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The Pacific Island Countries in Asia-Pacific Regional Frameworks: Retrospect and Prospect

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Introduction

The prediction in the early 1980s was that the following decade would mark the start of the 'Pacific Century'. One notable embodiment of this prediction was the establishment in 1980 of the Pacific Economic Cooperation Council (PECC)[1]. PECC is an international non-governmental organisation, composed of government, academic and business sector representatives from the countries in the region. The Pacific Island Countries, which geographically form part of the Pacific, became involved in PECC via the South Pacific Forum (SPF), their main regional organisation established in 1971[2] (Figure 1).

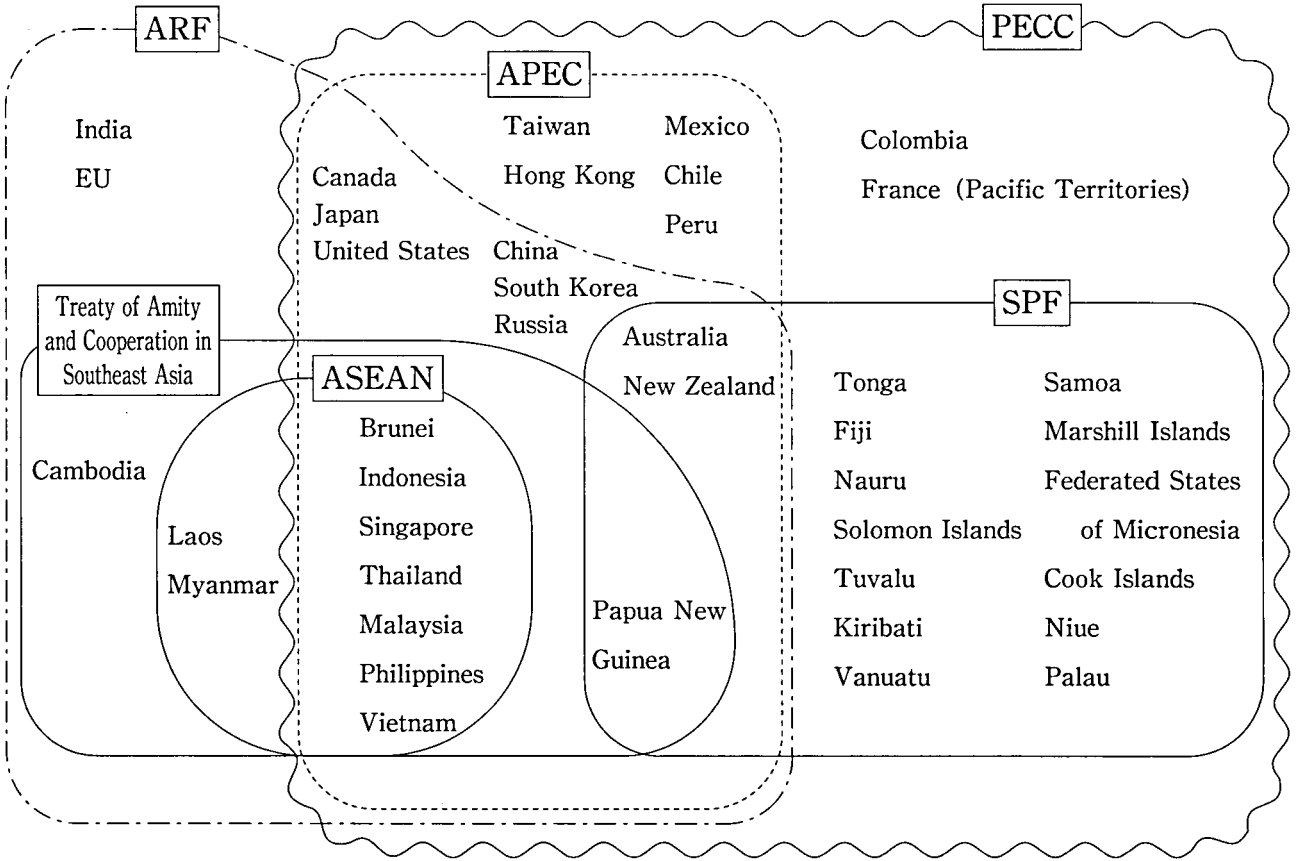
In the 1990s, the 'Asia-Pacific' has arisen as a new and influential concept in the region. The Asia-Pacific Economic Cooperation (APEC), an international governmental organisation created in 1989, seems to have contributed to substantiate the meaning of the Asia-Pacific as a region. Despite its relatively short history, the fast-institutionalizing APEC has attracted a good deal of attention world wide. The Pacific Island Countries, which again geographically form part of the region, are one of those which are looking at APEC with close interest (Figure 1).

