



The traditional economy as source of resilience in Vanuatu

By Ralph Regenvanu

Ralph Regenvanu is a Vanuatu Member of Parliament and Director of the Vanuatu National Cultural Council. This article is an edited version of a speech presented at “Pacific Islands and the World” Conference in Brisbane, 3 August 2009. The full speech is available at: <http://aidwatch.org.au/publications/the-traditional-economy-as-the-source-of-resilience-in-melanesia>.

Photo by David Becker
An exchange ceremony on Tanna.

A survey undertaken by Oxfam in 2009 found that the impacts of the global economic crisis on families in Vanuatu had been negligible (Feeny 2010). The biggest impact reported by families was in fact from the global food crisis of late 2007 and 2008, which affected urban families reliant on imported rice and flour for daily sustenance, and rising transport costs resulting from the global fuel crisis of 2008. Generally, however, the global economic crisis has had little impact in Vanuatu compared to the massive impacts it has had in more industrialised countries. As the Oxfam report notes, one of the principal reasons for this is the very low level of integration of the great majority of our population into the cash economy.

Vanuatu, along with our two immediate neighbours, Papua New Guinea and the Solomon Islands, is among the last places in the world where the “subsistence economy” – which I prefer to call the “traditional economy” – still outweighs the cash economy in terms of providing livelihoods for the population. While today even the most isolated rural dweller needs cash to pay for tea, sugar, kerosene, metal implements, boat, ship or truck transport, and school fees, the participation of the great majority of people in the traditional economy is far more important and pervasive than their involvement with the cash economy.

In Vanuatu today, the great majority of people (roughly 80 percent) live in rural areas. Almost all of this 80 percent of the population:

- live in settlements (villages) with other members of their traditional extended families, on land that is theirs under the rules of custom;
- satisfy most of their food and other requirements using traditional methods and forms of land, sea and resource utilisation (e.g. gardening practices), on their customary land and sea;
- speak their indigenous language;
- are governed by traditional leaders (chiefs and chiefs councils);
- have their disputes resolved within communities by traditional leaders using traditional dispute-resolution approaches; and
- have participated in custom ceremonies which cement their place as members of their community.

In addition, a large portion of the other 20 percent of ni-Vanuatu living in urban areas also participate in and rely on the traditional economy to a significant degree. They utilise kinship networks to access food and other resources, provide manual labour, child care, aged care, and deal with their disputes in the traditional way.

The traditional economy constitutes the political, economic and social foundation of contemporary Vanuatu society and is the source of resilience for our populations, which has allowed them to weather the vagaries of the global economy over past decades.

The benefits of the traditional economy

There are many important benefits that Vanuatu gains from the strength of its traditional economy. One of the most important is that everyone has access to land on which to make gardens for food, from which to access materials to make homes and from which to otherwise make a living. The traditional concept of the right to use land to make food gardens and access resources means that individuals or families who do not have access to their own customary land (or enough of it) to meet their needs can be given the right to use other families' land, with "rent" or "use rights" being paid for using the products of the land.

Another important benefit of the traditional economy is its excellent sustainable management of the natural environment. The main contributing factor to the New Economics Foundation's declaration of Vanuatu as the "happiest country in the world" in 2006 was our "extremely rich natural capita, with unspoilt coastlines and unique rainforests" (Marcs et al 2006: 35). This rich natural capital has been achieved through thousands of years of excellent resource management traditions and practices by our ancestors, traditions that are still practised today.

Another important characteristic of the traditional economy which provides many social benefits is that establishing, maintaining and mending relationships between groups (be they families, clans or larger communities such as villages, language groups or even islands) is the most desired outcome of any ceremonial activity undertaken. Consequently, there is a sense of a shared identity, "community" and "belongingness" among the large extended family groups that make up the basic building blocks of Vanuatu society. This gives a high level of social security for all family members.

