12. Commerce and Industry

Like so many other things in Fiji, commerce and industry is defined along racial lines.

Throughout the early part of the 20th century, big business such as retail, manufacturing, sugar and copra, wholesaling, importing and exporting, and construction, were controlled by overseas organisations or local Europeans. The smaller retail shops were owned by Indians and many of the corner shops, bakeries and market gardens were in the hands of Chinese, while Fijians were confined to the produce markets.

A story attributed to the esteemed Fijian leader Ratu Sir Lala Sukuna says it all: A Fijian, a European, an Indian, and a Chinese arrived in Heaven to be met by the gatekeeper. The gatekeeper asked the European why he should be admitted. ‘To build an empire,’ declared the pompous man. ‘Excellent,’ said St Peter. ‘You may enter.’ He then turned to the Indian and asked the same question. ‘Why, to build a chain of stores,’ the Indian said. ‘Of course, we need stores,’ responded St Peter. ‘Do enter.’ The Chinese was next and was asked by St Peter why he should be admitted. ‘I will plant market gardens all over Heaven.’ ‘Why I hadn’t thought of that,’ mused St Peter. ‘In you go.’ Then he asked the Fijian, ‘What about you, what can you contribute?’ ‘Oh nothing,’ said the Fijian. ‘I just want to look around.’

During the 20th century, the three big players in commerce were Burns Philp, Morris Hedstrom and W. R. Carpenter & Co. Burns Philp was an Australian company that had interests in most of the South Pacific countries, selling consumer needs through retail outlets as well as being agents for shipping, motor vehicles and farm equipment. Morris Hedstrom was a local company specialising in retail stores throughout the islands. Carpenters were into shipping and copra milling. Then there were the oil companies, the manufacturer’s agents, and other Australian and New Zealand companies and banks that had branches in Fiji.

All these organisations were controlled by Europeans, mostly expatriates. One exception was W. O. Johnson, known as Tui, whose father was known as Tavua Johnson. I never knew their real names. For as long as I can remember, Tui was head of Carpenters and it was he, more than anyone else, who dragged the copra industry, kicking and screaming, into the modern age. Up until the 1950s all copra was exported, but Carpenters set up a copra mill in Suva to crush the copra and export oil, which enabled them to control the industry and demand improvements in quality. Some planters loved Tui for setting up the mill, others hated him for forcing them to spend money on quality control. All were convinced that he was making huge profits for Carpenters at their
expense. Tui also established a fleet of inter-island ships to transport copra from the outer islands to the mill in Suva. Whenever he introduced a new ship he would take it round to the copra producing areas and invite the copra producers to a grand booze up on the ship’s deck.

In many respects, Tui was a real colonial. He was a short, stocky, balding man with a blubbery, slightly crooked face. He always wore starched, long white trousers and a white shirt with a pith helmet, and he spoke in a very impatient manner.

While he got on well with his staff, he was a hard taskmaster who demanded results. Yet despite the criticisms of him, Tui Johnson was fair and honest with the planters and he eventually won their respect.

Maurice Helsen, a Frenchman, was a long time manager of Burns Philp during the 1950s and 1960s. He was largely responsible for expanding the company’s range of merchandise and set up the first Burns Philp store on Taveuni. He was a very serious drinker. I remember him coming to our house on Taveuni on one occasion. As it was drinks time, I brought out our very best crystal glasses and offered him a whisky. He took one look at the fine glass and said, ‘Haven’t you got anything bigger?’

Earlier, while I was still living with Dad at the old home, he came to stay overnight. As my room was the only one with a spare bed, he slept there. We had been having a lot of rat problems at the time so I had set some big wooden traps in the ceiling. The only access to the ceiling was through the manhole in my room. That night, well after we had all gone to bed, one of the monster rats got himself trapped but not killed. He thumped around in the ceiling making a terrible noise, but Helsen didn’t move. I waited for some time, hoping the rat would give up, but eventually I realised I would have to go outside, get a 12-foot ladder, bring it into the room, set it up, climb into the ceiling, find the trapped rat and come down again with the squealing rat and remove the ladder. It was a very noisy business but Helsen didn’t move. He had consumed a good deal of Dad’s Scotch.