The purpose of this paper is to examine in what ways the Pacific Island Countries have found themselves situated in regional frameworks in the 1980s and the 1990s, with particular reference to PECC and APEC. Furthermore, the paper considers how the Pacific Island Countries will adjust to the new Asia-Pacific regional frameworks which may continue to flourish over the next decade. By carrying out this investigation, it is hoped that this paper will clarify the position of subregional Pacific Island Countries in the wider regional frameworks of the Asia-Pacific.

1 The 'Pacific Century' and the Establishment of PECC

Prior to the establishment of PECC, there already existed several interna-

(Figure 1)


ARF
PECC
APEC
India
EU
Taiwan
Hong Kong
Mexico
Chile
Peru
Colombia
France (Pacific Territories)
Canada
Japan
United States
China
South Korea
Russia
Treaty of Amity and Cooperation in Southeast Asia
SPF
Australia
New Zealand
ASEAN
Brunei
Indonesia
Singapore
Thailand
Malaysia
Philippines
Vietnam
Cambodia
Laos
Myanmar
Papua New Guinea
Tonga
Fiji
Nauru
Solomon Islands
Tuvalu
Kiribati
Vanuatu
Samoa
Marshill Islands
Federated States of Micronesia
Cook Islands
Niue
Palau

tional non-governmental organisations in the region. The Pacific Basin Economic Council (PBEC) and the Pacific Trade and Development Conference (PAFTAD) can be named in the context of the establishment of PECC.

PBEC was formed in 1967 by business leaders in Japan, Australia, New Zealand, the United States, and Canada. The ASEAN Countries (Malaysia, the Philippines, Thailand, Singapore and Indonesia), the 'three Chinas' (China, Taiwan and Hong Kong), three Latin American countries (Peru, Chile and Columbia), Mexico, South Korea and Russia joined PBEC later on. As an international non-governmental organisation, PBEC has provided a forum for the exchange of views by business leaders on economic issues in the region.

PAFTAD was established in 1968 at the initiative of two Japanese economists, Saburo Okita and Kiyoshi Kojima. PAFTAD's original membership was comprised of academics from five developed countries (Japan, Australia, New Zealand, the United States and Canada), but later on was expanded to include also academics from developing countries in the region. PAFTAD acts as an informal and private circle for academics to discuss economic policy issues of importance to Pacific countries.

Based on the experience of PBEC and PAFTAD, the Japanese government launched the 'Pacific Basin Cooperation Concept', which was to lead to the establishment of PECC in the late 1970s. The 'Pacific Basin Cooperation Concept' was one of the major foreign policy efforts of Prime Minister Masayoshi Ohira's government which came into existence in 1978. To propel the concept forward, the Ohira government set up the Pacific Basin Cooperation Study Group in March 1979, a private study group under the chairmanship of Okita[3].

After conducting a survey, the Pacific Basin Cooperation Study Group issued a final report in May 1980. The report did not provide a specific list of the names of the countries to participate in Pacific Basin Cooperation, but it did assume that all countries in the Pacific region would become members under the

principle of 'open regionalism to the world'. According to the report, the purpose of the cooperation was to create a free, open and interdependent relationship in economic and cultural/societal fields. The report also stated that cooperation should be a mutually complementary relationship not inconsistent with exisiting bilateral and multilateral relations among member countries in the region (Kantaiheiyou Rentai Kenkyu Group, 1980 : 19-24).

The 'Pacific Basin Cooperation Concept' was eventually implemented in September 1980. The Pacific Community Seminar was held in Canberra as the inaugural meeting of PECC (later referred to as PECC-I) with Okita and John Crawford, the chancellor of the Australian National University, playing key roles in the seminar. In fact, during his visit to Australia in January 1980, Ohira had obtained an agreement from Prime Minister Malcolm Fraser to hold the seminar. Despite Ohira's unexpected death in June of the same year, the seminar was convened on schedule.