Recognising that "many of the functions of modern growth – well-being, stability, equity, social cohesion and sustainable livelihoods for an expanded population – are also well provided for through Vanuatu's strong and deeply held customary values including its custom economy," a 2006 report sponsored by AusAID and NZAID stated that efforts to promote the traditional economy in Vanuatu "should be supported" (Bazeley and Mullen 2006: 12). To build resilience, we must make deliberate efforts to maintain the traditional economy where it exists in the Pacific and ensure that it remains a buffer from the uncertain global economy into the future. Some ways in which we could maintain and strengthen the traditional economy are outlined below.



Photo by Coch

Recognising the traditional economy in policy

Most importantly, policy-makers at all levels must begin to do more to recognise the reality and the promise of the traditional economy. All too often in our national development plans and charters, and in our regional and international prescriptions for development in Melanesia, there is little or no mention of the traditional economy and the predominant role it plays in providing sustainable livelihoods and many of the sustainable development outcomes we say we wish to achieve. More regrettably, many policies and activities that are implemented in the name of development directly displace and erode this traditional economy. In terms of achieving many of the catchword markers of well-being in development-speak: “equity”, “environmental sustainability”, “food security”, “social security”, “good governance” and “social stability”, the traditional economy already provides an excellent foundation upon which they can be achieved.

The traditional economy has also proved its capacity to cope with the needs of a rapidly growing population – which is one of our greatest national challenges. As the 2006 report sponsored by AusAID and NZAID points out, “Although growth of Vanuatu’s formal GDP has not been spectacular, it must be realised that its traditional, largely non-monetarised, rural economy has successfully supported a 90% increase in the rural population since Independence (from about 95,000 in 1980 to an estimated 180,000 now).”

It would seem obvious, therefore, and “efficient” in terms of allocating and using resources and capacities already at hand as a basis for development, to focus on strengthening the traditional economy so that it can continue to satisfy most needs of the majority while also finding ways to develop its application to satisfying other non-traditional basic needs (in particular, access to health and education services). Governments also need to prioritise the putting in place of safeguards to prevent the growth of the cash economy from negatively impacting upon the traditional economy – that is, to adopt a “precautionary” approach to development through such means as proper and broad-based planning, genuine community consultations, thorough impact assessments, and so on.

“Count” the traditional economy

A principal reason why the traditional economy does not feature in our current economic policies is that we are not measuring or quantifying the contribution of the traditional economy to national well-being. Unfortunately, the only measure of national well-being that seems to matter to

many policy-makers these days is that of Gross Domestic Product (GDP) per capita – a crude measure of only the cash value of activities or production. GDP per capita is a misleading measure of economic activity and well-being not only because it masks inequalities, but also because it often counts environmentally and socially destructive practices that undermine people’s well-being.

To use a current example from Vanuatu, the simple act of leasing and clearing a piece of land would add to Vanuatu’s GDP – and therefore count as positive “development of the economy” – because the lease of the land, the hire of the bulldozer and the chainsaw, the purchase of the fuel to run them and the payment of labour can all be counted in cash. What would not be counted in cash would be the loss of gardening land and access to bush resources for the children of the land-holding family for at least two generations; the cutting down of ancient trees and the clearing of bush that provides habitat for wildlife and holds the rainwater in the ground; the pollution of the air, land and water with fuel and chemicals; the destruction of cultural sites important to identity; the weakening of the natural sea barrier resulting from removal of sand; and whether the amount each labourer was paid constituted a decent living wage.

On the other hand, a large extended family of 40 or so people producing all the food and other materials they require to live from their land and sea areas, providing food to other families as part of traditional relationships, as well as safeguarding their natural environment and important places of identity for the benefit of their future descendants, do not add one vatu to the GDP.

Obviously, GDP as a measure of well-being does not reflect the many tangible social and economic benefits delivered by the traditional economy, but which do not have a cash value. The lack of recognition of the traditional economy in most policy is directly related to the lack of any measures we have for valuing it – it is indeed a truism that what we cannot measure, we cannot value.