With the growth of the tourist industry and the arrival of more passenger ships in Suva from the 1960s, the duty free industry flourished. Prior to this, Cumming Street was a collection of drab little general stores and tailor shops. It suddenly blossomed with flashing fluorescent lights advertising Sony, JVC, Sanyo, National and Seiko. The shops were filled with a dazzling array of electronic gadgetry.

Gokals was one of the first to recognise the potential from tourism. For the Gokals, trade began in the mid-1950s when the founder, Bob, sold a small
transistor radio to a Bank of New Zealand officer. This led to an order of 60 more radios and gave the shrewd Bob an indication of the vast potential of the growing transistor market.

He began importing cameras, binoculars and watches, and supplied these under the draw-back system to tourists visiting Suva on ships. This system provided that the goods were delivered to the ship’s purser and handed over to the buyer only when the vessel was beyond territorial limits.

But the drawback system had its own drawbacks and merchants like Bob Gokal suggested to the government that in order to induce more tourists to visit Fiji, a certain range of goods should be declared duty-free.

The government agreed. Customs duty was removed and the tourist industry took off. The Gokals closed down their old tailoring and drapery shop and opened a new shop close to the Garrick Hotel in Pier Street, and it was this proximity to the hotel as much as anything that brought tourists to Gokals. Once inside, they were quickly won over by Bob Gokal’s odd lopsided smile and backslapping familiarity. Bob was a short bespectled man whose real name was Bhagwan. Like his brother Magan, he was a Gujarati, who are sometimes called ‘the Jews of the East.’ They are taught at an early age to shun evil or suffer the wrath of God. They are encouraged to be thrifty, hardworking and make sacrifices in the interest of enhancing family prosperity. In contrast to Bob’s rather odd appearance, his brother Magan was a debonair, silver-haired man with a sparkling smile. He, like his wife Sumitra, was an expert at yoga and he exuded the real objectives of yoga: physical well being, self reliance and assurance. Like many others, their business flourished: they acquired many world famous agencies and expanded to Hong Kong and Australia. The little tailor shop had grown beyond all expectations.

Another Gujarati who I grew to respect over the years was Kalyan Hari. He was a diminutive man just over five feet tall, articulate with polished manners. He always dressed immaculately and conveyed a surprising impression of strength. His family came to Fiji in 1918 and his business grew from a little tailor shop to a conglomerate of wholesaling, hardware, garment manufacturing, motion picture exhibition and distribution, and footwear. I worked with Kalyan on a number of Rotary projects and grew to respect his dedication and his integrity. I was sad that he died prematurely from stress, prior to realising his dream, which he told me was to ‘make G. B. Hari & Co more powerful than the giants Burns Philp, Carpenters and Morris Hedstroms,’ and to spread through Australia, new Zealand and East Asia.

The pre-eminent auctioneer in Suva for many years was a great character whose real name was Mirza Namrud Buksh. But he was known to all as Lulu, meaning
owl in Fijian. Apparently his family gave him this name as he slept all day and cried all night when he was a baby. Lulu had a mix of Fijian, Indian, English and American blood in his veins and spoke eight languages. He made his name by conducting 12-hour marathon auctions selling Persian rugs. His auctions were a lot of fun. Lulu thrived on family life and had 17 children, 11 of whom were adopted. His youngest child was named Count, after the Count of Monte Cristo. He stood for every election to parliament so he could express his views publicly, but he never won and said he would hate to do so. ‘I would only make enemies and my goal in life is to make friends,’ he proclaimed.