The seminar was attended by delegations from Japan, Australia, New Zealand, Canada, the United States, the ASEAN countries (Malaysia, the Philippines, Thailand, Singapore and Indonesia), South Korea and the Pacific Island Countries. PBEC and PAFTAD also sent delegations to the seminar. The tripartite delegation was composed of representatives from government, the business sector, and academia. Due to the fact that the delegation representatives attended the seminar in the capacity of private individuals, PECC revealed itself to be acting as an international non-governmental organisation. The establishment of PECC was regarded as marking the threshold of the 'Pacific Century'.

2 The Pacific Island Countries in PECC

Although the seminar was well attended in terms of numbers, some of the delegates did not respond favourably to the seminar. Delegates expressed various concerns about the Pacific Community, and in particular the ASEAN

countries were anxious that it should not undermine the strength and cohesion of ASEAN (Crawford, 1981 : 28).

In addition, the Pacific Island Countries showed deep concern about the Pacific Community because of their weak position as small island developing countries. The Prime Minister of Fiji, Kamisese Mara, declined the invitation to the seminar, claiming that it would have a negative impact on SPF regional cooperation (Woods, 1993 : 201). The concerns of the Pacific Island Countries about the formation and progress of the Pacific Community included: the need for a cautious and unhurried approach to the formation of the Pacific Community; whether a multilateral arrangement such as the Pacific Community would facilitate the achievement of comparative advantage; their own limited resource bases and the consequent need for their special interests to be taken into account in the Pacific Community; and the possibility that greater concessions could be won by dealing with the major industrialised economies of the region bilaterally rather than multilaterally through the Pacific Community (Crawford, 1981 : 28-29)[4].

To assuage the concerns of the developing countries, key figures such as Okita and Thanat Khoman, the then deputy Prime Minister of Thailand, stated that the particular interests of ASEAN and the Pacific Island Countries would be taken fully into account in the Pacific Community, and offered assurances that the Pacific Community would be advantagous to those countries (*Ibid* : 28-31). The seminar eventually adopted a recommendation known as the Canberra Agreement which paid special consideration to the concerns of the developing countries. In the agreement, there were proposals to set up task forces on trade, direct investment, energy, Pacific marine resources, and international services. As these areas were of interest to the developing countries, the key figures at the seminar were trying to impress the developing countries the idea that Pacific cooperation was to be advanced not only in the interests of the developed countries, but also in the interests of the developing countries in the region. For

example, the reason that international services such as transport and communications were included in the proposals was because they were considered especially important for the Pacific Island Countries (*Ibid* : 30).

Although there existed no concrete consensus on Pacific cooperation among the delegates who attended the Canberra seminar, PECC was able to begin its operations. The second meeting of the Pacific Community Seminar (PECC-II) took place in Bangkok in June 1982. At this meeting it was decided to establish a standing committee and to adopt PECC as the official name of the Pacific Community. Moreover, the four task forces proposed at the PECC-I were established formally, namely: minerals and energy, direct foreign investment and technology transfer, trade in manufactured goods, and trade in agricultural products.

But despite the steady development of PECC, the Pacific Island Countries had often found themselves overlooked in this process, and at the same time, had not actively become involved in PECC. Following PECC-I they did not participate in the next two PECC meetings. The Pacific Island Countries' indifference to PECC was reflected in the Annual Reports of the Director of the South Pacific Bureau for Economic Cooperation (SPEC)[5] which failed to mention PECC until 1985. After being absent from the two previous meetings, the Director of SPEC accepted an invitation to attend and to present a Pacific perspective on the PECC-IV to be held in Seoul in April 1985 (South Pacific Forum Secretariat, 1985 : 78). However, at the meeting the Pacific Island Countries found they were out of the place and displayed their obvious dissatisfaction and frustration with PECC.

At the beginning of PECC-IV, Okita held a seminar arguing that economic growth in the Pacific had benefited from the 'flying geese' pattern of development. The 'flying geese' pattern of development meant that the United States was the lead goose at the head of a V-formation, with Japan and other East Asian economies working to catch up by utilizing the United States as an engine

of economic growth (Woods, 1993 : 101). In response, the Pacific Island Countries expressed their deep dissatisfaction with Okita's seminar which neglected all mention of them (Kojima, 1990 : 274). It was apparent that even though the Pacific Island Countries were members of PECC, they had received little attention because they were small island economies, and lay outside the main economic growth centers of the Pacific region which had come to occupy the main interest of PECC.