In 2008, the Melanesian Spearhead Group at its Leaders’ Summit in Vanuatu endorsed a pilot project to develop alternative indicators of well-being for the Melanesian context that are able to take into account and measure the substantial traditional economy and its contribution to quality of life. This project is now being implemented with the proposed new set of indicators of well-being to be identified by 2011. We place much faith in this initiative to provide us with a tool to factor the traditional economy into policy making.

Making food security a primary focus of development efforts

Climate change is making food security – and water security – the issues of our time. As the global food crisis demonstrated, over-dependence on imported staple foods can turn climatic or market phenomena on one side of the world into political and social crises on the other. Most people in Vanuatu already enjoy a high level of food security. Extending the food security provided by the traditional economy to our urban populations is a key measure that needs to be implemented to achieve food security across the board, as well as greater distribution of cash into rural areas. The greater processing of our traditional staple foods – such as bananas, taro, yams, cassava and sweet potato – is a key strategy to provide urban families with access to these staples and to get them to demand more, thus boosting rural production.

Maintaining customary land tenure as a basis for food security

It is important to recognise that the high level of food security enjoyed by most of the populations in Vanuatu, the Solomon Islands and PNG comes from food gardening on customary land, and this is despite ongoing land disputes and the insecurity of tenure in conventional terms. One of the important principles of the traditional economy is that everyone has access to land on which to make gardens for food and access resources, even people with no traditional claim over the land being used. However, the ill-considered alienation of land from the traditional economy in Vanuatu through leasehold title, for example, is removing the means for ordinary people to be economically productive and enjoy food and social security, in addition to often massively degrading our natural environment. The maintenance of customary land tenure needs to be seen as part of the solution to shocks such as the global economic crisis, not an obstacle to development as it has been portrayed in the past.

Transforming our basic education system

Of particular importance to maintaining the traditional economy is to ensure that our young people continue

to participate in it. To achieve this objective, it is essential that we transform the structure and syllabus of our basic education system to reflect and address the reality of the central role the traditional economy plays in providing livelihoods, security and sustainable development outcomes. It is a sad fact that our basic education system is still largely premised on the colonial rationale of producing bureaucrats to run the state administration. Formal schooling at primary and secondary levels actively contributes to the loss of the knowledge and skills that allow an individual to function as a member of their own community and a part of the traditional economy.

The ongoing loss of traditional knowledge and growing problems with marginalised youth are, I believe, a testament to the failure of our basic education system to provide a pathway to an appropriate and sustainable development which must have, at its base, a strong traditional economy.

Conclusion

We must shift our thinking to consider the traditional economy not as a problem to be solved, but rather as an enormous asset to be utilised. Vanuatu is at a critical stage in its development where it can still continue to enjoy the best of both worlds – the benefits and the safety net of the traditional economy and the benefits of the cash economy and Western technology. In light of the experiences of the global economic crisis, the government needs to adopt and pursue development strategies for Vanuatu that strengthen and enhance the traditional economy, and revoke policies that displace and degrade it. The remarkable opportunity we are now presented with is to make renewed efforts to strengthen our traditional economy through innovative policies that integrate strategies for enhancing the traditional economy alongside our strategies for promoting economic growth. Better incorporation of the traditional economy into national development policies will expand the menu of options for our future generations. The traditional economy has been the key source of resilience in this global economic crisis. The question we need to ask now is: are we adequately planning for it to be able to provide this resilience when the next global crisis inevitably comes around?

References

- Feeny, S. (2010) *The impact of the global economic crisis on the Pacific region*, Oxfam Australia, Melbourne.
- Nic Marks, N., Simms, A., Thompson, S. and Abdallah, S. (2006) *The Happy Planet Index: An index of human well-being and environmental impact*, New Economics Foundation, London.
- Bazeley, P. and Mullen, B. (2006) *Vanuatu: Economic Opportunities Fact-Finding Mission*, On Behalf of AusAID and NZAID, July.