Wellington's primary concern was to exclude Soviet influence from areas of the Pacific that it saw as more vulnerable to subversion than New Zealand itself, thereby fulfilling

123James Tully, 'Tension in the South Pacific' in New Zealand International Relations, Jan/Feb 1979, p.8.
124Soviet officials had approached both Labour and National Governments in 1975 and 1976 respectively about obtaining port facilities in New Zealand, but, access was denied until an approach was made to Tonga and Western Samoa. It is interesting to note that the Soviet delegation approached the two islands in the Pacific most affected by Australia and New Zealand's immigration policies of the 1970s.
what it saw as its strategic responsibilities in the Pacific as implied in the Nixon doctrine.

Membership of the proposed regional fisheries agency, also created complications for New Zealand. According to the 1977 'Declaration on Law of the Sea and a Regional Fisheries Agency' produced by the Forum, the agency would be open to 'all Forum countries and all countries in the South Pacific with coastal interests in the region who support the sovereign rights of the coastal state to conserve and manage living resources, including highly migratory species, in its 200 mile zone.' In 1978, however, the proposed agency was rejected by Forum members. It was generally felt that a wider membership might complicate the agency's operations. There was also concern about the conflicts of interests which might occur should DWFN choose to join. According to Herr, the decision to exclude DWFN from the FFA set the tone for the Forum's attitude toward non-regional participation in regional organisations until 1988. The dilemma over DWFN participation and membership of the agency was heightened by the fact that the islands themselves were unable to fully exploit their own resources, so exploitation through DWFNs offered the only short-term means of earning an income from the islands' most valuable resource. Given the large area in which DWFNs could fish, the islands also faced difficulties in policing the zones. DWFN membership of the agency might help supply the means of doing so. Yet there was concern over United States membership and in particular Washington's refusal to recognise the right of the Pacific islands to gather income from highly profitable migratory fish, such as tuna. It was also feared that United States membership would lead to a focus on technical aspects of fisheries management at the expense of the economic concerns of South Pacific island countries.

Early on New Zealand regarded US membership of the agency as essential. '...given the highly migratory nature of the principal fisheries resource it will not be practical to limit membership of any agency to independent South Pacific countries. There is a need to include, and cooperate with both the French and the Americans and their dependent territories.' In a cable to Canberra, Foreign Affairs advanced the view that United States membership of the agency was essential due to the highly migratory nature of the principal fisheries resource. It was felt that it would not be practical to limit membership of any agency to independent South Pacific countries. There is a need to include, and cooperate with both the French and the Americans and their dependent territories. This was highlighted in a cable from New Zealand to Canberra, stating that US membership of the agency was essential due to the highly migratory nature of the principal fisheries resource. It was felt that it would not be practical to limit membership of any agency to independent South Pacific countries. There is a need to include, and cooperate with both the French and the Americans and their dependent territories.

127 ABHS, 950, 301/4/2/1, Box 4355, Part 14, Archives New Zealand, Wellington.
that the agency, if it was to work properly, must be bigger than either SPEC or SPC and must involve non-Forum countries.\textsuperscript{128} This stance was contrary to Muldoon's earlier attitude when he advocated keeping the Forum and its organisations small and manageable. When an agency was first discussed, Muldoon had proposed a small but efficient body, able to call on expertise from outside, 'but whose sole function is to advise and coordinate the actions of the South Pacific governments'.\textsuperscript{129} Following the 1977 Forum, Muldoon noted that no Pacific island was willing to risk its sovereign rights over the fish stocks for metropolitan membership of an agency. Muldoon continued,

I agreed fully with the view that the agency should be restricted to those who had the interest of the South Pacific uppermost. I had doubts about direct French and American participation: we have enough problems in our own relationship with the French without adding a potential argument over fish. It is questionable whether the Americans are likely in the short term to place South Pacific concerns ahead of those of their domestic tuna fishing lobby.\textsuperscript{130}

In 1978 Foreign Affairs reiterated its own attitude, stating that 'New Zealand's support for the draft convention was based on the conviction that sovereignty over zones would be enhanced, not diminished, by American accession to a treaty which would override its domestic legislation.'\textsuperscript{131} New Zealand was also aware that sanctions for violation of the zones would be easier to apply if the United States was included in the agency. Further, the United States had the largest naval capacity in the region and had the potential to supply assistance with surveillance that New Zealand and Australia could not offer. By October 1978 Muldoon had altered his position and wrote in the Prime Minister's Report, 'I was reluctant that the Forum should draw back from the approach [to include United States in membership of agency]... since this provided the only means by which Forum countries were likely to be able to exact payment from United States' tuna fishermen operating in their 200-mile zones.'\textsuperscript{132} As members of ANZUS both New Zealand and Australia were reluctant to cut across United States interests. New Zealand in particular was concerned that the poorer states, such as Western Samoa and the Cook Islands, both of which it had a special responsibility for, would miss out on opportunities for substantial revenue earnings if a wider membership of the agency,

\begin{footnotes}
\item ABHS, 950, 301/4/2/1, Box 4355, Part 14, Archives New Zealand, Wellington.
\item ABHS, 950, 301/4/2/2/1, Box 4356, Part 3, Archives New Zealand, Wellington.
\item ABHS, 950, 301/4/2/1, Box 4355, Part 14, Archives New Zealand, Wellington.
\item ABHS, 950, 301/4/2/1, Box 4355, Part 16, Archives New Zealand, Wellington.
\item ABHS, 18069, W5402, Box 11, BRU 301/2/1, Part 1, Archives New Zealand, Wellington.
\end{footnotes}
including the United States, was not agreed upon. New Zealand was also aware that Western Samoa’s willingness to cooperate in the Forum was threatened if the United States was not included in the agency. New Zealand believed that wider membership of the agency would ensure an accommodation could be reached between the DWFNs and the Pacific island members. Wellington was also aware that DWFN’s membership of the agency would ease New Zealand’s burden in contributing to the agency’s budget, a third of which New Zealand would eventually pay.

Wellington officials, however, began to realise that New Zealand’s position was threatened in the Forum if it continued to resist a fisheries agency with limited membership. Officials also questioned New Zealand’s role as an interlocutor and wrote that ‘If the Americans wish to have Fiji – and to a lesser extent the other opponents – change their assessment of United States motives … it is important that they find the occasion to speak to them direct and at a senior level’. In order to make progress on the issue Muldoon proposed an agency limited in the first instance to Forum membership. Australia took a similar approach and the meeting adopted a resolution to this effect. Nevertheless, New Zealand still worked towards the establishment of a regional fisheries agency with wider membership, though it was ultimately unsuccessful. Ironically, Muldoon’s original objective of forming a small but efficient body was realised.

