

Tukuitonga (a retired schoolteacher) by a vote of 63 to 51. Such is the nature of politics on this small island, still losing population (now down to approximately 1,750 people). Had only seven people voted differently, Premier Lui would have gained another three-year term in the twenty-member assembly.

Lui's loss of power appears to have resulted from a number of factors. Until the end he remained an opponent of "party politics," leaving the Niue People's Party (NPP) the only political party on the island. After campaigning for several years the party at last began to make headway in 1999, although it remains far from dominant (its leader, Sani Lakatani, only came third in the "common roll" seats). Nevertheless its much greater visibility and activity in the villages left it with an advantage over the government (which, without a formal political party organization, remained a group of "independents"). Under some pressure, Lui sought to assist the campaigns of some of those supporting his government, but the result was a neglect of his own constituency race as well as a general failure to communicate effectively either in the villages or through the media.

By contrast Lui's opponent, Mrs Tukuitonga, staged an effective door-to-door campaign in Alofi North. Lui's failure to campaign well even in his own constituency reflected a degree of complacency and also perhaps some fatigue. After twenty-five years in politics he may have lost touch with the voters and some of his enthusiasm for the job. This seems to have been reflected in an apparent lack of concern over population losses

NIUE

The 1999 general elections on Niue saw the end of the government of Frank Lui, who had served as the island's premier for six years. On 19 March, however, not only was Premier Lui unable to win another term at the head of Niue's government, but he was also defeated in the contest for his seat in the Niue Assembly. He lost the Alofi North district to Mrs Va'ainga

and an unwillingness (or inability) to assist businesses in difficulty. Attempts to promote freer regional trade may also have backfired, with growers unhappy over the import of vegetables and fruit to Niue.

Lui had been Niue's third premier since self-government was achieved, succeeding Young Vivian, who had held office briefly following the death of Sir Robert Rex. Another member of his government was also punished by the voters. Minister of Finance Aokuso Pavihi lost his seat in Avatele to Billy Graham Talagi, a former member of the assembly. Thus the two leading members of Niue's government, the premier and the finance minister, were both ousted by the electorate. That this was not an indiscriminate anti-incumbent vote is clear from the other results.

In four electorates—Vaiea (Talaititama Talaiti), Hakupu (Young Vivian), Liku (Pokotoa Sipeli), and Namukulu (Jack Willie Lipitoo)—the sitting members were elected unopposed. As for the remaining ten village constituencies, incumbents were reelected in six of them—Alofi South (Robert Matua Rex), Tamakoutoga (Peter Funaki), Lakepa (John Operator Tiakia), Toi (Dion Taufiti), Hikutavake (Opili Talafasi), and Tuapa (Fisa Pihigia), with five of them winning by wide margins. Apart from Lui and Pavihi, the only other electorate assembly member to lose his seat was Mutulau's Hafe Vilitama, who was defeated by Bill Vakaafi Motufoou (by 38 votes to 29). There was only one seat, Makefu, where there was no incumbent candidate, and the result, a 22–21 victory for Tofua Puletama, could not have been closer.

Niue's 14 electorate seats are

complemented by a further 6 that are elected by the island as a whole. Known as common roll seats, these attract a great deal of public attention and a fairly substantial number of candidates. For 1999 there were 20 people competing for the six seats, with the top-polling candidate winning 502 votes (of 992 votes cast), and the twentieth-polling candidate gaining only 31. As has happened at some past elections, a woman finished in first position. O'Love Jacobsen, a cabinet minister in the Lui government, led the field, followed by another former cabinet minister, Terry Coe (who had been the leading common roll candidate in 1996) with 485 votes. In third position came the NPP leader Sani Lakatani with 474 votes, followed by Hima Douglas with 461, and Michael Jackson and Toke Talagi each with 414 votes. The new assembly members include Douglas (a broadcaster), Toke Talagi (a former public servant with business and financial experience), Motufoou (an employee of the Niue Development Bank), Puletama (a planter), Billy Graham Talagi, and Mrs Tukuitonga.

The first meeting of the Legislative Assembly was held a week after the election. On Friday, 26 March, the assembly elected former assembly member Tama Posimani (the NPP nominee) as its Speaker. The vote was 14–6 and was followed immediately by the election of Lakatani as premier (defeating Jacobsen, the first woman ever to be nominated for the position) by the identical margin. Mrs Jacobsen was supported by Coe, Tiakia, Talaita, Funaki, and Lipitoo. An hour later Lakatani announced his cabinet, which included Young Vivian as deputy (responsible for Education,

Community Affairs, Art, Culture, Women's Affairs, Youth Affairs, and Environment), Dion Taufitu (Administrative Services, Public Works, Agriculture, Fisheries, Forestry, Employment, and Broadcasting), and Robert Rex Jr (Health, Niue Public Service Commission, Justice, Lands and Survey, Shipping and Trade, Police and Immigration). In addition, Douglas and Toke Talagi were appointed associate ministers, Talagi with responsibilities for economic development and civil aviation, and the experienced and capable Douglas available for a range of activities.

