



The Role of the EUs Sugar Protocol in Maintaining Authoritarian Structures in Fiji

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Fijian sugar in the world economy

- “Premium” market = the EU
 - Filling quotas under the Sugar Protocol under Lomé
- Excess to US, Japan

Sugar Protocol EU paid Fiji 2.5 - 3 x world market rate at
Set quota annually tied to CAP 1975-2006

- September 2006-09 phase out of Sugar Protocol
 - EPA 300,000 tonnes guaranteed but lower subsidy payment

Sugar in the Fijian economy



- Employes 40% of the labour force.
- Integral to Fijian economic, social and political structures
- Underlies traditional social fabric
- Sugar industry severely inefficient
- Huge production decrease post 1987
- Fijian Sugar Corp. on verge on collapse
- September 2006-09 phase out of Sugar Protocol
 - New deal negotiated EPA
- Tip the balance?



Lease Payments

Non-agricultural- under NLTA “market value” = whatever is negotiated

Agricultural- under Agricultural Land Tenant Act (ALTA) 1976 lease = 6% of Unimproved Capital Value

But 88% of land is an unattainable asset

- unattainable = impossible to quantify the value

So set in relation to freehold values

- therefore highly inflated values

perception develops that everyone is not getting a fair deal

Native Land, NLTB: as the instrument

Native Land

- 88% land
- owned collectively by mataquali but managed by NLTB
- exists as an unattainable assets

Native Lands Trust Board

- Board appointed directly by GCC, has final say on lessees and premiums
- takes huge cut of rental for management
- plagued by bad financial management and corruption
- only piece of academic work on NLTB:
“lack of transparency, accountability and efficiency” (Singh & Reddy '07)



Model of Rent Distribution

Established under Native Land Ordinance 1944
Formalised under NLTA post independence

Rental distributed model:

NLTB gets 25%

Vanua Chief 5%

Head of Yavusa 10%

Head of Mataquali 10%

the rest of the Mataquali 45%

“landowners” get to share less than half of rent
between themselves

Great Council of Chiefs (GCC)

- Links with 1987, 2000 military overthrows
- Method of election 'traditional': 'non-democratic'
- Supreme allegiances - apex of society
- Constitutional placement
 - Powers of appointment
 - Filtration of indigenous polity
- Limited competitive struggle available – due to limitations imposed by GCC

GCC is unaccountable, unelected, unchecked body

Conclusions: Authoritarian Institutional Dominance

- EU subsidies under Protocol have been the provided the excess
- Rent filtered through the institutional mechanisms designed to reinforce traditional hierarchy.
- NLTB's role further reinforces hierarchy
- Reinforces formal hierarchy – GCC and informal through traditional societal structures.
- Thus, integration of Fiji into the world economy provided these authoritarian institutions with the necessary material resources to overthrow democratic governance when necessary
 - leading to failed democratic consolidation