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BUREAUCRATIC STRUCTURES
IN JAMES BAY
APPENDIX II

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BUREAUCRATIC STRUCTURES IN JAMES BAY

Impacts on the James Bay Cree of the
James Bay and Northern Quebec Agreement

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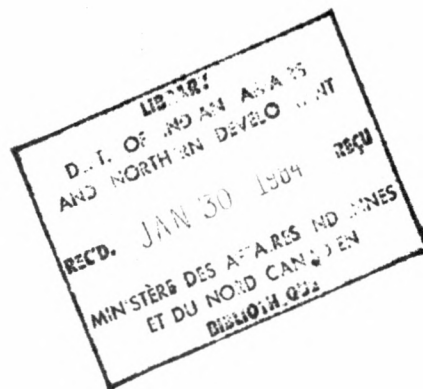
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Appendix II

BUREAUCRATIZATION IN THE SOUTH PACIFIC

A review of recent literature on
social change in Micronesia and the
Solomon Islands.



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Bureaucratization and the South Pacific

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I. Introduction

The subject of dependency and underdevelopment in Third World countries is an issue frequently discussed in terms of the relations between national and international economic structures alone. The paradox of the modernization paradigm resulting in the divestment of the indigenous economic surplus, the internal replication of the metropolis-satellite equation and the development of sociocultural obstacles to change is frequently discussed, debated and 'put to test' using various economic parameters and statistical techniques.

Another argument that counters the characteristic assumptions and interpretations of dependency theorists has also been put forward.

This argument, from which this discussion draws heavily, has been presented by James G. Peoples (1978) in his consideration of the prevailing conditions in the Micronesian and American administered Trust Territory of the Pacific Islands.

In comparing Peoples' data to those of the Melanesian Solomon Island situation it appears that there is yet another variable that might be included in the discussion of development-dependency equations that is of significant importance to the interpretations drawn and that has not yet been considered in the literature cited here. This concerns the subject of bureaucratization as a development strategy. This has critical consequences in terms of the kind of internal mechanisms dealing with the redistribution of income and the establishment of entrepreneurial strategies

within the native population. It also has importance when considering the nature of native attitudes to and involvement in various development proposals and in discussing the type of changes in traditional aspirations and patterns of subsistence that came about in different 'developing' situations.

Two statements, upon which this paper is founded, emerge on the basis of the comparison:

1. The notion of bureaucratization as a development strategy has not been adequately examined nor explored in the literature on development and dependency.
2. A conceptual differentiation for the purpose of analysis, must be made between the
 - a) purely economic variables (such as transfer payments, government wages, import:export ratios and the like) characterizing the situation
 - and
 - b) organizational or bureaucratic variables (such as administrative structures, political forms and the like) characterizing the situation
 - so that
 - c) these two aspects describing the condition of the development:dependency equation may be once more brought together in a discussion of how the avenues of the redistribution of capital and of economic choice open to a given population may be treated as mechanisms or strategies adopted in the face of stringencies dictated by the nature of the organizational structure.

II. Historical Background

The Trust Territory of the Pacific Islands (TTPI) is a United Nations Trusteeship administered by the United States under an agreement concluded in 1947.

The Territory covers over three million square miles of the ocean's surface between 22° North latitude and 130 to 172° East longitude including a total land area of only 707 square miles. Excluding the island of Guam and the Gilbert Islands, its elements consist of the Mariana, Caroline and Marshall island archipelagos in that part of the Western Hemisphere known as Micronesia. The population is small (estimated to be approximately 111,000 in 1976) and scattered.

In terms of the following discussion, the history of American involvement in the area is of particular interest because of the strategic considerations underlying the formation of the TTPI.

In the aftermath of World War I, the League of Nations awarded Japan a Class C Mandate over most of Micronesia (Guam stood as a U.S. possession). The government in Tokyo exercised this mandate in accordance with traditional rule declaring it an integral part of the Imperial Japanese Empire. Japanese nationals were sent to develop and exploit its resources for the explicit benefit of the homeland.

Labour, expertise and technology was imported from Japan. Micronesia was colonized, militarized and administered by Tokyo. This Japanese control not only constituted a major consideration

in strategic planning for World War II but also led to Japan's expulsion from the area when the war was over and the present United Nations Trusteeship was established.

