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Reflections on the economic and social policies of political parties at the 2006 general election

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Political instability since 1987 has adversely affected Fiji's economic growth, which averaged less than 3 per cent over the period 1980–2006. Fiji's economic performance between 2001 and 2006, when the Soqosoqo Duavata ni Lewenivanua (SDL) government was in power, was even more modest. While the SDL government pursued policies that promoted private-sector-led growth, these largely failed as a result of continued perceptions of political volatility and the inability of political parties to agree on a solution to the impasse over land leases. In addition, over the two years prior to the 2006 poll, further political uncertainty arose from the disagreements between the government and the commander of the Republic of Fiji Military Forces.

Fiji's 2006 general election was the tenth since independence in 1970. During that 36-year period, the country experienced three coups and two changes of the constitution. Nevertheless, the formation of the Fiji Labour Party (FLP) in 1985 was seen by many as the beginning of a move towards more issue- and ideology-based, rather than race-based, political competition. However, the 2006 election appeared, at first sight, to produce a very ethnically polarized result: the two major parties, the SDL and the FLP, defeated moderate political

parties trying to establish a position in the middle ground of Fiji's politics. Yet, on further examination – and in keeping with the median voter theory advanced by political scientists and political economists – both the SDL and FLP tried during the 2006 campaign to move their policies towards the political centre in order to capture floating voters, and gain votes at the expense of the other major party. In the process, they ended up with very similar policies on key issues and avoided advocating controversial and extreme positions.

The first section of this chapter provides an introduction to median voter theory, and the second section provides an extensive study of the positions of the major political parties with regard to economic policies, land, affirmative action, poverty and sugar industry reforms. The third section compares the manifestos of the two largest parties, the SDL and the FLP, at the 2006 and 2001 elections. The final section discusses the implications of the median voter-based analysis for the understanding of contemporary Fiji politics and the challenges facing the new multiparty government.

The political economy of party orientation towards the median voter

Political economy models assume that voters see governments as vehicles for maximizing the voters' self-interest. People want public goods to be provided to them in an efficient manner, and this influences voting patterns. However, it is not possible to always achieve unanimity when making decisions about the allocation of public goods and, hence, the majority vote rule is often the best way to arrive at political decisions.

While it is often argued that the median voter model is too simple to reflect real political settings, it does provide a useful way to analyze voter, candidate, and political party behaviour. The model has been accepted as the simplest possible model of majoritarian decision-making. Congleton goes further and argues that:

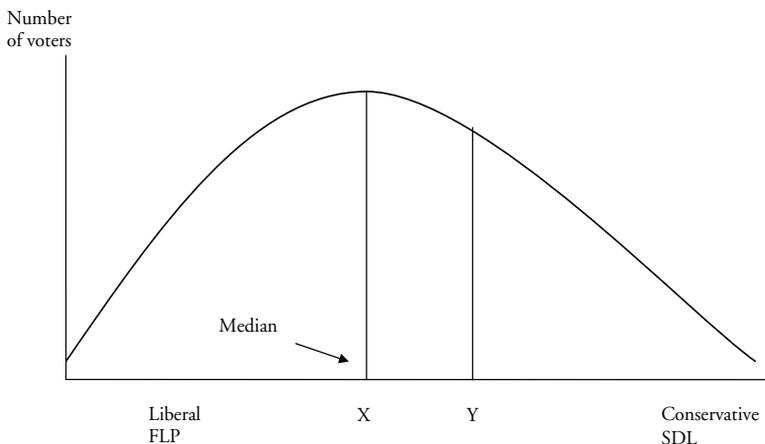
...the median voter's age, sex, income, information, ideology and expectations should all be systematically affecting public policy. To the extent that these predictions are largely borne out by empirical research, the median voter model can be regarded not only as a convenient method of discussing majoritarian politics and a fruitful engine of analysis, but also a fundamental property of democracy.²

The origins of the median voter model can be traced to the work of economist Hotelling³, but more specifically to Black⁴ and to Downs⁵ extension of the model to representative democracy. Downs postulated that a vote-maximizing politician or political party is likely to adopt the position of the median voter. The median voters' preferences are the middle of the distribution of different preferential positions. This can be explained more clearly using Figure 11.1.