In 1978 the FFA was established, but the United States’ refusal to recognise the Forum islands’ right to command fees for migratory fishing rights caused some damage to the relationship between the islands and the United States, damage that was increased when Washington refused to sign the UN Law of the Sea Declaration in 1982. ’The failure of the United States to ratify the Law of the Sea opened up a breach between it and the Forum states, including Australia and New Zealand.’ Not only did the decision undermine the position that the Forum and New Zealand had hoped to command in the Pacific with regard to fishing, but it also led to the Pacific islands questioning the United States’ commitment to the region. Wellington was concerned that Pacific island states would no longer be sympathetic to western interests and ideals and noted that ‘a recognition of the rights of these countries to exploit tuna resources is essential to the

133ABHS, 950, 301/4/2/1, Box 4355, Part 16, Archives New Zealand, Wellington.
maintenance of goodwill'. New Zealand actively supported the development of both the EEZ and a fisheries agency for a number of reasons. Firstly it would be 'highly advantaged' by the establishment of the EEZ and its own zone had the potential to become one of the largest. By supporting the development of the EEZ at the LOS conferences and in the Forum, New Zealand was pursuing a strong national interest, but, as Templeton argues, it was an interest shared with a number of island states in the South Pacific for whose welfare New Zealand felt responsible.

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Like the development of the Pacific Forum Line (PFL), the establishment of the agency constituted a major step forward in economic co-operation in the region. New Zealand considered that a regional approach to the issue reinforced the concept and value of regional cooperation in the Forum, and ensured a maximisation of benefits.

The zone and agency also rendered the Pacific states more important than their small size would normally dictate, and made developments in the region of prime concern to the governments of most countries bordering the Pacific. Muldoon in particular viewed outside participation in the region as a good thing and welcomed the zone and agency as a means of increasing involvement in the region from New Zealand's allies. Muldoon was especially interested in increasing the United States interest in the South Pacific and used the 200-mile economic zones as a way of doing this. 'I gave President Carter a map of the South Pacific with those 200-mile circles drawn on it. Very little free water is left. He was impressed, ... and this is why the Americans are taking a closer interest in the South Pacific.'

135Ibid., p. 270.
136Ibid., p. 269-70.
137Templeton, 1999, p. 75.
140New Zealand Parliamentary Debates, Volume 419, 1 August 1978, p. 2230.
The prospects of increased revenue from the licensing and fishing rights within the zones was also a factor. Muldoon sought to take a tough line in using the fishing resources around New Zealand's own coasts as a bargaining counter for trade rights – especially with the Japanese.\textsuperscript{141} Wallace alleges that one of the motives for New Zealand leading the way in the establishment of an agency was to ensure that the South Pacific states took a uniform approach to the awarding of access to the vast 200-mile zones they all controlled, so that the Japanese could be warned that intransigence over trade could mean further exclusions.\textsuperscript{142} New Zealand's stand against the Japanese had the potential to be strengthened if the Pacific countries adopted a common policy toward foreign nations' rights to fish the zones. Though Muldoon denied that New Zealand would use the Forum to help its case against the Japanese in the fishing-rights-for-trade-concessions negotiations, he put great emphasis on a common approach. As early as

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September 1976, Muldoon wrote to Tupuola Efi, 'Our national interests must be protected and if we are to ensure the resources are wisely managed we have to put ourselves in the strongest bargaining position.' He continued, 'I will not hide that New Zealand's capacity to protect, conserve and manage its marine resources will be enhanced enormously if our neighbours in the Pacific jointly share the effort. We need you. ... our national interests will be best served by a cooperative effort'.

The declaration of the EEZ, the political changes within the countries of the region, and the increased attractiveness of the South Pacific as a fishing ground had rendered the Pacific states more important than their small size would normally dictate, and had made developments in the South Pacific region of significant concern to the governments of countries bordering the Pacific. New Zealand welcomed the development of a fisheries agency because it reinforced the value of regional cooperation in the Pacific, continued New Zealand's policy of Soviet denial and was a means of increasing what New Zealand saw as desirable outside participation in the region. It is clear, however, that Foreign Affairs' stance and Muldoon's differed with respect to the size of the agency and the value of United States membership. Muldoon was eventually convinced by Foreign Affairs arguments to seek the inclusion of Washington, though ironically a small agency was created much like the one Muldoon had advocated in 1976.

143ABHS, 950, 301/4/2/1, Box 4355, Part 13, Archives New Zealand, Wellington.
Nuclear Concerns

Nuclear issues were regularly on the Forum's agenda. Discussions about a South Pacific nuclear-free zone (SPNFZ) were prominent at both the 1976 and 1983 Forums and nuclear-waste dumping and nuclear testing kept the issue at the forefront in the meantime. Although New Zealand acknowledged Pacific apprehensions about nuclear issues, its attitude was often contrary to that of a majority of its Forum partners. This was based almost solely upon its interests beyond the Pacific and concerns regarding its ANZUS partners. This chapter examines the nuclear issues New Zealand dealt with in the Forum and explores some of the factors involved in New Zealand's attitude.

At the 1975 Forum New Zealand's Labour Government supported a proposal for a SPNFZ to be included in the United Nations' (UN) agenda. Later that year the newly elected National Government withdrew New Zealand's support for the concept, ironically after the item had been introduced and accepted at the UN. Early in 1976, New Zealand's Minister of Foreign Affairs Brian Talboys contacted the governments of the independent states of the South Pacific and announced that Wellington was no longer willing to support the SPNFZ as it was set out in the 1975 proposal. New Zealand was instrumental in organising an early and informal Forum meeting in Rotorua at the South Pacific Arts Festival essentially to discuss the nuclear-free zone issue. The Government was keen to steer the island countries away from any 'unprofitable' development of the initiative, and to assuage their feelings. Wellington officials felt that the islands might consider it important to persevere with the zone as a means of keeping pressure on the French and were ready to concede that there might not be much scope for common ground.145 Australia and New Zealand, however, received assurances from Forum members that any future agreement regarding a SPNFZ would respect the principle of freedom of navigation on the high seas and would not be incompatible with existing security arrangements in the region. Nevertheless, Muldoon privately made clear his concern that the initiative should go no further.146 The 1976 Forum decision not to pursue the issue was seen as a genuine compromise by both the Pacific leaders and New Zealand. Foreign Affairs recognised that had it gone another way the zone issue

145ABHS, 950, 301/14/5 Part 1, Archives New Zealand, Wellington.
was 'sufficiently divisive to have undermined the Forum as an institution.'\textsuperscript{147} It was important for both Wellington and Canberra that the resolution be accepted by all parties as the goodwill of the independent Pacific islands was important for the strategic balance of the region. At the following Forum meeting in July 1976, no mention was made of the nuclear issue and Muldoon wrote in his Cabinet report that, as a regional issue, the concept was dead.\textsuperscript{148}

There were a number of factors involved in New Zealand's decision not to support the SPNFZ.