By this agreement the United States was granted sole administrative responsibility as the executive agent of the world body in a strategic trust, demographic responsibilities identical to those for a nonstrategic area are imposed by the administrator but the maintenance of world peace and security are paramount and overriding considerations. Thus in the TTPI, the United States was authorized to establish, garrison and employ such military, naval, and air bases (organizations requiring large numbers of personnel) as were needed to prevent the reemergence of hostile strongpoints in the islands and was empowered to declare the entire territory, or any part thereof, to be a closed area for security reasons.¹

It was not until 1965 that a major reorientation of United States policy towards its Micronesian wards-- emphasising the promotion of economic, political, social and educational advancements of the inhabitants occurred. Transfer payments from the U.S. to the TTPI increased from \$6.8 million in 1960 to \$80 million in 1976.

At the same time a move was made to involve the native peoples, as much as possible, in the administrative bodies that

¹ Although only two test sites at Einwetok and Kwajalein have been declared closed so far, because in a strategic trusteeship the administrator is directly responsible to the Security Council, where the veto power might forestall undesirable or antagonistic proposals, and not to the Trusteeship Council of the General Assembly, such action could be taken freely whenever thought required.

governed the different strata of the population. The basic governing structure is the same as that for individual states in the U.S. -- built on the Washington-State-Municipality² formula. Each level has a formal structure with elected offices open to native people at the representative but not the chief executive positions. They are highly ordered, regulated and articulated, permeating every level of social organization to that of the village itself.³

The Solomon Islands, the Melanesian component of this presentation, form a scattered archipelago stretching approximately 9000 miles in a south-easterly direction from Bougainville in Papua-New Guinea to the Santa Cruz Islands from 5 to 12 degrees south. The total land area is approximately 11,500 square miles. The nearest land mass, other than the island of New Guinea, is the northernmost top of Australia, one thousand miles to the west. New Zealand lies 1,500 miles to the south. Until July 1978 (when they gained independence) the Solomon Islands were the largest territory administered by Great Britain in the Pacific. Because the data utilized in this study pertains to the pre-independence period, the Solomons will be discussed as though they were still under British administration.⁴

² Trusteeship Government, District Government, Local Government.

³ For details see: Area Handbook for Oceania. U.S. Government Printing Office, Washington, D.C. 1970

⁴ It is, of course, of particular and pertinent interest to this author how the colonial situation develops in the post-independence period. Such prognoses and discussion are, unfortunately, outside the scope of this paper.

The Solomons were annexed by Britain in 1893. Interest in the area stemmed primarily from that of naval expansion and exploration. Few resources, as there were few found to be of particular use, were exploited. Copra was taken out intermittently and the population was used as a labour source for other Pacific areas. Other than the colonial government, consisting of expatriate officers and a small constabulary of imported or locally trained individuals, little if any interest was directed towards the involvement of indigenes in the administrative bureaucracy. Thus, until 1952 when post-war attitudes dictated a change in colonial policy, the government of the Solomons consisted of a top-heavy expatriate constituted organization with no direct involvement of native people. In 1952 a move was made to establish local councils on the individual islands. The important factor here is that the move was made primarily out of a need to make a gesture in the direction of native involvement due to post-war unrest rather than a "policy of the formal organizing of native peoples" as it was in the case of Micronesia. In fact, little attention was paid to the formal structure of local councils save that they be 'democratic': elected and representative in nature. By 1964 local councils "with a considerable autonomy and responsibility for the management of local affairs, covered the great majority of the islands" (BSIP Annual Reports, 1974:135). In 1960 a Legislative Council was first established, forming with an Executive Council the normal British Crown Colony pattern of government in a pre-responsible stage with a number of public servants sitting ex officio or as appointed members.

In 1967 direct elections were held in thirteen out of the fourteen representative constituencies. The bureaucratic history of the Solomons in terms of native involvement on the one hand and the growth of embedded governing structures on the other (although the degree to which these developments have occurred cannot be compared to Micronesia in terms of extent or depth of involvement) really begins in 1969 with a change in Constitution and the election of a Solomon Islander as chairman of the single Governing Council in 1971. The transition to a ministerial form of government took place in 1974 and marked the formalization of various hierarchically structured posts at different government levels. The policy of Britain in the Solomons rather than one of the bureaucratization of the population may be characterized as one emanating from a colonial country in a post-colonial world that has effectively maintained a policy of highly centralised administration with a minimum involvement of the native population.