Figure 11.1 shows a possible distribution of the preferences of voters. For this explanation we assume that there were only two major political parties standing in the 2006 election. Suppose that candidate X adopts the position of the median voter, and candidate Y adopts a position located to the right of X. Because X is the median voter, by definition, 50 percent of the voters lie to his or her left. Candidate X will be expected to win all these votes as well as some of the votes between X and Y. X must therefore receive the majority. The only way Y could outvote X is to move as close as possible to the position of the median voter. Therefore, in a two-party election, rational vote-maximizing candidates will try to move to the position of the median voter.

This model assumes that political parties with very different ideological positions will, for the purpose of winning elections, move towards the centre and

Figure 11.1 Median voter theory



moderate their policies towards the centre-left or centre-right. The experiences of countries with two major political parties indicate that third parties with positions far away from the 'centre' do not fare well.

There are caveats to the median voter theory. First, outcomes may be affected by strong ideological positions and the leadership styles and personalities of candidates, rather than issues. Further, the fact that not everyone chooses to vote may influence outcomes, and, finally, there may be more than two parties. Despite these qualifications, the median voter theory offers a useful way of analyzing the behaviour of political parties and candidates. Empirical evidence also supports the claim that median voter theory can help explain the policies of political parties and candidates.⁶

Party policies at the 2006 election

This section provides an analysis of the main policies in the election manifestos of the major parties in the 2006 election. Some of the policies had the potential to create controversy and disagreement. However, many of the policies of the two major parties converged in the run-up to the 2006 poll. During the campaign, the differences in the manifestos of the SDL and the FLP were minimal. Both Prime Minister Qarase and Hon. Krishna Datt, Minister of Labour, conceded after the election that there was about 80 per cent convergence of the policies of the two parties.

The FLP was launched in 1985 on a strong socialist-oriented economic and social policy agenda. It was formed against the backdrop of deteriorating economic conditions in the early 1980s. In 1984, the Alliance government, led by Ratu Sir Kamisese Mara, had imposed a civil service wage freeze to curb the increasing government expenditure. However, within a short period of time the ideological position of the FLP came under scrutiny after it joined forces with the centre-right National Federation Party (NFP) to fight the 1987 election. After its formation in 1985, the Labour party had alleged that the NFP was supporting the wage freeze and that it was also looking after the interests of business. For political expediency and electoral gain, the FLP and NFP were quick to join hands to defeat the Alliance Party.

Many observers of Fiji's general elections have attributed results to voting on racial lines.⁷ However, the median voter theory suggests that the voting patterns

may also have been affected by differences in policies. The mainly ethnic Fijian political parties in office since independence in 1970 took a conservative approach to economic policy and emphasized affirmative action policies biased in favour of the indigenous Fijians. On the other hand, the mainly Indian political parties and their leaders historically had the support of the Indo-Fijian farmers, and many of their economic policies have derived from approaches to subsidies given to sugar farmers. The mainly Indo-Fijian political parties also had the support of the trade unions, and thus their economic policies reflected socialist approaches, such as more state involvement in the delivery of basic services. It can therefore be argued that voting in Fiji does not have an overwhelming racial overtone, but instead is embedded in the historical perception of economic policies propagated by Indo-Fijian and Fijian political leaders.

Perceptions of the economic policy agenda of Fijian and Indo-Fijian leaders have created fear about Fijian dispossession of land. This is one area where Indo-Fijian leaders have taken a conservative approach. In the late 1960s, the leader of the NFP, A.D. Patel, advocated the adoption of common roll voting. This was seen by Fijian leaders as an attempt to secure Indian control over government in order to legislate individual rights to land, in place of the prevailing communal ownership of the bulk of Fiji's land area. Some feared complete alienation of native land through ownership by non-Fijians. To maximize their share of the ethnic Fijian vote, Fijian politicians have often exploited this fear.