On the other hand, the Pacific Island Countries showed strong interest in the report which was submitted to the meeting by the task force on agricultural products and renewable resources (*Ibid* : 275). This task force began at PECC III and concentrated on fisheries cooperation and development (Munro, 1988 : 127). While showing dissatisfaction with PECC, the Pacific Island Countries attempted to make active committments to PECC based on their interests in the fisheries development.

It was not until PECC-VI held in Osaka in May 1988 that the Pacific Island Countries eventually established their position in PECC. At the meeting the report of the Task Force on Fisheries clarified in particular the importance of fisheries for the economies of the Pacific Island Countries (Japan National Committee for Pacific Economic Cooperation, 1988 : 10). In fact, fisheries cooperation between ASEAN and the Pacific Island Countries had already begun following an agreement at the PECC-V in Vancouver in 1986. One example of this was the ASEAN-Pacific Island Nations International Fisheries Conference held in Manila in October 1987. The conference called for the creation of the Western Pacific Fisheries Consultative Committee (WPFCC), a body to coordinate fisheries cooperation between the two regions (Munro, 1988 : 127-130). The proposal was endorsed by PECC-VI, and the WPFCC was established in December 1988 with the assistance of the Task Force on Fisheries. This brought about interregional cooperation in the framework of PECC, and it was the first tangible gain for the Pacific Island Countries since they had joined

the PECC. Indeed, even Okita, the chairman of the PECC Standing Committee, was forced to admit that PECC activities had tended to center on ASEAN, the Asian NICs, and the developed Pacific Rim Countries, and had neglected the interests of the Pacific Island Countries which occupied the geographical heart of the region, and stressed that he wanted to see greater emphasis on the special interests of the Pacific Island Countries during the PECC-VII (Okita, 1988 : 21).

Added to this, the most important outcome of PECC activities for the Pacific Island Countries came at PECC Standing Committee meeting in Wellington in October 1988. This committee recognised that a major obstacle to economic development in the Pacific Island Countries was the absence of entrepreneurial skills among nationals, and that as a result the Pacific Island Countries were unable to obtain the full benefits from the PECC. In order to solve these problems, the committee endorsed the idea of establishing a working group which would be assigned to facilitate the proposal for a Task Force on Pacific Island Nations (PIN) presented at PECC-VI by representatives from Japan and the United States (Wu, 1991 : 3). Thus, eight years after the establishment of PECC which had focused economic growth in the region, it had now come to pay special attention to the Pacific Island Countries which had been left behind in the economic growth of the region.

The working group consisted of Indonesia, Japan, New Zealand, Taiwan and the United States and it met with representatives of the SPF Secretariat in April 1989 in order to define and agree upon the terms of reference for the PIN Task Force. The agreed terms of reference were endorsed by the PECC Standing Committee in the same month and by SPF in July. They were as follows: 1) exploration of ways in which PECC can assist with the development of entrepreneurial skills in the Pacific Island Countries; 2) investigation of the scope for Member Committees to sponsor small business joint ventures in the Pacific Island Countries; 3) exploration of ways in which the Pacific Island Countries might be involved more effectively in the work of PECC and its

exisiting Task Forces; 4) exploration of the possibility of establishing a PECC-sponsored office for promotion of cooperation between the business communities in the Pacific Island Countries and the private sectors of PECC Member Countries, and to liaise between the SPF Secretariat, the PECC Secretariat, and other PECC Task Forces (*Ibid*).

The PIN Task Force was formally established at PECC-VII held in Auckland in November 1989. In January 1991, Indonesia, Japan and Taiwan were nominated as the coordinators of the PIN Task Force and a workshop was organized by the new coordinators in Honolulu in February of the same year (*Ibid* : 4-5). At the workshop the participants from the Pacific Island Countries called for cooperation with Pacific Rim Countries through PECC (Yarrow, 1988; Biribo, 1988; Aloir, 1988; Tihala, 1988).

There was also a development in the Task Force on Fisheries Development and Cooperation. The Task Force reported at PECC-VII that the WPFCC had organised a research workshop in April 1989 in order to coordinate ASEAN-Pacific Island Countries tuna research. The Task Force also helped to organise the Pacific Latin America-Pacific Island Nations International Fisheries Conference held in September 1988. Based on the results of these two conferences, the Task Force made clear that it would seek the possibility of future tri-regional fisheries cooperation among ASEAN, the Pacific Island Countries, and Pacific Latin America (New Zealand Committee for Pacific Economic Cooperation, 1989 : 85).