III. Bureaucratization As a Development Strategy: The Micronesian Case

In this section the first aspect of the conceptually differentiated dependency equation will be presented. A general discussion of some of the formal characteristics of 'transitional' bureaucracies follows and illustrations are taken from the Micronesian situation as put forth by Peoples (1978).

'Transitional' bureaucracies are those in existence in nations that possess administrative structures dictated by some form of superordinate and 'alien' government under which they exist. These structures themselves are never exact copies of imposed models, but rather represent a synthesis of selectively appropriated characteristics and formal structural types that are in a state of either slow yet continuous change or temporary arrest and inertia in a, theoretically at least, interstitial phase. To demonstrate the importance of considering these structures as formally separate yet interdependent phenomena in a dependency equation whose primary and weighted variables are generally considered to be purely economic is the concern of the following argument and the consideration that provides the focus for much of the ensuing discussion. Some dominant characteristics of these bureaucracies set in a quasi-theoretical framework are as follows:

(1) Slesinger (1968) draws a distinction between manifest and latent bureaucratic functions which provides first point of departure in the description of transitional bureaucracies. Manifest bureaucratic functions are codified, explicit and

possible to identify; latent functions such as status, control, power and security are the consequences of behavior. For the purposes of the following discussion it is also important to add that these latent functions can be viewed as consequences of native 'translation' of, or reaction to, the formal organizational stringencies dictated by the superordinate administration. This latter point, as this paper attempts to indicate, may be an extremely important variable in assessing how much flexibility, innovative potential and autonomy exists or can exist at the local levels of native organization, administration and decision making.

In Peoples' statement, he clearly describes a situation where the symptoms of Downs' law of self-serving loyalty (Downs, 1967) are widely evident; that is-- where employees show unqualified allegiance to the organization to which they owe their job security and income. While this is a characteristic of most modern bureaucratic structures (Greenberg, 1970:13), Peoples goes on to demonstrate how this property of the Micronesian bureaucratic model creates a situation of insidious native dependency on the situation .

There are two points to be considered here:

- i) If, in a situation such as the one that prevails in Micronesia, a large proportion of the native labour force is involved in government employment and a situation of Downs' Law prevails and this employment structure describes a dependency relationship-- then, the situation is not just created by the organizational framework but serves to sustain it also.
- ii) If, in a situation such as the one that prevails in Micronesia, a large proportion of the native labour

force is involved in government employment and a situation of Downs' Law prevails then the population in terms of maintenance of subsistence or other traditional tasks is effectively decapitated. Thus, the "best people" (given a formal model of economic behavior) are prevented from engaging in entrepreneurial behavior based on the modifications of these traditional activities in the face of changing market situations (that is, prevented from engaging in potentially innovative behavior based on indigenous resources). Hence, the nature and direction of entrepreneurial activity is strongly directed towards pre-processed and imported commodities and structure-dependent services. Innovative inertia and dependency are thus seen to be intimately related.

(2) Riggs (1964) points out that politics and bureaucracy in developing or 'transitional' societies are not separate. In these situations a political system is unable to maintain its supremacy of an administrative sector. Instead, intensive overlapping makes it difficult for both the observer and the participant to distinguish between the political and bureaucratic systems:

"It is hard to determine who is an administrator and who is a politician in a transitional system since 'bureaucrats' also take part in political activity and 'politicians' make administrative decisions"
(Riggs, 1967:55-56)

This is clearly the case in the Micronesian situation as we shall see. On the other hand, a tendency away from this kind of 'double investment' of administrative and legislative functions in a single bureaucratic structure in the Solomon Islands seems to be occurring particularly in the emergence of cooperative societies. We will return to this 'cooperative' strategy in Part V.