Up at the corner, where my street meets the main road was, for many years, Kestor’s Store. We would often buy things such as bread, a tin of this or that, or potatoes, if we were desperate and our main supplier had closed. Kestor, who was Chinese, remained open from five am till eight pm, or later if there was a sale to be made. The store was like a large room with every square inch cluttered with an amazing jumble of bags, boxes and miscellaneous merchandise. Only Kestor knew exactly where everything was located. It was a dirty shop that was never cleaned and Kestor himself looked just as grubby. I tried to avoid going in to buy anything for, if I did, Kestor would harangue me with the latest crimes of politicians and bureaucrats in a high-pitched voice that mixed English, Chinese and Fijian. He was very difficult to understand, so I simply said, ‘Yes, yes I agree, you are right,’ and fled as soon as I could. Kestor’s greatest achievement was to get a license to sell alcohol, which is when he started to make a fortune. This was at a time when house-breaking and shop burglaries became prevalent and criminals began to look for ways to sell their ill-gained items. Enter Kestor, the fence. For a while he did very well but when the police caught up with him Kestor went to jail. His family carried on the business and there is no doubt they made a lot of money out of legitimate trading.

When he came out of jail he decided to sell his business. It was a good time, for the Fiji Development Bank was just starting a scheme of buying successful small businesses and setting up Fijians in them. The bank bought Kestor’s shop, put in a Fijian owner and lent him money to get started. The keen new man cleaned up the shop, restocked it and set about making his fortune. But he only wanted to operate during normal business hours and take time off for holidays and sporting events. He went broke within a year.

Ambition and politics have been the downfall of many, but not so for one of Fiji’s most successful businessmen. Jim Ah Koy came from humble beginnings but was imbued with incredible energy, ambition and business acumen. He began work in an office equipment distribution company, which he eventually bought and expanded into the largest in the country. He realised the potential of the computer age and became one of the biggest players, as well having huge investments in real estate. Ambition took him into politics, where he became an
excellent Minister of Finance. But his party lost the election in 1999 and in May 2000 George Speight wrecked the country. Jim continued to flourish in other parts of the Pacific, China and New Zealand. The Papua New Guinea government invited the Queen to bestow a knighthood on Jim for his service to that country. Prime Minister Bainimarama appointed him to be the Fiji Ambassador to China and he was no doubt responsible for bringing a great deal of Chinese business to Fiji. It’s an odd twist of irony that Speight began his career in one of Ah Koy’s companies and modeled his business style and appearance on Jim. Though he switched churches a few times, Jim remained an extremely devout man and constantly attributed his success to the Almighty.

Fijians have not had a good track record in business and it was for this reason that Fijian Holdings was set up. Its shareholders were not only individuals but Fijian provinces, and the company was run by a board of successful Fijians. Though it was listed on the stock exchange, shares could only be bought by ethnic Fijians. Fijian Holdings invested in blue chip companies like the brewery, cement and concrete manufacturing, successful tourism ventures and computers. The company made huge profits and, despite the fact that these may not have filtered down to ordinary people, it made the Fijian-owned company a big player in national business.

One of the longest serving companies in Fiji was Colonial Insurance, which opened a branch in Fiji in 1876, just six years after my grandfather arrived in the islands. The Chairman of the Colonial NSW Society read the Deed of Cession when it was signed in Levuka in 1874 and was knighted for his part in the event. Colonial Insurance grew with the nation and was to become the dominant finance company, having investments in insurance, real estate, health care, hospitals, banking and unit trusts.

In 1986, the Chairman of the Fiji Branch of Colonial Insurance, Sir John Falvey, invited me to join the board as a director. He said there wouldn’t be much to do but they did put on a good lunch from time to time. That was the case for a few years until a new drive for expansion, profits and compliance came from head office in Melbourne and I had to earn my fees. Sir John was the senior partner in one of the oldest legal firms in the country. He had a passion for the law, politics and golf, all laced with a fair share of gin. He played a major part in preparing the 1970 Constitution and was roped in again to draft another one in 1990. In between, he served in Ratu Mara’s Alliance Government as Attorney General and was a generous benefactor to the community. Gin, golf, cigars and obesity were to be his downfall. He and his playing partner would take thermos of gin and tonic out on the course whenever they played and I am sure they enjoyed their golf as they drank their way around the course, leaving an odour of cigar
smoke in their wake. Sir John was a jovial man with rapier-like repartee. I am sure he died a happy man. Colonial Insurance was eventually taken over by Papua New Guinea’s Bank South Pacific.