Therefore, the Pacific Island Countries were gradually becoming more committed to PECC by participation in the activities of the PIN Task Force and by communicating their interests and desires (Pacific Economic Cooperation Council Secretariat, 1991 : 82-83; The Japan National Committee for Pacific Economic Cooperation, Autumn 1991). Likewise, they became involved in the activities of the Task Force on Fisheries Development and Cooperation. While the Pacific Island Countries tried to enhance fisheries cooperation with ASEAN

base on the support of WPFCC, they also sought to develop similar cooperation with Pacific Latin America through the Trans-Pacific Fisheries Consultative Committee (TPFCC) set up in July 1990 with the assistance of the Task Force on Fisheries Development and Cooperation (Pacific Economic Cooperation Council Secretariat, 1991 : 78-79).

The concept of the 'Pacific Century' embodied by PECC was thus focused on those Pacific Rim Countries and Asian NIEs which were maintaining high economic growth, and in this sense it can be said that the Pacific Island Countries were detached from the 'Pacific' commonly at that time. However, after having shown their deep dissatisfaction with PECC, it can be seen that the Pacific Island Countries were incorporated into the 'Pacific' in the late 1980s through the expansion of PECC's interests and activities which had come to pay special attention to the least developed members of PECC.

3 The Rise of APEC and the Pacific Island Countries

During the 1990s, the environment surrounding the Pacific Island Countries and PECC has changed rapidly. The most notable change has been the rise of APEC. APEC was established in 1989 as a form of 'open regionalism' in an attempt to promote chiefly the non-discrimination and liberalization of trade and investment in the Asia-Pacific, and in opposition to the possible emergence of closed macroregional economic blocks, such as the European Community's single market. Although APEC has a relatively short history, it has quickly succeeded in spreading the term 'Asia-Pacific' as the means to delineate the region. By the mid-1990s, the 'Pacific Century' had been totally engulfed and superseded by a wave for the 'Asia-Pacific'. The term 'Asia-Pacific' is an illustration of the fact that Asia, or more specifically the Asian NIEs and ASEAN Countries, has come to be recognized as a distinct entity due to its economic development in the 1980s.

Undoubtedly, the rise of APEC had a significant impact upon PECC, which

in fact had contributed greatly to the formation of APEC. The idea of APEC was nurtured in PECC, and especially in PECC-VI in 1988. At the time of APEC's creation in 1989, PECC made clear that it would seek to coordinate information, analysis, and proposals which could then be forwarded to APEC, as well as helping to identify proposals for agenda items and policy initiatives (New Zealand Committee for Pacific Economic Cooperation, 1989 : 1). Moreover, it can be said that APEC and PECC are complementary bodies because the former is an international governmental organization and the latter an international non-governmental organization.

However, it appears that the main interests of most PECC members have shifted from PECC to APEC. Due to its position and status as an intergovernmental organization, APEC exerts a much more significant influence upon the countries in the region compared to the non-governmental body of PECC. Furthermore, given the context of global trends in trade and investment liberalization which have been accelerated in particular since the establishment of the World Trade Organization (WTO) in early 1995, the role of APEC in negotiating trade and investment liberalization policies in the region is becoming more important to its members.

The Pacific Island Countries have also shifted their main interests from PECC to APEC, even though Papua New Guinea (PNG) is the only one among them which succeeded in obtaining full membership of APEC in 1993. Unlike the case of PECC, the Pacific Island Countries showed strong interest in APEC at relatively early stage. The final communiques adopted at SPF meetings since 1991 have never failed to mention APEC. In fact, the Pacific Island Countries seem to have lost enthusiasm for PECC[6], and the PIN Task Force has been inactive since mid-1990s.

The strong interest of Pacific Island Countries in APEC can be explained by the background of changes in the international environment. The Pacific Island Countries in general used to rely for their economic survival on aid from

extraregional sources, trade preferences, and price stabilization schemes. However, the end of the Cold War and 'aid fatigue' had resulted in reduced amounts of aid to the Pacific Island Countries. Furthermore, the formation of a new international economic order under WTO may not leave intact trade preferences and price stabilization schemes. The future of the Lomé Convention, under which the EU has provided a preferential trade scheme to the Pacific Island Countries, is also unclear. The Pacific Island Countries have been affected by the same kind of crisis feeling spreading among the developing countries which stems from the perception that the global economy would be come to be controlled by the EU, NAFTA, and APEC. Therefore, the Pacific Island Countries have had to reconsider their economic policies and look for alternatives with which is dealt with international situation. The commitment to APEC was one of the solutions which the Pacific Island Countries discovered in order to mitigate their economic difficulties. The Pacific Island Countries believe that by making a commitment to APEC they can learn from the market -led policies of the Asian economies which have led to the dramatic economic growth, and diversify the international market by strengthening institutional and market linkages with Asia (South Pacific Forum Secretariat, 1995a : 4).