Lakatani retained some of the more powerful ministerial responsibilities for himself. These included Finance, Economic Development, Offshore Banking, Tourism, Civil Aviation, Post and Telecommunications, and External Affairs. While in some parliamentary systems there would be strong resistance to a head of government also holding the Finance portfolio—to say nothing of External Affairs as well—the size of Niue's cabinet (limited to four members) and the scale of its economy and politics makes such a combination more plausible.

Lakatani's first challenges as premier and minister of finance were not especially pleasant ones. First, he had to deliver on his campaign promise to repeal the previous government's legislation granting Niue's cabinet ministers (including the premier) a 60 percent pay increase. This painful duty was partly achieved, with a 40 percent reduction being implemented as from 1 July 1999 (the discrepancy between the two being explained as a cost-of-living adjustment).

The second major challenge involved a journey by Lakatani to

Manila to plead for a loan from the Asian Development Bank (ADB). This he failed to achieve, not surprisingly, given Niue's ambiguous political status, dwindling population, and meager economic resources. New Zealand was also unenthusiastic about the prospect of having to meet the payments on any ADB loan were Niue to default. In any case the rejection may have saved Niue from acquiring an unmanageable debt burden.

The application to the Asian Development Bank was a response to the major challenge facing the government, one that is more ongoing and vital to its economic and political future. While New Zealand appears to be constitutionally obligated to provide financial support for Niue, it has nevertheless been resolute in implementing annual \$250,000 cuts in budgetary assistance. At this rate all such assistance will disappear eventually, leaving the Niue government in the interim to discover or invent ways to provide some income for itself. This will be difficult to accomplish, as the population attrition and the absence of economic growth leave the island with little in the way of a tax base. Rumors that New Zealand aid may disappear altogether by 2002 or 2003 seem somewhat premature, however.

While some other Pacific islands have been experiencing environmental and social stresses due to a rising population, for Niue the pressures stem from the steady loss of its people. During the eleven-year period in which I have been writing these commentaries for *The Contemporary Pacific*, the number of people living on Niue has declined by slightly more than 25 percent. Few countries in

recent times have had to grapple with the problems brought about by such an unusual phenomenon. If this trend continues much further, it seems inevitable that the question of Niue's status as a self-governing state "in free association with New Zealand" will come up for review. The experience of the Chatham Islands (admittedly physically closer to New Zealand than Niue), which are an integral part of New Zealand, provides a possible model for policymakers.

Even the introduction of full "portability" for Niuean recipients of New Zealand government pensions ("superannuation") is expected to have little impact on demographic trends. The policy (which applies to Niueans who have lived in New Zealand for at least twenty years, and for at least five years while over the age of 50) only becomes effective from 1 October 1999. It is interesting that so little is known about the policy consequences of a measure that was achieved only after many years of difficult negotiations with successive New Zealand governments. It is not only a question of not being able to determine whether significant numbers of Niueans in New Zealand will be able or willing to take advantage of this newly granted flexibility. For many years the return of Niueans from New Zealand has been emphasized as a solution to many of Niue's problems. Ensuring that Niueans choosing to return to the island were not "punished" by a loss of benefits (in this case, superannuation) was one way of making it more likely that this might happen. But if older Niueans were to return, could the island cope? What would be the impact on Niue's

health services? Could the island's many abandoned homes be easily renovated? What are the likely consequences for land use, the environment, fishing, community activities, the economy, and so on? No one knows.

Although the New Zealand government's present willingness to allow at least some Niueans to continue to receive New Zealand superannuation even if they return to Niue has been welcome, it is interesting that initial reactions (intended to be reassuring) from Premier Lakatani suggested that perhaps not many residents would want to come back in any case, and so there was no need for alarm. In this he may be correct, as a postelection tour of New Zealand by Young Vivian (another in a series of visits by government leaders designed to persuade Niuean residents to "return home") was greeted with some public criticism from Niueans living in New Zealand. That Niuean residents of New Zealand are now prepared to respond negatively in public to these periodic invitations to go back to their island shows the extent of resistance to such appeals and the degree to which Niueans living in New Zealand feel comfortable with their lives there.