The National Government's attitude to the concept of a South Pacific nuclear-free zone was closely linked to its perception of the vital role of ANZUS.\textsuperscript{149} As Alley contends, New Zealand had endorsed Forum apprehensions about nuclear issues in the South Pacific. Equally, though, it had been less forthcoming in support of any measures seen as compromising ANZUS links with Australia and the United States.\textsuperscript{150} The 1975 proposal had left undefined important questions regarding geographical delimitations and transit rights. National concluded that it would exclude nuclear-powered ships as well as those armed with nuclear weapons and feared that the proposal would result in the loss of its ANZUS membership.\textsuperscript{151} The decision not to support Labour's initiative was primarily based on its concern not to upset the smooth functioning of the ANZUS alliance.

While the 1975 National Party Manifesto made no reference to the SPNFZ, it did refer specifically to the ANZUS pact and its central role in developing New Zealand's vital political, economic and technological interests, 'as well as our security interests'.\textsuperscript{152} The 1978 Defence Review maintained the value of ANZUS to New Zealand reflected the vital role of the United States as the leader of the west. It also underlined the value New Zealand placed on access to Washington 'particularly in matters of trade, Pacific affairs, defence and general political consultation...'.\textsuperscript{153} ANZUS provided a means of access to Washington that Wellington might not have otherwise had. The perception,
therefore, was that ANZUS was more than a security agreement, being also linked to New Zealand's own economic and trading interests. Hoadley suggests that there were hints that a SPNFZ might reduce the United States willingness to trade favourably with New Zealand.\(^{154}\) Muldoon was also aware that Washington's interest in the Pacific and its development needs would be further reduced if the United States lost the freedom of the high seas in the Pacific. 'Part of the Muldoon rationale ... is to counter what he describes as "the tendency of the United States to say, 'There is nothing down in the South Pacific so we can ignore that part of the world'".'\(^{155}\) The National Government was not prepared to risk New Zealand's access to the most powerful western leader and any future trading ventures with it.

The New Zealand decision not to support the SPNFZ concept followed a perceived increase in Soviet activity in the South Pacific. Wellington believed that support of the zone would signal to Moscow a disturbing fissure in a vital western alliance. The maintenance of close relations with the United States was therefore a priority of the National Government. The United States presence in the Pacific region was seen as vital both as a form of Soviet denial and as a deterrent force to others, such as Libya and China, that might be considering a more powerful presence in the region. A New Zealand Government Green Paper asserted that 'in a world of nuclear weapon states, states without them [nuclear weapons] enhance their security by alliance with those who have them.'\(^{156}\) Wellington also argued that in the unlikely event of an attack on New Zealand, the exclusion of the United States Navy from the South Pacific would drastically reduce the ANZUS partners' ability to defend New Zealand effectively.

The National Government's perception of New Zealand's responsibilities towards the United States differed from previous governments. Wellington was aware of the precedent that might be set should the Forum refuse United States entry to Pacific waters. According to a contemporary writer, the United States was having second thoughts about bearing so much of the burden of overseas defence.\(^{157}\) It is clear that

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Muldoon was also aware of the 'isolationist' currents within the United States when he argued that, 'There are great pressures in the United States that external pacts and alliances should cease.' He continued, 'It is very important for us that we should make it clear that we want to be in ANZUS and that we will carry out our obligations.'\textsuperscript{158} Muldoon was also clear on the disadvantages of a SPNFZ when writing in confidential government papers. He said that because of the strong anti-military lobby in the United States, it was dangerous for New Zealand to be taking steps that would give support to the lobby and that would result in a run-down in United States military strength, which guaranteed the security of the region.\textsuperscript{159}

Contemporary sources cited direct US pressure on New Zealand to have the 1975 policy amended.\textsuperscript{160} The New Zealand Government denied these allegations, though Alley maintains that the new provisos Wellington put forward were those consistently advanced by the United States.\textsuperscript{161} Muldoon also accused former Prime Minister Bill Rowling of not telling the truth about American opposition to New Zealand's policy on nuclear ships. Muldoon cited a Ministry of Defence paper that claimed there was opposition to the policy at an officials' level in both Australia and New Zealand.\textsuperscript{162} Muldoon and his Government were aware of the United States opposition to the SPNFZ policy and it seems likely that Washington's attitude was taken into account in the National Government's stance, though whether direct pressure was applied is less clear.

Muldoon was also quick to cite publicly the impracticality of the zone, and told the UN Secretary-General 'we are taking a rather more realistic attitude towards it than the previous government. Until such time as there is an indication that the great powers and the nuclear powers are likely to respect it, there is little point in making a gesture which can't be translated into reality.'\textsuperscript{163} In all foreign affairs matters Muldoon was determined to take what he saw as a realistic attitude. Muldoon stressed that the National Government would continue to support any resolutions to 'move towards' anything that was nuclear-free. However, he also assured the United States and Australia

\textsuperscript{158} 'Compromise by Forum on Nuclear-Zone Issue' New Zealand Herald, 10 March 1976, p. 3.
\textsuperscript{159} ABHS, 950, 301/4/2/2/1 Part 3, Archives New Zealand, Wellington.
\textsuperscript{160} Richard Long, 'Islands Soft-Pedal Nuclear-Free Claims' Dominion, 10 March 1976, p. 1, and 'Compromise by Forum on Nuclear Issue' New Zealand Herald, 10 March 1976, p. 3.
\textsuperscript{161} Alley, 1984, p. 146.
\textsuperscript{162} Rowling Stands by Nuclear Claim' Dominion, 10 March 1976, p. 3.
\textsuperscript{163} Rod Alley, 'Disarmament and New Zealand Foreign Policy' in John Henderson, Keith Jackson and Richard Kennaway (eds), Beyond New Zealand: The Foreign Policy of a Small State, Auckland: Methuen, 1980, p. 113.
that the National Government considered the idea of a SPNFZ as both impracticable and inconsistent with the objectives and provisions of the ANZUS treaty.\textsuperscript{164}

A change of approach on the nuclear issue occurred in 1978. The UN's Special Session and Latin America's earlier declaration of a nuclear-free zone had redirected attention back to the issue both in the UN and the Forum. Wellington detected a possible return to the earlier nuclear-free zone proposal in the Forum and was also aware that Fiji was considering seeking Forum support in the UN for a SPNFZ. The United States change of stance towards nuclear-free zones demonstrated at the UN's Special Session on Disarmament in 1978 and the Vice-President's speech regarding expanding nuclear-free zones as a means of limiting the spread of nuclear weapons brought about a reconsideration of the nuclear issue by officials.