Economic policies

In the two-party systems that characterize many countries, differences in economic policies have narrowed significantly over the past 25 years. With the Thatcherism of the late 1970s and Reaganomics of the 1980s, and the broad acceptance of the Washington Consensus, many political parties in developing countries have closely followed the advice provided by international organizations such as the International Monetary Fund and the World Bank.⁸ This is also true for Fiji. Both the major parties in the 2006 general election adopted centre-right economic policies. Both the SDL and the FLP recognized the increasing global economic integration and the need to adopt macroeconomic and microeconomic policies that support market-led growth. The FLP reversed earlier policy stances and supported privatization of

public enterprises, including, to the surprise of many political commentators, the privatization of the water supply department. It also supported more competition in the telecommunications sector. The SDL took inspiration from the policies of the 1999–2000 Labour-led People's Coalition government and abolished value added tax (VAT) on essential food items. Its manifesto for the 2006 poll placed the emphasis on poverty reduction.

The FLP proposed a target of 6 per cent growth annually to cater for the 15,000 school-leavers entering the workforce every year. Recognizing that investor confidence and prudent governance is integral to the successful realization of this target, the FLP proposed to (i) develop special economic zones for industries; (ii) establish a venture capital fund to stimulate small-medium business; (iii) dismantle monopolies; (iv) keep bank charges/fees under surveillance; (v) invest in technical/vocational education; (vi) revitalize the sugar and garment industries; and (vii) promote rural development and sustainable development of natural resources.

The National Alliance Party (NAP) wanted to encourage more value added-focused manufacturing industries and the expansion of export capacity. Land for agricultural development was to be made available through negotiations with landowners. It also advocated greater government input into developing necessary infrastructure, and the promotion of non-discriminatory education and training systems for the country's work force needs.

The National Federation Party (NFP) proposed to provide a better business environment through targeting monopolies and putting in place policies to increase competition. It also proposed increasing government spending on infrastructure.

The SDL wanted a strengthening of ties with new trading partners (eg. China and India) to encourage additional investment and to expand the tourism industry. It proposed the establishment of a temporary seasonal worker scheme with Australia and New Zealand, to generate increased remittances.

The United Peoples Party (UPP) emphasized stability and investor confidence as key ingredients to improve the chances of success of policies aimed at achieving economic growth.

The setting out of broad economic policies in party manifestos is likely to continue. There is also likely to be more focus on reducing the size of the

government and putting in place economic infrastructure to support market-led growth. The increasing emphasis on export promotion as one means of achieving higher rates of economic growth is also likely to be a major focus of future political party campaigns.

Land policies

The most sensitive issue for the parties in the run-up to the 2006 election was native land leases. The FLP was not concerned so much about the leasing of additional land, as about securing a land tenure system that provided long-term security for the tenants and was mutually beneficial to tenants and landowners. The FLP was also concerned about the vast tracts of protected land that were lying idle, and wanted to open these up for productive use. In its manifesto, the FLP avoided mention of the Agricultural Landlord and Tenants Act (ALTA) and the Native Lands Trust Act (NLTA). It obviously chose not to get into controversy over the ALTA and NLTA debate during the election.

