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**Equitable Development?**  
**Good Governance, Women and Micro-Enterprise Initiatives in the**  
**Cook Islands**

*A thesis presented in partial fulfilment of the requirements for the degree of Master of  
Philosophy in Development Studies at Massey University*

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## ABSTRACT

In light of the importance that development agencies have placed on good governance policies, micro-enterprise initiatives, and the role of women in development in recent years, this thesis addresses the question:

Have the incentives for Cook Islands women to begin micro-enterprises under good governance reforms led to equitable development?

It begins by examining the ways in which good governance policies could both stimulate and detract from equitable development for female micro-entrepreneurs both in theory and practice. An evaluation of the impact that the Cook Islands' Economic Reform Programme has had on equitable development for former public service employees who began a micro-enterprise follows. In accordance with Longwe's (1994) Women's Empowerment Framework, equitable development is measured in terms of material welfare, access to the factors of production, society's willingness to alter the gendered division of labour, participation in decision-making processes, and control over both the factors of production and the benefits of development.

This thesis argues that an expansion of the micro-enterprise sector of an economy will not automatically follow the implementation of good governance policies. While the land tenure system could favour smaller businesses in the Cook Islands, Western-style business practices have sometimes conflicted with cultural norms, and micro-entrepreneurs have been disadvantaged in international and local markets by their limited resource bases and poor economies of scale. In addition, by reducing the amount of cash available to consumers and stimulating significant migratory outflows, the economic reforms have further fuelled regional inequalities by making it more difficult for entrepreneurs residing on the outer islands than those based on Rarotonga to begin businesses.

This thesis also concludes that the operation of micro-enterprise initiatives has had a mixed impact on equitable development for Cook Islands women. More men than women have benefited from Government business incentives and Cook Islands women have typically been restricted to industries that yield low returns because of their skill mixes. In addition, while many have enjoyed increased flexibility in their time use, fewer Government services coupled with the effort required to manage their businesses have increased some women's workloads, causing poor health, reducing the time that they have spent with their families and precluding some from participating in decision-making processes. On a positive note, the growth in tourism has supported the micro-enterprise ventures of Cook Islands women. In addition, successful female micro-entrepreneurs have been empowered by improvements in their self-confidence, personal income, and access to credit, together with more equitable divisions of labour and greater control over family businesses and household incomes.

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## GLOSSARY OF TERMS AND ABBREVIATIONS

ADB	Asian Development Bank
AESOP	AESOP Business Volunteers Ltd is an Australian organisation which matches businesses that need technical advice with suitably qualified volunteers
AusAID	Australian Agency for International Development
CIANGO	Cook Islands Association of Non-Government Organisations
CIDB	Cook Islands Development Bank
CISB	Cook Islands Savings Bank
CITC	Cook Islands Tourism Corporation
DAC	Development Assistance Committee
DIB	Development Investment Board
ERP	Economic Reform Programme
GDP	Gross Domestic Product
GGP	Good Governance Programme
HDI	Human Development Index
IFIs	International Finance Institutions
IMF	International Monetary Fund
MFAT	New Zealand Ministry of Foreign Affairs and Trade
MIRAB	An economic system whose evolution is determined by migration, remittances, aid and bureaucracy
MOWEPP	Ministry of Works, Energy and Physical Planning (Part of the Cook Islands Government). This Ministry is responsible for the Punanga Nui market
NGO(s)	Non-Government Organisation(s)
NZODA	New Zealand Official Development Assistance
OECD	Organisation for Economic Cooperation and Development
PIIDS	Pacific Islands Investment and Development Scheme
SBEC	Small Business Enterprise Centre
SPARTECA	South Pacific Regional Trade and Economic Agreement

Transitioned	A term used in the Cook Islands in place of the phrase ‘made redundant’. Former public sector employees who lost their jobs or chose to leave the public service as a result of the Economic Reform Programme are often referred to as having been ‘transitioned’.
UNDP	United Nations Development Programme
UNICEF	United Nations Children’s Fund
VAT	Value Added Tax



## GLOSSARY OF COOK ISLANDS MAORI TERMS

<i>Ariki</i>	High Chief, ruler over a tribe
<i>Ei</i>	Necklace, garland, wreath
<i>Maire</i>	A scented fern
<i>Mataiapo</i>	Head of a sub-tribe subject to the <i>ariki</i> as far as the whole tribe is concerned and owing him traditional allegiance but otherwise largely independent as head of his own family group and owning land in his own right. The title is commonly held by the eldest child, passing to the next eldest and thus down the line in that generation, passing eventually to the eldest son in the next generation, though the title is elective and unsuitable members may be passed over if the families think fit
<i>Nono</i>	A small tree growing a fruit used for medicinal purposes
<i>Punanga Nui</i>	Market based in Rarotonga where products such as fruit, vegetables, fish, cooked food, crafts, artwork and music are sold
<i>Punanga Tauturu</i>	Centre based in Rarotonga providing support for victims of abuse, advice on legal rights and legal literacy training
<i>Raui</i>	Ban placed on sections of the coast line to protect the environment by preventing people from fishing in that area for a certain period of time
<i>Umu</i>	Underground oven

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