Yet the NPP government has declared a goal of virtually doubling the population (to 3000) over the next three years. Where will the people come from? Niueans may be asked their opinions (either informally or through a referendum) about the possible resettlement of Tuvaluans on Niue. It is also possible that some Tongans may wish to migrate to Niue, if encouraged to do so, in order to eventually qualify for a New Zealand

passport (and residence in New Zealand), a familiar life-style choice but one that would do little to solve Niue's long-term population problems.

Not surprisingly, Lakatani's NPP administration has attempted to separate itself from features of its predecessor's regime. Control over the public service is an important prize, given that it remains the island's main employer. Since taking office, two members of the Niue Public Service Commission have left, their positions being filled by supporters of the Niue People's Party. This leaves the three-person commission (which as the employing authority for the island's public service is legally responsible for the management of all government departments) entirely in the hands of persons with NPP backgrounds.

More dramatic and controversial personnel changes arose following the first sitting of the new assembly, at which there were heated exchanges between the new Speaker and Mrs Jacobsen over the allocation of members to parliamentary committees. As a result, the Speaker, who though elected by the assembly may not be chosen from among its members, ordered Mrs Jacobsen from the chamber. As a person elected to the assembly by the island's voters, she claimed a higher mandate from the electorate and refused to leave. The Speaker then instructed the clerk of the House to notify the police so that Mrs Jacobsen might be escorted from the chamber. However, although the police station is only a hundred meters from the assembly building, Mrs Jacobsen was still at her seat as the session came to a close.

While the consequences for the

Speaker and for Mrs Jacobsen appear to have been negligible, Niue's chief of police (a New Zealander on contract) was suspended from his position by the Niue Public Service Commission for failing to carry out the Speaker's order to evict Mrs Jacobsen. Similarly, the attorney general (another expatriate) was dismissed by the cabinet, apparently for giving the chief of police legal advice that had the effect of discouraging him from responding to the Speaker's order.

Not surprisingly, the government's actions against the two public servants, who perhaps most of all need to be independent from partisan politics, suggest that Niue may be in for some very erratic governance over the next few years. The attempts to dismiss the chief of police and the attorney general were met by court challenges. Ultimately, each resigned and departed, but not without some measure of satisfaction: the attorney general received an out-of-court settlement, while the chief of police succeeded in winning a court battle to clear his name.

The new government has taken some early policy initiatives. It canceled plans for the sale of the Niue consul general's residence in Auckland, thus at the very least postponing the possible establishment of a high commission in Wellington, the New Zealand capital. The government also decided to close Niue's tourist office in Auckland, however, and it further decided to establish commissions of inquiry into the operations of the island's philatelic bureau and its off-shore banking industry.

The Niue People's Party hopes to transform Niue's economic prospects

by encouraging some manufacturing, introducing some land reform (to be carried out by the purchase of Crown land, which would then be leased for business purposes), and by a possible further round of corporatization or privatization of state-owned activities. The overall aim is to generate employment outside the public service, and to permit reductions in the government payroll. The government's budget is about NZ\$17 million, while New Zealand aid provides NZ\$2.5 million for special projects and NZ\$3.75 million in budgetary assistance. Strains on the budget have been intensified by the new government's increases to pensions and child allowances, offset in part by the reduction in salaries for the four-person cabinet.

Signs of economic distress are not difficult to observe. The number of businesses registered on the island has declined in two years from 157 to 88. Among those to close during 1999 are the venerable Niue Trading Store (formerly Burns Philp SS Company) and the long-established R R Rex & Sons, after forty years, an establishment that was something of a landmark in the island's history, economy, and politics.

On the positive side, some increased business activity and visitor flow is expected from the America's Cup competition in Auckland in the year 2000. The possibility of a new Niue airline has been raised, and there have been additional flights to the island as a result of connections established through Air Rarotonga.

Other bright spots for Niue include its significantly improved water system, made possible through technical

assistance from Australia and responsible for saving of millions of liters of waters annually, as well as thousands of dollars in pumping charges. Niue is also (oddly enough) the first country in the world to offer its entire population free email and Internet access (courtesy of the Internet Users Society). This action may have the effect of easing any sense of isolation, but can also have the effect of further nurturing the desire of young people to leave the island for a more exciting life elsewhere.

Finally, although the island's health service is not free from criticism, Niue remains one of the few places in the world where the population is identified as being completely AIDS and HIV free (others include the Cook Islands and Tokelau, each associated with New Zealand in one way or another).

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