The NAP and the NFP had similar land policies. They suggested the concept of a 'master lease' whereby the government would lease land from the Native Land Trust Board and sublease this to tenants. Both parties proposed that landowners be encouraged to be more proactive in allowing their land to be leased.⁹

In its 2006 election manifesto, the SDL party maintained its long-standing position that all native leases should be issued under the NLTA. The SDL government had introduced a proposal in November 2005 to provide 50-year leases for farmers and more income for landowners.¹⁰ The proposal included the following:

- all agricultural leases to be issued under NLTA rather than ALTA (as per the wishes of the Great Council of Chiefs)
- on the consent of the landowners the lease duration to be 50 years
- if the landowners would not agree to 50-year leases, then shorter leases would be offered but they would not be shorter than 20 years
- leases would be renewable subject to the consent of the landowners
- decisions on the renewal of leases would be made two to four years before expiry of 50-year leases and three years before expiry for shorter-term leases

- rents under the new arrangement would be a flat 10 per cent of the Unimproved Capital Value (UCV) of the land
- the new leasing arrangements under NLTA would have fair and equitable arrangements for compensation, both for farmers and the landowners.

The Soqosoqo ni Vakavulewa ni Taukei (SVT) party, which fielded only one candidate, supported the overarching principles of NLTA and laid emphasis on the inclusion of landowners in the decision-making process as regards to the development of land for cultivation. The UPP did not share the view that landowners needed to give up more of their land for leasing to others. Instead, it argued that settlement of the land issue required a fair and just rental mechanism from which both landowners and tenants would benefit.

The FLP and SDL would need to work together to change the ALTA, because any amendments to, or replacement of, this legislation requires a two-thirds majority in parliament. However, the SDL and FLP have extreme positions on how to resolve the land lease impasse. During the 2001–2006 SDL government, the FLP maintained that ALTA should be retained, while the SDL wanted all native agricultural leases to be issued under NLTA. The formation of the multiparty government provides some hope for convergence towards the middle ground on this issue. The proposal for government to lease land from NLTB under a master lease under NLTA and sublease it to the tenants under a new arrangement may be the best option to resolve this long-standing issue.¹¹

Affirmative action policies

The affirmative action policies of the previous SDL government were a contentious issue between the SDL and the FLP. Both held strong positions, in tune with the expectations of their respective ethnic voter bases. The FLP strongly rejected the blueprint for affirmative action because it was based on race rather than on needs or circumstances, and thus discriminated against minority communities.¹² The NAPF's position was more in tune with the FLP and NFP positions; it urged the need for affirmative action on the basis of needs rather than race. NAPF said that it would devise its own non-race-based affirmative action program. The NFP believed that there was a need for affirmative action policies as enshrined in the constitution (that is, irrespective of race), but that the policies should not create a 'handout culture' amongst recipients. They

contended that affirmative action should be implemented to eradicate racial disparities in all sectors and not exacerbate them.

The SDL party had put forward the Blueprint for Affirmative Action in 2001, believing that affirmative action was both just and long overdue, and that it was in the national interest because it would achieve equality of opportunity and overcome the burden of poverty.¹³ The UPP rejected the blueprint in its current form because government had failed to deliver on its promises. Assistance had not been given to those who genuinely deserved it and 75 per cent of assigned funds had been lost or wasted in administrative costs, red tape, and blockages. The blueprint needed to be seriously overhauled and the UPP proposed to establish a similar program for all citizens.

Poverty issues

In its election campaign, the FLP said that about half the population of Fiji lived below the poverty line or were at risk of being in poverty. The FLP urged a 'fair' wage rate (the lack of which was, in the party's view, one of the major causes of poverty), and provision of special health, housing, education, and affirmative action schemes for the poor. The FLP also proposed the introduction of a pension scheme for those over 60 years of age without income support; a national health insurance scheme for the poor; an increase in the social welfare budget; state housing allocations for the poor; control of prices of essential food items; and help to set up cottage industries and microfinance schemes for the poor.

The NAP offered four solutions to poverty: food banks for the destitute; education funds for the poor; more exemptions from VAT; and subsidies for landowners for the use of their land. The NFP proposed to place greater importance on microfinance schemes; attract greater investment; introduce tax-free zones in neglected areas; stop the rural–urban drift by resolving the land lease problems; provide affordable housing; and double the family and destitute allowances.