Through the end of the 20th century and into the 21st century, foreign domination of Fiji’s commerce and industry was maintained. The banks and oil companies made huge profits, and companies like W. R. Carpenters and Burns Philp, whose foreign ownership had changed to other foreigners, reaped the benefits of Fiji’s economic growth. Carpenters became Malaysian-owned, while Burns Philp joined up with one of Britain’s retail giants, Courts.

That is not to say that local businessmen missed out. One of the most colourful local businessmen was James Datta, who became head of Burns Philp and Courts. James grew up in the rural town of Ba. His family was so poor that they could not afford shoes for him when he first went to school. But he had a driving ambition to succeed and rapidly made his way up the Burns Philp ladder. After the coups of 1987 he decided that he’d had enough of Fiji and managed a transfer to Burns Philp Australia. He even became an Australian citizen. But when a new manager was sought for the organisation in Fiji, James agreed to come back in that capacity. He was a super salesman of their homeware products and appeared in every TV advertisement. He was a short, rotund man with a happy, trusting appearance and he became the face of Burns Philp. People loved and hated him, but they certainly went into his stores to buy his products.

Many of the ‘old’ Chinese families came to Fiji three or four generations ago. They were storekeepers and market gardeners. One of their great contributions was to set up small general stores in villages around Fiji. They provided villagers with their basic needs and bought their copra, which was then sold to millers in Suva. These old Chinese families had little in common with the new breed that are now arriving in Fiji.

Hoy Shang Yee arrived in 1925. He travelled a long roundabout route, via Sydney and Lautoka, before arriving in Suva, where he was met by an ‘uncle’ who got him a job at Kwong Tiy. That was the company of which his father was co-founder and which means ‘venture of potential greatness’ in Chinese. The company, incorporated in 1928, began as a small trading post but rapidly expanded its range of goods and established a reputation for importing Chinese groceries for the growing Chinese community in Fiji.

But it became far better known for the trading stores it set up in lonely island communities throughout Fiji. They played a vital role in economic and community life.
It was to them that the Fijian copra producer sold his one or two bags of copra, and it was here that he purchased his tea, tinned meat, biscuits and other daily needs. The stores were grocer, draper, hardware store and banker all rolled into one.

By extreme hard work and enterprise, Hoy Shang Yee quickly rose in the hierarchy of the company until he was a key figure in its growth. It was he who held it together during the difficult war years, and with his associate, Kam Chee, directed its diversification into so many other activities.

But Hoy Shang Yee’s real legacy was his family. By willing sacrifice he ensured that his eight children all attended tertiary institutions. The who’s who of his family makes fascinating reading:

- **Tong, A.A.S.A.,** chartered accountant, Justice of the Peace, Managing Director of Hotel Metropole Ltd.
- **Chang, B. Comm., A.A.S.A.,** chartered accountant, Managing Director of Kwong Tiy & Co Ltd.
- **Lewis, LL.B.,** solicitor in Sydney, his wife Leonie, B.A., Justice of the Peace, business consultant.
- **Gregory, A.A.S.A.,** chartered accountant, Managing Director of Leylands Ltd.
- **Kevin, M.B.B.S.,** wife Lesley, M.B.B.S., both doctors in Sydney.
- **Florence, B.A., Dip. Ed, teacher, husband Erwin, dental surgeon in Sydney.**

Little is heard of Chinese wives, but Hoy Shang Yee wrote of his wife: ‘She is a person of generous nature, kind and warm hearted, hard working and thrifty, endowed with the traditional Chinese thinking. Our family affairs are well attended to. She is a tower of strength to me, a good wife and an able mother. Her love and care for the children are exemplary.’

Although the sons of Hoy Shang Yee control a range of highly profitable enterprises, like so many Chinese, little is known about them. They are the quiet community, busily going about their activities in an orderly, ethical way, giving due respect to their competitors, other ethnic groups, and the law of the land.
While they say that their roots are firmly planted in Fiji soil and there is no possibility of them leaving Fiji, they admit that there will always be a strong affinity to mainland China, no matter what regime is in power.

That is not to say there is any disloyalty to Fiji. They believe that the government is doing its best in difficult economic circumstances and their rights are being adequately safeguarded.