In light of these developments, Wellington considered the possibility of supporting a nuclear-free zone in the South Pacific. They believed that support for the zone would be feasible within the terms of the Rotorua agreement. The zone would be limited to the land territory and coastal waters of member states, it would permit the transit of nuclear-armed warships and would be in accordance with existing international laws concerning freedom of the high seas, all of which would be in line with the provisos set out by the United States in 1976.\textsuperscript{165} With its current relaxed approach, the US was expected to take a benevolent though unenthusiastic attitude to the proposal.\textsuperscript{166}

Wellington officials also believed that a broad ban on all nuclear weapons in the South Pacific was preferable to a specific attack on France. By insisting that it was seeking a broad ban, New Zealand believed it would be able to maintain a working relationship with France that was paramount, given the central role of France in the European Community (EC) where New Zealand's key trading interests lay. Though Wellington was prepared to support a proposal should it be raised, it was not willing for New Zealand to take it to the UN as it had done in 1976. New Zealand's response to a proposed nuclear-free zone, however, was not tested at the 1978 Forum as no Pacific island introduced the issue and New Zealand officials chose not to revive the issue either.

Nuclear issues were, nevertheless, to become, as one Wellington official put it, 'a

\textsuperscript{164}McKinnon, p. 194.
\textsuperscript{165}ABHS, 950, 301/4/2/1, Box 4355, Part 16, Archives New Zealand, Wellington.
\textsuperscript{166}ABHS, 950, 301/4/2/1, Box 4355, Part 16, Archives New Zealand, Wellington.
hardy Forum annual' as both the United States and Japan announced plans in 1979 and 1980 to dump nuclear waste in the South Pacific.\textsuperscript{167} The Forum strongly condemned these plans, citing possible environmental hazards.\textsuperscript{168} Muldoon was clear that New Zealand did not want nuclear waste in the South Pacific.\textsuperscript{169} In this matter New Zealand stood solidly with other Forum members in its condemnation of the proposals made by the United States and Japan. The United States decision further strained the relationship between Washington and the Forum island countries, and made it impossible for New Zealand to convince Forum members of the value of United States membership in the Forum Fisheries Agency. In this regard New Zealand would have preferred the United States to withhold its proposals. New Zealand did not believe that its attitude in the case of nuclear waste dumping put at risk its relationship with the United States or Japan.

France's continued nuclear tests, while underground, caused concern at the Forum. Since France had stopped testing nuclear weapons in the atmosphere, New Zealand, for the sake of both its bilateral relations and trading interests in the EC, had refrained from singling France out for criticism. French possessions in the South Pacific also complicated matters. As a large aid donor in the South Pacific, France fulfilled a vital role in filling a potential economic and political vacuum. New Zealand, however, was having to increasingly take into account Forum concerns about French possessions and their nuclear policies. In 1983 New Zealand convinced French officials to allow New Zealand nuclear scientists to participate in a monitoring mission. Wellington saw no reason to believe that participation in the monitoring mission would compromise New Zealand's position of firm opposition to French nuclear testing in the South Pacific,\textsuperscript{170} so it felt that it was unnecessary to gain the Forum's blessing before participating. Muldoon argued that as far as New Zealand was concerned the mission was not a Forum issue. 'Our decision has been made. We have been asking for years and obviously we are going to accept it accordingly.'\textsuperscript{171} The Forum, however, endorsed the New Zealand decision to accept the French invitation.

Early in 1983 the New Zealand Government became aware of Australian plans

\textsuperscript{167}ABHS 950, Record: 301/14/2, Box 4371, Part 1, New Zealand Archives, Wellington.  
\textsuperscript{168}Tenth South Pacific Forum, Honiara, Solomon Islands, 9-10 July 1979, Forum Communiqué, p. 3.  
\textsuperscript{169}'Pacific Leaders Oppose Island Dump for Nuclear Wastes' \textit{New Zealand Herald}, 10 July 1979, p. 3.  
\textsuperscript{170}Fourteenth South Pacific Forum, Canberra 29-30 August 1983, Briefing, Ministry of Foreign Affairs and Trade Archives, Wellington.  
to reintroduce the SPNFZ proposal at the Forum in Canberra. The zone had been an
Australian Labour Party election commitment, though New Zealand officials were
aware that Australia was more concerned to forestall any proposals for more radical
measures from within the region.\footnote{ABHS, 950, Box 4370, 301/14/1, Part 4, New Zealand Archives, Wellington.} New Zealand was uncertain as to the value of going
any further than the 1976 declarations, which it felt would be inevitable should Australia
take the proposal to the Forum. According to a Foreign Affairs briefing, 'New Zealand
Ministers felt that the Australian proposal goes too far too fast'.\footnote{Fourteenth South Pacific Forum, Canberra 29-30 August 1983, Briefing, Ministry of Foreign Affairs
and Trade Archives, Wellington.} Muldoon was concerned that an emphasis on political issues, such as the nuclear-free zone and
decolonisation, would detract from those issues he considered important at the Forum,
in this instance the Pacific Forum Line. Wellington officials agreed, and thought it likely
that the nuclear issue would stimulate political activity in the Forum in a way that the
1976 Forum decision had not.\footnote{ABHS, 950, Box 4370, 301/14/1, Part 4, New Zealand Archives, Wellington.} In contrast to 1978, officials were also concerned that a
zone would appear to France that it was being singled out for criticism. Wellington
officials explained to Canberra the particular problems New Zealand faced in its
relations with France and the need to avoid exacerbating differences with Paris in the
South Pacific. In particular New Zealand feared a retaliation through the European
Community (EC).\footnote{ABHS, 950, Box 4370, 301/14/1, Part 4, New Zealand Archives, Wellington.} At the Forum, New Zealand only expressed reservations regarding
the right of nuclear-powered allies to gain access to Pacific waters. Muldoon maintained
that ANZUS priorities would come first for New Zealand and therefore noted that there
would be little change in practice regardless of the final resolution. At the final Forum
meeting in 1983 leaders agreed in principle to the concept of a nuclear-free zone and
Muldoon was obliged to accept a consensus that effectively revived consideration of the
SPNFZ.\footnote{Templeton, p. 83.} The declaration, however, was not adopted at the 1983 Forum. A New Zealand newspaper alleged that the main problem was the insistence by New Zealand
and Australia that their ANZUS treaty commitment came before the requirements of a
SPNFZ.\footnote{Nuclear-Free Move Delayed Dominion, 31 August 1983, p. 2.}

New Zealand's attitudes to nuclear issues throughout the period were primarily
shaped by its defence and diplomatic interests. Where those interests did not intersect