Hence, the Pacific Island Countries began to seek an active commitment to APEC in the 1990s. But due to the fact that none of them, with the exception of PNG, were official members of APEC, they were only able to obtain indirect contacts with APEC through the observer status which SPF has held in APEC since its inaugural meeting in 1989, and through those SPF members, Australia, New Zealand and PNG, which held full membership of APEC. This meant that the Pacific Island Countries were excluded from the concept of the 'Asia -Pacific' which APEC embodied, even though in a geographical sense they were situated in the midst of the region. Therefore, the first step for the Pacific Island Countries was to gain recognition in APEC as a subregion to which APEC could extend its activities. This explains why they made commitments to APEC

based on an appeal that they were willing to adopt and implement APEC's principles of trade and investment liberalization.

In September 1995, the SPF meeting adopted a final communique and a Plan of Action for 'Securing Development Beyond 2000'. Both documents declared that SPF would adopt and implement the investment principles agreed by APEC members, and work towards implementation of trade reform measures required by GATT/WTO (South Pacific Forum Secretariat, 1995b). Furthermore, the SPF circulated at the seventh APEC Ministerial Meeting in Osaka in November 1995 a statement called 'South Pacific Forum Countries & APEC : An Important Relationship'. The SPF in the statement reiterated that it was attempting to liberalise the economies of the Pacific Island Countries through reductions in both tariff and non-tariff barriers to trade and investment (South Pacific Forum Secretariat, 1995a : 6).

The Pacific Island Countries continued with their efforts, and final communique adopted at the SPF meeting in September 1996 encouraged member countries to develop national investment policies in line with APEC investment principles. The SPF meeting also decided to establish an annual meeitng of SPF economic ministers to consider the next appropriate steps to maintain momentum in tariff reforms (South Pacific Forum Secretariat, 1996).

The first Forum Economic Ministers Meeting was held in July 1997. It adopted the Action Plan which required SPF members to provide a policy environment to encourage private sector development (South Pacific Forum Secretariat, 1997a). The Action Plan was endorsed at the SPF meeting in September, and the SPF members reaffirmed their commitment to free and open trade among the Pacific Island Countries through tariff reform and ensuring investment transparency (South Pacific Forum Secretariat, 1997b). However, it should be noted here that trade and investment liberalization is not the ultimate goal for the Pacific Island Countries. Although the Pacific Island Countries are currently trying to change their economic policies in order to move in accord

with APEC's principles of trade and investment liberalization, they actually hope to obtain economic and technical cooperation, and special trading arrangements from APEC after having being recognized as one of its subregions.

With regard to economic and technical cooperation of APEC, the Pacific Island Countries have been allowed to attend indirectly several APEC working group meetings through the SPF's observer status (which APEC allowed to participate in working group meetings.) Particularly, The Pacific Island Countries have shown particular interest in the working groups for energy, telecommunications, and information (South Pacific Forum Secretariat, April 1995).

Although economic and technical cooperation of APEC has received less attention than trade and investment liberalization, there has made substantial progress in these issues since the seventh APEC Ministerial Meeting in Osaka in 1995. The Osaka Action Agenda adopted at the meeting listed 13 areas of economic and technical cooperation, such as human resource development (Asia -Pacific Economic Cooperation, 1995). In addition, the same meeting adopted a Japanese-initiated 'Partners for Progress' (PFP) mechanism to promote economic and technical cooperation within APEC. Industrial property rights, standards and conformance, and competition policy were chosen as PFP projects which then began in 1997. Furthermore, at the eighth APEC Ministerial Meeting in Manila in November 1996 it was reported that more than 320 projects had been undertaken in the 13 areas of economic and technical cooperation which had benn listed in the Osaka Action Agenda (Asia-Pacific Economic Cooperation, 1996). The Framework for Strengthning Economic Cooperation and Development was also agreed, and two priority areas (strengthening economic infrastructure and promoting environmentally sustainable growth) received particular emphasis throughout 1997 (Asia-Pacific Economic Cooperation, 1997). If APEC's economic and technical cooperation proceeds well, it can be expected that the Pacific Island Countries will be further enhanced their commitment to APEC.