With the growth of tourism, local companies such as Motibhai’s, Tappoo’s and Jack’s grabbed the lion’s share of the tourist dollar. They provided bright, modern retail shops with pleasant, helpful staff to match the best in the world, and they prospered. These were owned and operated by Guajarati families. It is said that when any Gujarati family gathers, the only subject of discussion is business. Otherwise there is silence.

Some Gujarati families saw the opportunity of cashing in on the building boom and set up extensive hardware operations. Family firms such as Vinod Patel and R. C. Manubhai established enormous hardware supermarkets in towns throughout Fiji.

After the 1987 coup, when business went into serious decline, garment manufacturing was encouraged in Fiji. Valuable tax concessions were offered to foreign and local operators and the industry grew at a phenomenal rate. Not only did sales bring in much needed foreign exchange but the industry provided jobs for otherwise unemployed women and men. The main markets were Australia, New Zealand, the USA and Europe. At one point, the value of garment sales was exceeded only by tourism. Garment sales had more value than sugar.

One of the largest and most successful operators was an Australian Lebanese, Mark Halabe. Mark had businesses in Australia but saw the benefit of Fiji tax concessions and so moved his family and his base. Mark and the company flourished, for not only was he committed to commercial success but to the Fiji nation and the benefit of the garment industry to Fiji. He insisted on a high standard of work environment for his staff, which is a lot more than can be said for many smaller operators. He threw himself into social and political activities. When the 2000 coup took place, Mark became an intermediary between those held hostage and the people outside.

He lived in the same street as myself and acquired a block of land at the end of the street, where he built a block of residential units. He later constructed a ten-storey block of units elsewhere. His commitment to Fiji was total.

At one stage, Mark was thinking of listing his company on the South Pacific Stock Exchange.
This exchange had been set up during the later part of the 20th century and there were about 16 companies trading on it. It was not a very active exchange but it did provide an opportunity for investment, and the dividends paid by listed companies were tax-free. Small investors could buy units in a number of unit trusts, which were very popular. The regulator of the exchange and all other capital market activities was the Capital Market Development Authority. When Mahendra Chaudhry was Prime Minister in 1999, he invited me to serve on the Authority. It was an interesting variation from my other activities, so I accepted. A few years later I was asked to take up the position of Chair.

It was no easy task to try and encourage companies to list, as the main constraint was the disclosure requirements. Many successful local companies, particularly the Gujarati family companies, were loathed to reveal their secrets. The other main task for the authority was development. This entailed explaining to middle and low income Fijian and Indian people the benefits of saving by investing their surplus funds in shares and unit trusts. Of course the responsibility for driving the work of the authority was the CEO and I was fortunate to work with two outstanding young people. My first CEO was the daughter of my golfing colleague, Bill Apted. Bill struggled all his life to build up a medium-sized grocery store. His wife Tess worked as a secretary for Burns Philp. They had three girls and two boys. Bill ended up selling the business to Carpenters for many millions of dollars, and Tess ended up Chair of Burns Philp. One daughter became partner in KPMG, another girl topped the NSW law exams, a son became a partner in the top legal firm in Fiji, another son set up and ran the most successful nightclub in Suva. The third daughter, Julie, qualified in law and was CEO of the Capital Markets Development Authority when I joined. She was an outstanding executive, competent, hard working and tough.

When she left, Suren Kumar, a really switched-on young banker who had a passion for the capital markets, took over. He ran a really tight ship and introduced all kinds of innovative ideas to stimulate the market.

A rather ironical twist of fate for Fiji was the way remittances from Fijian people living and working overseas became the second most valuable foreign exchange earner. Many professionals who left after the 1987 and 2000 coups and took up lucrative jobs continued to send money to their relatives in Fiji. Likewise, because of the security problems in many parts of the world, our soldiers were in demand and were recruited to serve by the United Nations and private security firms. They too sent funds back to Fiji. The third group was our sportsmen, particularly rugby players. They were recruited to play in Australia, New Zealand, Japan, and many parts of Europe. Their remittances all helped to boost Fiji’s coffers and lift this category to second behind tourism as the main foreign exchange money earner. Sugar dropped from first to third.