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\footnote{172ABHS, 950, Box 4370, 301/14/1, Part 4, New Zealand Archives, Wellington.}
\footnote{173Fourteenth South Pacific Forum, Canberra 29-30 August 1983, Briefing, Ministry of Foreign Affairs
and Trade Archives, Wellington.}
\footnote{174ABHS, 950, Box 4370, 301/14/1 Part 4, New Zealand Archives, Wellington.}
\footnote{175ABHS, 950, Box 4370, 301/14/1, Part 4, New Zealand Archives, Wellington.}
\footnote{176Templeton, p. 83.}
\footnote{177'Nuclear-Free Move Delayed' Dominion, 31 August 1983, p. 2.}
with the nuclear issues New Zealand was happy to support the Forum consensus, as was the case with regard to the United States and Japanese proposals to dump nuclear waste in the Pacific. However, in other cases, such as the proposals for a SPNFZ in 1976, the ANZUS agreement was given the highest priority. When New Zealand had to reconsider a nuclear-free zone in 1983 its attitude was influenced by anxieties regarding France and the EC. While New Zealand supported in principle the concept of a SPNFZ, it would not consider compromising its own wider interests. As a political issue the nuclear debate was one that New Zealand preferred to downplay in favour of those economic issues it felt were more relevant and attainable.
Decolonisation

Decolonisation had been occurring steadily in the South Pacific since 1962 and the departure of colonial powers had generally been peaceful. The impending decolonisation of New Caledonia, however, threatened to prove violent. By the late 1970s only France and the United States remained in the South Pacific as colonial powers. Forum members recognised that while France continued to test nuclear weapons in French Polynesia, those islands would remain part of France. New Caledonia, however, remained outside this zone and, with a strong pro-independence movement petitioning for independence at the Forum, its decolonisation became a major issue. This chapter explores some of the factors which highlighted the issue in the Forum and examines New Zealand's attitude towards decolonisation prior to New Caledonia. It looks at the decolonisation issue in chronological order from 1979 to 1983. The chapter concludes that New Zealand's attitude was conservative where decolonisation risked regional stability and the Forum's unity, as was the case with New Caledonia.

There were a number of factors that highlighted the decolonisation issue in the Forum, the greatest of which was the presence of France in the South Pacific as a nuclear power. The continued testing of nuclear weapons in the South Pacific, while underground since 1974, further called into question the legitimacy of France's continued presence as a colonial power in the region.178 The rise of Melanesian states in the Forum also contributed to a greater awareness of the decolonisation issue. In particular, Papua New Guinea (PNG) and the newly independent Vanuatu were strong supporters of independence for New Caledonia and lobbied in and out of the Forum for recognition of the issue. The circumstances surrounding Vanuatu's emergence as an independent state rendered the Lini Government very anti-French, and therefore sympathetic to the independence groups in neighbouring New Caledonia.179 The Melanesian states recognised that a Forum resolution on the matter would be more influential than individual efforts. Independence was also valued in itself and was increasingly part of the culture of the Pacific. As Fortune contends, it was natural for the

leaders of the independent countries of the South Pacific to consider that New Caledonia, geographically, culturally and ethnically part of the region, should also become fully part of its political and economic institutions.\(^{180}\) New Caledonia remained one of the last island dependencies in the South Pacific with a strong independence movement. The Kanak 'Independence Front'\(^ {181}\) was a visible demonstration of the pro-independence movement and, with the support of PNG and Vanuatu, the movement lobbied strongly in the latter period for action by the Forum, which was perceived as the only Pacific body capable of influencing France or the United Nations (UN).

New Zealand was concerned to support the Forum on decolonisation issues where a clear consensus emerged.\(^ {182}\) In the case of the New Hebrides (Vanuatu), Wellington took a strong line in favour of independence. While New Zealand's involvement in the dependency had been peripheral, in June 1980, in response to disturbances and a British Government statement, the National Government expressed New Zealand's strong support for an independent New Hebrides and for the democratically elected government. McKinnon argued that New Zealand's policy was largely an expression of its preoccupation with stability in the region.\(^ {183}\) However, it does also demonstrate that New Zealand was not anti-independence and was in fact prepared to take on the cause when in did not seem to endanger its own interests and where there was a clear consensus in the Forum.

In the case of New Caledonia, New Zealand's attitude to the island's independence was, from the start, more conservative. The Honiara Forum held in 1979 witnessed a concerted effort to use the organisation to attack French colonialism in the region. According to Herr, the prime movers were PNG and the Solomon Islands, both responding to calls from New Caledonia's 'Independence Front' movement for assistance to include New Caledonia on the UN list of 24 dependencies.\(^ {184}\) Prior to the Forum Muldoon had, according to Gasson, taken a side-swipe at France's dogged determination

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\(^{181}\) A coalition of five parties committed to Kanak (Kanak equals Melanesian) independence for New Caledonia.


to remain a colonial power in the Pacific. At the Forum, however, New Zealand led the opposition to the draft resolution that called for a direct attack on France in the Forum Communique. Muldoon argued that the Forum was not the place to discuss such a matter. He felt that discussion of the issue, which was often heated and lengthy, was to the detriment of discussion on matters that New Zealand felt were of more practical regional concern, such as the South Pacific Regional Trade and Economic Cooperation Agreement and the Pacific Forum Line. The editor of the New Zealand Herald, embodied the New Zealand Government's argument when he wrote 'it is ... a pity that the South Pacific Forum in Honiara this week should be distracted by decolonisation issues. The Forum should facilitate co-operative rather than concerted ventures - political consultation, perhaps, but not coercion and, still less, polemics in an all too familiar United Nations style.'

New Zealand feared that too vigorous a challenge to France would result in an economic backlash through the European Community (EC) and was aware of direct threats from the Mitterrand Government regarding any future relationships with Paris and Brussels. In 1976 Wellington officials noted that, 'should decolonisation in the Pacific become a major issue, we would inevitably disagree with the French.' New Zealand was concerned that should the Pacific islands continue to argue for the decolonisation of New Caledonia, New Zealand's trading interests could be affected by France's retaliatory actions. When French officials visited New Zealand in 1979, Wellington was quick to reassure them that the Forum initiative was in no way instigated by New Zealand. According to a briefing paper, New Zealand argued that it had a long-term view of political evolution and aimed to encourage as moderate and constructive discussion as possible. In the Forum, New Zealand argued successfully that France should not be mentioned in the Communique, as too specific an attack might be considered as interfering in French internal affairs. In his Cabinet report, however, Muldoon stated that, 'I felt obliged to go further than I would have wished in defence of France.'