The SDL philosophy and strategy for poverty reduction was portrayed as one that would reduce poverty in all its forms. The party's benchmark was the 2002–2003 Household Income and Expenditure Survey (HIES), its analysis of

which suggested that basic needs poverty affected 28 per cent of the population. However, this analysis has not been made public and other preliminary investigations have suggested that poverty may be at a much higher level.

The UPP described the level of poverty as alarming and offered three broad solutions: (i) employment creation, tax free incentives, and subsidies on freight cost for companies that set up business in economically depressed areas; (ii) a five-year program to reduce the number of squatter homes to 5,000, and to improve access to health and education; and (iii) the creation of 42,000 new jobs over five years through various schemes.

Sugar industry policies

In their proposal to revamp the sugar industry, the FLP emphasized the need for long-term land leases; maintaining cane incomes in the face of EU preferential tariff reductions; subsidies on farming inputs; crop rehabilitation/development; farming assistance for new indigenous Fijian farmers; a quality cane payment system;¹⁴ reducing costs of harvesting and transportation; retaining and upgrading the rail transport system; retaining the Sugar Industry Master Award; and reassessing the planned industry restructure.

The NAP emphasized policies to encourage more people to take up cane farming and wanted institutional reform in the sugar industry. It concentrated on the land lease issue as the prerequisite for a revival of the industry, proposed to abolish the 3 per cent sugar export tax and emphasized the need to adopt policies to increase the income of farmers. The SDL's concerns were milling and farm efficiency and new economic opportunities for farmers via the Alternative Livelihoods Project. UPP pointed out that survival of the industry could be facilitated only if all the stakeholders were involved in negotiations to resolve issues. It supported the sale of government shares in the Fiji Sugar Corporation to landowners, farmers, millers, and Fiji citizens, thus giving ownership to the stakeholders, which in, turn would, create an environment of cooperation and support. At present, the government of Fiji is the major shareholder and the management of the FSC rests with the board of directors, appointed by the government.

2001 and 2006 manifestos of the two major parties compared

Analysis of some of the key pre-2006 election policies of the major political parties shows that they are broadly similar. In terms of economic policies, all recognized the need for higher rates of economic growth. All set out strategies for achieving economic growth, but most were broad statements of 'favoured direction' rather than detailed plans. Fiji's progress in the 10 years prior to 2006 had been held back by lack of consensus on major issues such as land, economic reform (including labour market reform) and civil service reform. The FLP, backed by unions, had a strong position on the mechanism for wages negotiation, and policies on corporatization and privatization. It had opposed privatization and reform of public enterprises in the past, but, in a striking reversal, it supported a much more pro-market reformist orientation in its public campaign in the 2006 election.

An examination of the manifestos of the FLP and SDL in 2001 and 2006 suggests that major political changes occurred over the intervening period. The 2001 manifestos had been formulated at a time when Fiji was a deeply fractured country, marked by political instability and economic difficulties. Businesses were making losses, industries were collapsing, the economy had ground to a halt and development projects were frozen. The consequent mass migration had resulted in a severe brain-drain, depriving the country of much-needed skilled labour. There was also an enormous level of uncertainty on all fronts propelled by ethnic tensions, and the general atmosphere was one of great mistrust between ethnic groups.

In its 2001 manifesto, the FLP reflected the objective of restoring the overthrown People's Coalition government. It applauded the successes of that government during 1999–2000 and took a highly confrontationist stance towards the newly formed SDL party. The SDL campaign in 2001 emphasized the centrality of affirmative action for indigenous Fijians, and advertisements in the newspapers played on the likely threat to indigenous interests (e.g. as regards land policies) if the Labour Party were to be returned to office. Both parties remained at loggerheads over key policies, and were firmly aligned with their prospective voters along racial lines. The FLP whipped up passion amongst the Indo-Fijians and the SDL sought to do the same with indigenous Fijians. Most minor parties aligned themselves with one or the other of the

larger parties, save for the NFP, which carried on dauntlessly on its platform of multiracialism, tolerance and non-racial politics (even though they had been defeated when they joined hands with SVT for the 1999 election).