On the other hand, the creation of a special trade arrangement for the Pacific Island Countries in APEC seems to be difficult to attain. Among the Pacific Island Countries, PNG has been most vocal in its support for the creation of special trade arrangements in APEC for the Pacific Island Countries. During official visits to Japan and the Philippines in February 1996, the PNG's Prime Minister, Julius Chan, proposed a Lomé Convention-type arrangement in APEC for the Pacific Island Countries, including trade preferences and a trade stabilization scheme (Papua New Guinea Post-Courier, 9 February 1996; Pacific Report, 20 February 1996). This PNG proposal was endorsed in June 1996 at the Melanesian Spearhead Group Meeting composed of the Melanesian Pacific Islands, PNG, Solomon Islands, Vanuatu, Fiji, and Front de Liberation Nationale, Kanak et Socialiste of New Caledonia (Melanesian Spearhead Group, 1996). However, it is apparent that the creation of a special trade arrangement in APEC for the Pacific Island Countries is inconsistent with APEC's principles of trade and investment liberalization in the region. Consequently, the Pacific Island Countries will have to seek other possibilities in APEC rather than the creation of a special trade arrangement.

While the Pacific Island Countries are attempting to gain recognition in APEC by collective commitments through the SPF, some of them have expressed their intention to obtain full membership of APEC in their own right. In 1993, the permanent secretary for commerce, industry and tourism of the Fiji government stated that Fiji would push for APEC membership after the moratorium on new members was released in 1996 (*Fiji Times*, 22 November 1993). Following Fiji, the Solomon Islands' Finance Minister also indicated that his country would seek APEC membership in order to boost its trade strategy (*Pacific Report*, 22 May 1995).

The APEC Ministerial Meeting decided in 1996 not to extend the moratorium on new membership (Asia-Pacific Economic Cooperation, 1996). The APEC Leaders' Meeting in Vancouver in November 1997 endorsed the guide-

lines on APEC membership and decided that Vietnam, Russia and Peru would be admitted as new members from 1998. Agreement was also reached that there should be a new ten-year moratorium on the admittance of further membership (Prime Minister's Office of Canada, 1997). Although the possibility can not be ruled out altogether, it seems that due to the small size of their economies it will be difficult for Fiji and Solomon Islands to obtain full membership of APEC even after the moratorium on new membership ends. Instead, it may be easier for the Pacific Island Countries to join APEC as a collective body in the same way as they did PECC or, alternatively, to maintain their current position through the SPF's observer status in APEC, as this allows them to participate in the working groups which best suit their direct interests. In this regard, it can be expected that the creation of the Pacific APEC Center in PNG's capital Port Moresby, a liaison center created by the PNG government in order to provide a link between APEC and the non-APEC member Pacific Island Countries, will bring about new developments in the relationship between APEC and the Pacific Island Countries. The SPF expects the Center to complement the role played in the region by the Forum Secretariat (South Pacific Forum Secretariat, 1997b). But in any case, the Pacific Island Countries need to follow APEC's principles of trade and investment liberalization in order to be accepted into the 'Asia -Pacific'.

4 The Pacific Island Countries in the New Asia-Pacific Era

While APEC has contributed to the emergence of the concept of the 'Asia -Pacific' as a new regional framework, other frameworks are also emerging to cover the region. These frameworks also can be termed as Asia-Pacific regional frameworks, but their membership and functions are not the same as the 'Asia-Pacific' represented by APEC. The most notable of these regional frameworks is the ASEAN Regional Forum (ARF) (Figure 1).

The ARF was officially established at the initiative of ASEAN in 1994 as

an Asia-Pacific regional security framework. The ARF at its second meeting in Brunei in 1995 adopted the ARF Process. This process is to be pursued by a two-truck intergovernmental and non-governmental process, and is composed of three stages: 1) the promotion of confidence building; 2) the development of preventive diplomacy; and 3) the elaboration of approaches to conflicts (ASEAN Regional Forum, 1995). To implement the first stage, the Inter-sessional Support Group on Confidence Building Measures held the meetings and produced the recommendations, such as the promotion of the exchange of views on defense policies (ASEAN Regional Forum, 1997a). At the fourth ARF meeting in 1997, it was agreed that ARF would move towards the second stage, the development of preventive diplomacy (ASEAN Regional Forum, 1997b).