186'Little Bits of France' in The New Zealand Herald, 10 July 1979, p. 6.
187ABHS, 950, 301/4/2/1, Box 4355, Part 18, Archives New Zealand, Wellington.
188ABHS, 950, 301/4/2/1, Box 4355, Part 15, Archives New Zealand, Wellington.
189AAXO, W3694, Box252, Folder 2, Archives New Zealand, Wellington.
190ABHS, 950, 301/4/2/1 Box 4355 Part 18, Archives New Zealand, Wellington.
Wellington was also concerned that the islands' economic interests could be damaged if they persisted in arguing for the inclusion of New Caledonia in the UN's list of 24, in which case Australia and New Zealand would have to make up for lost aid to the region. New Zealand looked for further ways to convince the islands not to take the matter to the UN. New Zealand argued successfully that those groups lobbying the Forum for New Caledonia's independence were not representative of the entire population. The Forum, New Zealand maintained, had a commitment to support transitions to independence that were peaceful, stable and acceptable to all parties concerned, but it should not become a platform for political parties. New Zealand's attitude prevailed at the 1979 Forum, though it would face further difficulties in 1981, when the newly independent Vanuatu hosted the Forum.

New Caledonia dominated discussions at the 1981 Forum, when Vanuatu led an initiative to send a delegation to France to discuss the question of the French Government's policies with regard to New Caledonia and its independence. Vanuatu also sought to have New Caledonia listed as a 'non-autonomous' territory and therefore ultimately eligible for independence. French diplomatic initiatives in the area, and their strong lobbying of Fiji, only served to increase the Melanesian's hard line. New Zealand decided to support an initiative for a small South Pacific Forum delegation to France. Muldoon, however, expressed considerable reservations, arguing that the delegation would be rebuffed if it proceeded on too narrow and specific a track. Muldoon was apparently concerned about the damage this could do to the credibility and effectiveness of the Forum. Muldoon also considered that the Forum was not that of a recommending body on such a subject. New Zealand and Australia again convinced the Pacific islands that having New Caledonia re-enlisted would be disadvantageous, and might lead to a loss of goodwill from France towards New Caledonian independence. According to Fortune, an Assistant Secretary in the Ministry of Foreign Affairs at the time, New Zealand had also weighed the potential damage that could be done to regional stability by a complete rupture in relations with France over New Caledonia. New Zealand's message to the Forum was 'don't push them too hard'. By

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191Herr, p. 151.
supporting the delegation, however, Wellington hoped to avoid any sense that it was failing to give sufficient weight to issues that some of the island countries considered to be of great importance. Muldoon though, still clearly felt that the Forum was not the place to discuss decolonisation, or at least New Caledonia at any great length. 'Muldoon expressed disappointment that the Forum had spent “90 per cent of the morning talking of the independence issue instead of the real issues of the Forum which were concerned with the economic well-being and development of member nations.”' 195

New Zealand's attitude to decolonisation was very much associated with its economic prioritisation, which was often at odds with others in the Forum. Wellington advocated economic development before political development, firstly, as a means of ensuring that independent nations would be relatively self-sufficient, and secondly as a means of avoiding those tough political issues, such as decolonisation, that often placed New Zealand in something of a dilemma when it came to its own economic interests and its commitment to South Pacific regionalism. Muldoon felt that it was a pity to spend time on the decolonisation issue, which was 'not a typical Forum subject' and one that was 'peripheral to the Forum concept.' 196

New Zealand was also concerned that a French withdrawal from the region would create an economic and strategic vacuum. Muldoon recognised that France made a large contribution to the New Caledonian economy, a contribution which he saw as vital to the economic and political stability of the region, and one which would need to be continued should New Caledonia gain independence. 197 The Secretary of Foreign Affairs, Merwyn Norrish acknowledged the 'desirability of retaining French interest and assistance in the Pacific.' 198 Muldoon again argued successfully that any resolution in the Forum's Communique should not make any specific reference to New Caledonia.

McKinnon suggests that concern about Libyan and Soviet actions in the South Pacific prevented a more sympathetic policy from New Zealand in 1982 when the Forum was held in Rotorua. 199 That year the delegation to France led by Fiji's Ratu Mara reported back positively on French plans for New Caledonia. New Zealand agreed with Mara's recommendation that, given the policy of reform of the French Government, it

197 Robert Muldoon, My Way, Wellington: A.H. & A.W. Reed, 1981, p. 120.
198 AAYK, W 3123, Part 14, New Zealand Archives, Wellington.
199 McKinnon, p. 269.
would be counter-productive to embarrass France at that time. It was claimed that to do so would be to run the risk of weakening French resolve for the present reforms, which were in the right direction. New Zealand took the view inside the Forum, according to Lagan, that the French Government, because of recent cultural and land ownership reforms, was genuinely moving toward granting independence. Muldoon argued that 'the best course in the immediate future was to foster progress in New Caledonia itself and not to take action at the regional level that could jeopardise it.' Muldoon argued that the 'reforms [instituted in the last year] must be allowed time to work through. Should, however, the French government change course and seek to interrupt the political process that is now evolving, New Zealand and most other countries would take a rather different view.' The Forum took a positive view of those reforms, and in its Communique welcomed them and expressed the hope that the process would continue. Vanuatu did, however, press for agreement in the Forum on three points: a) to have New Caledonia listed at the United Nations as a colonial territory so that France could be put under pressure; b) to get Paris to set a formal timetable for independence; and c) to have Paris recognise the Independence Front as the sole representative of the people of New Caledonia. New Zealand was opposed to all the points, rejecting them as interference in domestic New Caledonian politics. Wellington particularly rejected the third proposal and claimed that the Independence Front was not representative of the mainstream of the independence movement. The Kanak Movement also failed, in Muldoon's opinion, to represent a large enough proportion of New Caledonians. McKinnon argues that the caution shown by New Zealand reflected a preoccupation with the 'radical' nature of the Kanak nationalist movement and its supposed links with Libya and the Soviet Union. Muldoon, apparently felt the whole issue was something of a waste of time, with more important matters to be debated. Prior to the Forum, New Zealand had informed Australia that it was keen to seek progress in the economic area as political issues were likely to cause difficulties. New Zealand felt that anything

202 AYK, W 3123, Part 14, New Zealand Archives, Wellington.
205 McKinnon, p. 260.
the Forum might do had to be relevant and attainable. For New Zealand, a country that supported economic development ahead of political development, rapid decolonisation of New Caledonia was neither desirable nor attainable.

At Canberra in 1983 the Kanak 'Independence Front', with the support of PNG, the Solomons and Vanuatu, again lobbied for the re-inscription of New Caledonia and its eventual independence. New Zealand now approached the matter differently, arguing that it was no longer a question of independence but whether an acceptable constitution could be devised. It hoped this would change the focus from independence and therefore French responsibility to constitutional matters which were in the hands of the New Caledonians. Muldoon argued that 'the New Caledonian problem was not a matter of taking the independence issue to the United Nations, because France had already agreed to independence, but a matter of ensuring New Caledonia got a fair constitution for all.'