In summary, the 2001 manifestos of the two major parties had few similarities. The parties paid lip service to reconciliation, seeking instead to polarize the electorate. They were confident that their 'own people' would assist them to reach their goals of capturing the highest elected offices of the land.

Poor economic performance between 2001 and 2006, however, presented new challenges to both the SDL and the FLP. Both tried to take up positions normally associated with the other political party. The campaign rhetoric, however, continued to be couched in racial terms, even though the FLP tried to highlight the poverty issue as a major problem for indigenous Fijians.

For the 2006 election, the two parties paid greater attention to grievances of the people that they each perceived had been neglected in their 2001 manifestos. The FLP 2006 manifesto included policies that addressed the concerns of

Table 11.1 2001 election manifestos of SDL and FLP: similarities and differences on key issues

Issues	Similarities	Differences
Land	None	Starkly differing views held by the SDL and FLP. Each claimed that the other's policies were deeply damaging. SDL advocated NLTA whereas FLP advocated ALTA and the Lands Commission. The SDL took the position of the landowners and the FLP took the position of the tenants.
Poverty	None	The FLP blamed the SDL and poor 'Fijian leadership' for poverty in Fiji. The SDL advocated the imposition of VAT while the FLP bitterly opposed it.
Sugar	Both parties conceded that the industry was in dire straits. Both parties stances towards the sugar industry stemmed mainly from their policies on land tenure.	Conflicting views on the Sugar Cane Growers' Council, the Fiji Sugar Corporation, industry operations, milling efficiency etc. Compensation was also a contentious topic.
Economy	Both conceded that the economy was depressed and that some reform was necessary.	Policies were based on differing economic ideologies, centering on affirmative action (SDL-pro, FLP against).

indigenous landowners and the incoming, new indigenous farmers who had commenced working on land left idle by evicted tenants. The SDL, on the other hand, focused attention on the plight of Indo-Fijian evicted tenants and all those who had been affected by the land lease-related issues. Both parties concentrated on the electorate that they had previously chosen to disregard; that is, the FLP moved more towards indigenous Fijians and the SDL tried to gain the support of the Indo-Fijians. Both parties also diminished the blame-attribution game that so characterized their 2001 manifestos, when each held the other responsible for the economic woes of the country.

Table 11.2 2006 election manifestos of SDL and FLP: similarities and differences on key issues

Issues	Similarities	Differences
Land	Considerable: The FLP ceased the attack on SDL/NLTB and adopted a more consensual approach. The SDL tried to promote a mutually beneficial approach by paying more attention to the plight of tenants in the land crisis.	Marginal: The SDL shifted focus towards the farmers whilst the FLP shifted focus towards land-owners.
Poverty	Considerable: Both parties ceased to place the blame for poverty squarely on the other's shoulders. Both decided not to air their differences on the issue of VAT. There has been a concession that poverty is a big problem. The SDL also minimized rhetoric regarding Indians as the wealthier community.	Slight: The SDL believed that poverty was not what the FLP claimed it to be, but did concede to some of the FLP's arguments.
Sugar	Both parties maintained their 2001 stances, but in a more moderate manner. Both believed that the industry was facing an uncertain future unless sweeping reforms were initiated urgently.	Both parties focused attention on the pertinent issues in the industry rather than blaming its shortfalls on each other. They also re-aligned their positions, with FLP paying attention to the difficulties faced by incoming indigenous farmers and SDL paying attention to the plight of evicted tenants.
Economy	Considerable: Both parties sought to rejuvenate the economy, mainly targeting investors, private sector, IT, and remittances.	Marginal: Both parties addressed core problems and concentrated their manifestos on issues believed suitable for winning over floating voters.