Among the Pacific Island Countries, only PNG is a full member of the ARF since it is a signatory to the Treaty of Amity and Cooperation in Southeast Asia, to which the ASEAN countries and neighbouring Southeast Asian countries are also signatories[7] (Figure 1). Until this point, the other Pacific Island Countries either individually nor collectively through the SPF, have shown little interest in the ARF. Nevertheless, there is one ARF issue which might attract the attention of the Pacific Island Countries.

The second ARF meeting in 1995 endorsed the nuclear-weapon free zones, such as the South Pacific Nuclear Free Zone, as a means to strengthen international non-proliferation regimes and expressed the hope that all nuclear weapon states would adhere to the relevant protocols (ASEAN Regional Forum, 1995). The nuclear-weapon free zones were also discussed at the third and fourth ARF meetings, and at the latter it was stated that the Southeast Asia Nuclear Weapon Free Zone Treaty was an important effort of Southeast Asian states towards strengthning the security in the region and towards the establishement of nuclear-weapon-free zones globally (ASEAN Regional Forum, 1996; ASEAN Regional Forum, 1997b). For the Pacific Island Countries, nuclear issues have been the main concern since the establishment of the SPF in 1971[8]. Their

subregional cooperation on nuclear issues was given concrete form by the signing of the South Pacific Nuclear Free Zone Treaty at the SPF meeting in 1985, which was modelled on the Southeast Asia Nuclear Free Zone Treaty signed in 1995. If the ARF makes further commitments toward nuclear free zones in the region, the Pacific Island Countries will find their interest to be same as those of the ARF and they will be encouraged to make greater commitments to the ARF. The motivation to become involved in ARF will come from the security interests and will be quite different from the economic motivation to join APEC.

Besides the ARF, it is expected that other regional frameworks will appear in the Asia-Pacific in the future. For example, the environment, natural disaster relief and health care are possible areas for the establishment of Asia -Pacific regional frameworks[9], and the Pacific Island Countries might make commitments to some of these if they find their interests.

The Pacific Island Countries are thus standing at the threshold of the 'Asia -Pacific' region embodied by APEC. At the same time, they are observing other Asia-Pacific regional frameworks springing up. In the new Asia-Pacific era brought about by the rise of various regional frameworks, the Pacific Island Countries will inevitably have to make some commitment to these and find their own place within them. The most important task for them is the pursuit of their subregional interests and selective involvement in the wider regional frameworks of the Asia-Pacific but without being swallowed by these. In addition, cooperation via the SPF with ASEAN might be beneficial for the Pacific Island Countries, as ASEAN has a voice representing the developing countries in the Asia-Pacific region. It may increase the diplomatic influence of the Pacific Island Countries when they get involved in Asia-Pacific regional frameworks. Such inter-subregional cooperation will assist the Pacific Island Countries in making the Asia-Pacific region more beneficial to the developing countries in the region, especially small island developing countries such as themselves.

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NOTES

1) The original name was Pacific Economic Cooperation Conference. It was changed to Pacific Economic Cooperation Council in 1992.
2) On the process of formation of SPF, see (Ogashiwa, 1991 : 1-9).
3) After Okita was appointed Minister of Foreign Affairs in November 1979, Professor of Nagoya University, Tsuneo Iida, took over the chairmanship of the group.
4) For similar concerns expressed by other Pacific islanders, see (Nawalowalo, 1981).
5) SPEC was established in 1973 under the SPF, and in 1975 it officially became the secretariat of SPF. It was restructured as the Forum Secretariat in 1988.
6) After 1992 the Forum Communique stopped mentioning PECC.
7) Among the SPF members, Australia and New Zealand are also full members of ARF since they are the members of the ASEAN Post-Ministerial Meeting.
8) See (Ogashiwa, 1991).
9) Especially, the Pacific Island Countries have shown a strong interest in environmental issues. See (Ogashiwa, 1995). Regarding environmental issues, the Environment Congress for Asia and the Pacific (Eco-Asia) has so far convened six meetings. APEC organized Environment Ministers Meetings and several statements on the environment were adopted at the meetings, such as the APEC Environmental Vision Statement and a Framework of Principles for integrating economy and environment in APEC. The SPF representative attended the meetings as an observer.

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