Stevens maintained that in talks with France the Government had let it be known that New Zealand was working quietly to keep the lid on the New Caledonia issue in the Pacific. He claimed that the approach at that time was that New Zealand's ability to support the Western alliance in the Pacific depended on its continuing prosperity, and that prosperity depended on access to the EC, so if France and others wanted Wellington to carry out those 'special responsibilities', they ought to think again about quotas. Muldoon nevertheless did reiterate that New Zealand favoured independence for New Caledonia at the earliest possible stage.

Both Muldoon and Foreign Affairs did not want reinscription for New Caledonia as this would take the issue out of New Zealand's and the Forum's sphere of influence. It was felt that regional consultation was far better than allowing outside influences that were unfamiliar with the South Pacific to determine the rate of decolonisation and introduce extraneous issues. Nevertheless, New Zealand was willing to use the threat of reinscription, should France renege on its deal. This was taken up by the Forum and in the 1983 Communique reinscription was mentioned for the first time as an alternative if the Ministerial Committee and Forum members did not see evidence of continuing

207ABHS, 950, 301/14/1 Part 1, Archives New Zealand, Wellington.
208'Call to Back Noumea', New Zealand Herald, 30 August 1983, p. 3.
210Vanuatu's Prime Minister had proposed a Ministerial Committee be sent to France to assess French
progress with regard to New Caledonia.

The constitutional evolution of New Caledonia was the political issue that most occupied Forum leaders from 1979 onwards. New Zealand had, as Alley acknowledges, a general commitment to support transitions to independence that were peaceful, stable and acceptable to all parties concerned. However, its attitude, whilst supportive, was also consistently conservative. There were a number of factors that influenced New Zealand's conservative position. Wellington was primarily concerned with the economic backlash that might occur through the EC should the Forum move forward in discussions. Regional stability was also a major concern as instability in the region had the potential to introduce what New Zealand considered undesirable influences. The reinscription of New Caledonia also had the potential to weaken New Zealand's influence on the matter and introduce further extraneous issues. It advocated economic development not only as a means of avoiding the difficult political decisions, but also in an attempt to slow the political development of the region which would risk regional stability and the credibility and effectiveness of the Forum moves to prepare the territory for independence.

212 Alley, p. 151.
Conclusion

The Muldoon administration was the first New Zealand government to deal with a largely independent South Pacific. The South Pacific Forum, the pre-eminent and most influential regional organisation in the region\(^213\), offered New Zealand a means of maintaining a presence and influence in South Pacific affairs. Wellington's primary objective throughout was to keep the region politically and economically stable through regional cooperation, particularly the South Pacific Forum. The objective of regional stability was the primary factor influencing New Zealand's attitudes to the issues in the Forum. However, there were other motivations that also influenced New Zealand's attitude, including its domestic and international concerns. At the same time there were less tangible factors, which included New Zealand's close identification with the Pacific and its growing awareness of its own responsibilities in the region. New Zealand was also taking into account its own credibility in and out of the region. Not least, New Zealand wanted to maintain its influence in the region, and it believed this could be achieved through regional cooperation and the South Pacific Forum.

This thesis set out to answer three questions: What were the issues that dominated New Zealand's relations with the South Pacific Forum? What attitudes did New Zealand take on those issues? What factors were taken into account in formulating those attitudes? Through initial research six issues were identified. They were the nature of the Forum, trade, transport, fisheries, nuclear concerns and decolonisation. In each case New Zealand's attitude was ascertained. Regarding the nature of the Forum New Zealand argued to keep the organisation intact and as close to its original form and function as possible. In trade New Zealand took a positive approach in developing a non-reciprocal free trade agreement and continued to support other regional trade initiatives. In transport New Zealand backed the development of the Pacific Forum Line. In fisheries the Exclusive Economic Zones and the Forum Fisheries Agency had New Zealand's support. In nuclear issues the Forum only had New Zealand's support where its wider interests were not directly threatened. In decolonisation, New Zealand supported an independent Vanuatu, but it was unwilling to do the same for New

The South Pacific Forum offered New Zealand the means of developing regional cooperation in the area. This was important because of international, regional and domestic developments. At an international level there were serious concerns about the British withdrawal from colonial territories, the United States' 'isolationist' tendencies and the Soviet's expansionist policies. At a regional level the Pacific islands were in a transitional period from colonial to independent status. Concern over the region's economic and political stability led to a focus on regional cooperation. Domestically there was an increasing realisation of New Zealand's role in the Pacific and a developing awareness of New Zealand's Pacific identity. There was also, particularly in the 1970s, concern about the level of Pacific immigration and, conversely, anxiety about the effect that restrictions on it would have on island economies.

New Zealand's foremost objective throughout the period 1976-1983 was to keep the South Pacific economically and politically stable. New Zealand, along with Australia, was now primarily responsible for the region. It was in New Zealand's interests to keep the region stable and aligned with the West. The objective of an economically and politically stable 'backyard' was the main factor that influenced New Zealand's attitude to each of the six Forum issues discussed in this thesis. Wellington maintained that economic development was the prerequisite to political stability. It therefore placed economic objectives ahead of political concerns. This was demonstrated in New Zealand's strong support of a regional approach to the economic initiatives of the Forum such as SPARTECA, PFL and the FFA. Wellington's refusal to develop the SPNFZ concept further was related to anxiety about the stability of the region and its concern not to lose the protection of the ANZUS pact which ensured its security. New Zealand's concern to maintain political stability in the Pacific was also the major factor in its conservative approach to proposals for New Caledonian independence.

New Zealand's concern for the stability of its backyard, however, was not the only factor to determine its attitudes. There were, in fact, a myriad of other factors that influenced Wellington's approach to the issues that arose in the Forum.

New Zealand was concerned to retain the interest of the United States in the region and its access to Washington, which allowed annual discussions between the two on matters of trade, Pacific affairs, and defence. Wellington's policies with regard to
both fisheries and the nuclear issues factored in the maintenance of relations with Washington. In fisheries, Foreign Affairs in particular argued for United States membership of a Pacific fisheries agency as a means of retaining Washington's interest in the region. In nuclear issues, Wellington hoped to maintain the ANZUS pact as this provided the opportunity for discussion to take place between New Zealand and the United States, were it not for ANZUS, these relations might have been seriously weakened.

New Zealand's trade relations with the European Community were very much a factor in its attitudes. This was particularly so in the case of proposals for New Caledonia's independence. Wellington was aware that its trade relations with the EC were at risk should it come out in full support of New Caledonia's independence. Those same trade relations were also threatened in nuclear issues, and New Zealand's attitude towards the 1983 SPNFZ proposals was considered in this light.

Immigration was an issue at the time between New Zealand and its Forum partners. However, it was treated on a bilateral basis and therefore not included within the confines of this thesis. Nevertheless, immigration concerns did factor into New Zealand's approach in the Forum. This was particularly the case in relation to the signing of SPARTECA, which New Zealand hoped would contribute to the economic development of the region and therefore limit Pacific immigration to New Zealand. Conversely it would also mitigate the effects of restricted emigration on the islands. The same factor was also taken into account in New Zealand's approach to the PFL and the FFA, both of which were trade initiatives designed to develop the economies of the Forum island countries.