Interestingly, both parties also sought to suppress focus on contentious issues, such as the debate on NLTA/ALTA, the Native Land Trust Board and the Promotion of Reconciliation, Tolerance and Unity Bill during the campaign. There was some discussion of these issues during the campaign, but it lacked the venom and vigour of the 2001 campaign. The parties embarked upon extensive public relations exercises, and utilized the mass media in bids to influence voters. In particular, floating voters or those outside each party's core support base were targeted. Both parties moved away from their usual left-wing and right-wing political positions towards seemingly more moderate, reasonable, and flexible platforms. This involved a removal of the focus on the more contentious issues and a greater emphasis on the national interest, particularly as regards key economic issues.

This show of amity in the 2006 manifestos could be mistaken for more deeply rooted shifts in the philosophical position of the two parties, rather than a campaign tactic. It might be assumed to be a highly congenial shift in Fiji's otherwise unstable sociopolitical climate (which is more normally characterized by deceit, suspicion, and racialism). Unfortunately, this goes too far, and gives too much credence to stylistic, rather than substantial, changes of approach. Fundamentally, the two parties remained staunchly attached to their racially based ideological foundations but made leeway – for campaign purposes – in certain areas, hoping that this would cast them in a good light, secure positive publicity, and lure voters to support them. If there was something more genuine in the campaign-related shifts from the more normal political styles, as one must hope, it will depend on the success of the multiparty cabinet to make this a reality.

Conclusion

Fiji's 2006 election results were similar to those normally found in two-party situations. Using the median voter theory it has been argued that, contrary to the popular perception that voting is always on a communal basis, perceptions about the respective economic and associated social policies have also determined voter behaviour. Historically, Indo-Fijian political leaders have taken a left-leaning approach to economic policies while indigenous Fijian leaders have taken a right to center-right position in terms of economic policies. However, in the 2006 election both the major political parties, the SDL and the FLP,

sought to woo floating voters amongst the Indo-Fijians and Indigenous Fijians, respectively. In the process, they tried to move towards the centre of the political spectrum. Both tried to gain ground from the other in terms of their social and economic policies. As a result of this, the performance of the minor parties in the elections was not strong.

Fiji's economic performance during the period 2001–2006 was modest and, given the constraints on growth, neither a post-2006-election-style SDL government nor an FLP-style government, operating alone, would have been likely to improve economic performance substantially. As part of a multiparty cabinet, bringing both sides together, the prospects are considerably stronger. Land has been one of the most divisive issues for Fiji. From 2001 to 2006, both the SDL and the FLP took extreme positions on the land issue. While both parties continued to debate the issue, thousands of farmers were forced off their farms, severely affecting both tenants and landowners and ensuring that incomes of both groups declined.¹⁵

Past discussion of the reform agenda has been thwarted by myths, including claims that weak economic growth is attributable to the smallness of markets, that reform would reduce jobs, and that change would inevitably be too costly and too painful. Experiences of other small countries, such as Barbados in the Caribbean and Mauritius in the Indian Ocean, show that the greatest gains in efficiency, innovation and consumer welfare have come through promoting competition.

The economic policies of the SDL and FLP indicate that there are few fundamental differences between the two parties. Land and affirmative action policies could present some difficulties if the parties choose to take extreme positions. Finding the middle ground between ALTA and NLTA may present a way forward. Affirmative action policies may not present difficulties if the government develops them in accordance with the constitution, which provides for special state support based on the needs of individuals and families rather than on race.

Notes

- ¹ I wish to thank Professor Ron Duncan, Dr Jon Fraenkel and Dr Paresh Narayan for their helpful comments, and Rajiv Naidu for research help.
- ² Congleton, R.D. 2002. 'The Median Voter Model', *Encyclopedia of Public Choice*, Center for Study of Public Choice, George Mason University, p.1.