New Zealand's trade in the Pacific was a factor in New Zealand's attitude towards the economic issues of the Forum. Wellington's continued support of the Pacific Forum Line was due to its concern to improve New Zealand's trade in the Pacific. The EEZs and the Forum Fisheries Agency were also established and supported because New Zealand's trade would benefit.

Another factor that contributed to New Zealand's attitude was the influence of the Prime Minister himself, who took an unexpected interest in the Forum and was involved in many of the issues discussed in the thesis. Despite having no prior experience or interest in Foreign Affairs Muldoon became actively involved in the Forum. His attitude and approach was marked by an enthusiasm for the positive benefits
of regional cooperation and he actively promoted the ideals upon which the Forum was based. Muldoon took a particular interest in the nature of the Forum and was a consistent proponent of the 'Pacific way'. He hoped to maintain the Forum for the independent or fully self-governing states of the Pacific and argued against the inclusion of metropolitan powers and dominated by their organisations. This was also incidentally a means of retaining New Zealand's position and influence in the Forum. Muldoon, with a strong background in economics, also promoted economic development ahead of political development. He believed this was the most effective means of keeping the region economically and politically stable and the most efficient and practical demonstration of regional cooperation. It also enabled New Zealand to shift the focus away from any political issues such as the nuclear and decolonisation debates, with which it felt less comfortable. Muldoon was therefore a strong proponent of the economic issues, such as trade, transport and fisheries. He was a particularly strong advocate of the Pacific Forum Line (PFL), believing that regular and reliable shipping was the key to growth in the economies of the independent states of the South Pacific. He also understood that the PFL was a demonstration of the value of regional cooperation and his support of the Line was part of his determination to see the South Pacific pull together as a region.²¹⁴ The Prime Minister also gave his strong support to the development of the regional Exclusive Economic Zones and the Forum Fisheries Agency. Like the PFL before it, the development of both the EEZ and FFA reinforced the value of regional cooperation. Muldoon was not so active in his support for the political issues in the Forum. Both nuclear concerns and decolonisation threatened New Zealand's international relations, particularly with respect to the United States, when it came to nuclear issues, and France, in relation to decolonisation issues. Muldoon argued that these political issues were neither relevant to the work of the Forum nor attainable at that time. Despite this Muldoon had a positive attitude towards the Forum that was demonstrated in his strong support of those issues he perceived were relevant and attainable. He regularly attended meetings that were often at inconvenient times or places and worked hard between times for international recognition of the difficulties faced by independent Pacific islands. The South Pacific Forum was the means by which Muldoon promoted the value of regional cooperation, which he believed enabled an economically and politically stable and secure region.

There were also less tangible factors that contributed to New Zealand's approach. One of these was the increasing realisation of New Zealand's Pacific identity and its traditional links with certain Pacific islands, particularly in Polynesia. This was a significant factor in New Zealand's initial support of United States membership of the FFA. As New Zealand's closest Pacific partners would have only benefited from the EEZ and FFA if the United States was a member and therefore paying for its fishing rights, New Zealand strongly supported the United States membership of a fisheries agency. Civil aviation was another example in which New Zealand responsibilities towards its traditional Pacific partners were a factor in its position. As both New Zealand and its traditional partners stood to gain from a rationalisation of services, Wellington advocated a regional approach. New Zealand identification with the Pacific also contributed towards Wellington's attitude in the development of SPARTECA. New Zealand's signature was seen as a point where New Zealand fulfilled its responsibilities in the Pacific.

New Zealand's credibility in the Forum was deemed particularly important by Wellington which felt that it was an effective means of maintaining New Zealand's position in regional and international affairs. A credible contribution to an area where traditional colonial powers were departing might lead to favourable trade terms with the powers in recognition of New Zealand's contribution. This was particularly the case in trade. New Zealand's credibility in the Forum would also lead to its continued influence in the region. This was factored into many of Wellington's approaches and, while a somewhat intangible factor, it links very closely with the primary motivation of regional stability, which relied on the maintenance of New Zealand's position in the Forum. Wellington was concerned throughout the period to maintain New Zealand's influence in the Forum and it did this by arguing for the 'Pacific way' and limiting membership of the Forum to independent Pacific states. New Zealand also argued against reinscription for New Caledonia as this would take the issue out of New Zealand's and the Forum's sphere of influence.

There were many factors that contributed to New Zealand's approach in the South Pacific. While Wellington's primary objective was to keep the region politically and economically stable, other factors often contributed in evolving New Zealand's attitude. They were both tangible, like New Zealand's own domestic concerns, and
intangible like retaining its credibility and influence in the Forum. The regional cooperation that was 'alive and well and living in Wellington' was therefore a means of maintaining a New Zealand presence in the Pacific.
## Appendix A

South Pacific Forum Dates and Places

<table>
<thead>
<tr>
<th>Date</th>
<th>Place</th>
</tr>
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<tbody>
<tr>
<td>8-9 March 1976</td>
<td>Rotorua, New Zealand (Pacific Arts Festival)</td>
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<tr>
<td>26-28 July 1976</td>
<td>Aiwo, Nauru</td>
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<tr>
<td>13-14 October 1976</td>
<td>Suva, Fiji (Law of the Sea)</td>
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<tr>
<td>29-31 August 1977</td>
<td>Port Moresby, Papua New Guinea</td>
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<td>16-20 September 1978</td>
<td>Alofi, Niue</td>
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<td>9-10 July 1979</td>
<td>Honiara, Solomon Islands</td>
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<tr>
<td>14-15 July 1980</td>
<td>Tarawa, Kiribati</td>
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<tr>
<td>10-11 August 1981</td>
<td>Port Vila, Vanuatu</td>
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<tr>
<td>9-10 August 1982</td>
<td>Rotorua, New Zealand</td>
</tr>
<tr>
<td>29-30 August 1983</td>
<td>Canberra, Australia</td>
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### Appendix B

South Pacific Forum Membership

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<thead>
<tr>
<th>Year</th>
<th>Member Countries</th>
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</thead>
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<tr>
<td>1971</td>
<td>Australia, Cook Islands, Fiji, Nauru, New Zealand, Tonga, Western Samoa</td>
</tr>
<tr>
<td>1974</td>
<td>Papua New Guinea</td>
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<tr>
<td>1975</td>
<td>Niue</td>
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<tr>
<td>1977</td>
<td>Kiribati (formerly Gilbert Islands), Observer 1975-1976</td>
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<tr>
<td>1980</td>
<td>Vanuatu (formerly New Hebrides)</td>
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