- ³ Hotelling, H. 1929. 'Stability in competition', *Economic Journal*, 39:41–57.
- ⁴ Black, D. 1948. 'On the rationale of group decision-making', *Journal of Political Economy*, 56:23–34.
- ⁵ Downs, A. 1957. *An Economic Theory of Democracy*, Harper Collins, New York.
- ⁶ See, for example, Poole, K.T. & Daniels, R.S. 1985. 'Ideology, party and voting in the US Congress, 1959–1980', *American Political Science Review*, 65:131–43; Stratmann, T. 1996. 'Instability of collective decisions? Testing for cyclic majorities', *Public Choice*, 88:15–28; Congleton, R.D. & Shughart, W.F. 1990. 'The growth of social security: electrical push or political pull', *Economic Inquiry*, 28:109–32; Holcombe, R. 1980. 'An empirical test of the median voter model', *Economic Inquiry*, 18:260–74; and Frey, B. 1994. 'The role of democracy in securing just and prosperous societies: Direct democracy: Politico-economic lessons from Swiss experience', *American Economic Review*, 84:38–42.
- ⁷ See, for example, Robertson, R. & Sutherland, W. 2001. *Government by the Gun: The Unfinished Business of Fiji's 2000 Coup*, Pluto Press, Sydney; Robertson, R.T. & Tamanisau, A. 1988. *Fiji-Shattered Coups*, Pluto Press, Sydney; Lal, B.V. 1988. *Power and Prejudice: The Making of the Fiji Crisis*, New Zealand Institute of International Affairs, Wellington; Lal, B.V. 1992. *Broken Waves: A History of Fiji Islands in the Twentieth Century*, University of Hawaii Press, Honolulu; and Norton, R. 1990. *Race and Politics in Fiji*, 2nd Ed, The University of Queensland Press, Brisbane.
- ⁸ Waeyenberge, E.V. 2006 'From Washington to post-Washington consensus: Illusions of development', in K.S. Jomo. & B. Fine (eds) *The New Development Economics: After the Washington Consensus*, Zed Books: London.
- ⁹ See, for example, Prasad, B.C. 2006. 'Resolving the agricultural land lease problem in Fiji: a way forward', *Pacific Economic Bulletin*, 21(2):177–93. Prasad argued that the government should lease the land from the Native Land Title Board (under the NLTA) and then sublease this to the tenants. This is likely to satisfy both the landowners and tenants. It could also remove the conflicts that often arise between the landowners and tenants. In addition, NLTB would be able to reduce the costs of lease rental collection as government would pay the rent directly to them. The NLTB could use its saved resources and time to promote land development for the benefit of the landowners.
- ¹⁰ *The Fiji Times*, 2 October 2005, p.16.
- ¹¹ Prasad. 2006. 'Resolving the agricultural land lease problem in Fiji'.
- ¹² For example, the minority Melanesian community of Solomon Islands' descendents and Rabi Islanders have missed out on affirmative action benefits because they fall into the minority group referred to as 'others'.
- ¹³ For more details on the debate on affirmative action policies see, for example, Reddy, M. & Prasad, B.C. 2002. *Affirmative Action Policies and Poverty Alleviation: A Case Study of Fiji Governments Farming Assistance Scheme*, <<http://devnet.anu.edu.au/1660Reddy>> (accessed 2 May 2005); Ratuva, S. 2002. 'Economic nationalism and communal consolidation: economic affirmative action in Fiji, 1987–2002', *Pacific Economic Bulletin*, 17:130–37; and Gounder, N. & Prasad, B.C. 2006. 'Affirmative action in Fiji: is it justified?', *Development Bulletin*, 70:60–64.
- ¹⁴ Quality cane payment refers to the method of paying canefarmers on the basis of the quality of cane they supply to the mill, taking into consideration the sugar content of the cane supplied by the farmers and the quality of sugar made.
- ¹⁵ Prasad. 2006. 'Resolving the agricultural land lease problem in Fiji'.