This overlapping of 'political' and 'bureaucratic' systems coupled with the internal elaboration of bureaucratic positions

involving increasing numbers of indigenes as employees (which is a concomitant phenomenon) (see Peoples, 1978:539) has several important implications for the local level functioning of the system. This is particularly evident in terms of the lethargy of local incentive with respect to development programs (Chapman, 1978:15).

The embeddedness and dependence of the infrastructural organizations on the maintenance of the entire system seems to lead to a situation where local participation is reduced to simply a response to government 'crises' or to the 'rubber-stamping' of government initiated and engineered development programs (Peoples, 1978:554). Again, the element of potential innovative activity is removed from the development equation -- this time not so much in terms of directed economic behavior but more in terms of the design of and participation in the decision-making and program-generating aspects of the process.

(3) An additional problem in the overdevelopment and elaboration characteristic of transitional bureaucratic structures -- resulting in intense internal stratification -- is that communication becomes hampered (Pacific Islands Monthly, 1978:12; Greenberg, 1970:6). This acts, on the one hand, to delay implementation of orders because any directive must follow well-defined hierarchic levels before it reaches its destination. On the other hand, the generation of local-level incentives is once more impeded. Discussed in these terms, it is actually the elaboration of bureaucratic levels and the multiplication of internal positions and not, as is so often claimed, just an extant socio-cultural languor or

apathy of the local level organizations that decreases the motivation for the articulation of 'grass-roots' proposals.

(4) A distinction made by Riggs (1967:209) between authority and control in transitional societies provides a useful framework for understanding one final problem inherent to the notion of the positive value of the full scale bureaucratization of native peoples.

Authority is formal power while control is informal. Lower level appointed native bureaucrats in these systems are well endowed with power in the formal sense but in reality, have little real power or influence. The exercise of control, on the other hand, of the informal social regulation and representation of the population is most frequently vested in an individual by traditional means and ascribed values. The strategies adopted by the local level populations in response to government-sponsored programs very often depends on these traditionally vested positions. "Villagers," as Peoples comments, "are treated as passive respondents rather than active agents" (1978:536). The bureaucratic system essentially bypasses and ignores, in this instance, rather than decapitates traditional sources of innovation and strategic alternatives. "The strategies they adopt to cope with the external forces and to improve their own welfare with the resources at their disposal are largely disregarded" (Peoples, 1978:536).

Extralocal inputs and not local conditions, traditional patterns, aspirations or standards become the first concern of

the bureaucratic system. The corollary of this restatement of the situation is that local level community standards change according to idiosyncratic government programs. Peoples illustrates this pattern when he describes the deterioration of native housing in a Micronesian village in which people allow this decrease in standards in anticipation of government subsidised housing built with imported materials and constructed by government supplied and salaried labour.

Thus, looking at only four of the many generalized characteristics of transitional bureaucracies (Greenberg, 1976) that are in evidence in Peoples' Micronesian example a general observation may be made: The situation appears to be endlessly self-replicative and thoroughly permeating in a vicious and paradoxical spiral of 'development' and 'aid' programmes supported and maintained by a similarly insidious bureaucratic structure.

The problems of dependency generated by the system and discussed above are, strictly speaking, purely formal and structural in nature. That is, they are the results of the embeddedness and hence inertia of local level structures in the larger organizational and bureaucratic context.

The intimate relation between these and the economic variables to be discussed in the next section are intuitively obvious. There is, however, a need for the conceptual differentiation between organizational and economic variables in the system as the ethnographic comparison shows. When seen from this perspective, the essential difference between the Solomon Islands and

the TTPI examples has less to do with a difference in 'kind' but more a difference of 'degree' in terms of both organizational structures and attendant economic features. Nevertheless, the dissimilarities between the manifestations of this difference in 'degree' and in terms of the kinds of alternate strategies open to individuals and groups in either system is striking. The TTPI situation is described by Peoples, albeit an extreme example of the over-bureaucratization of a small and scattered native population is devastating in terms of any future prospects for autonomy or even the maintenance of a traditional heritage. In the Solomons, however, as the last section explores, even despite the tight rein of British bureaucratic rule there appears to be a greater degree of flexibility in the system.

IV. Transfer Payments, Wages, Redistribution of Income and Economic Choice

It is to the economic aspects of the bureaucracy-dependency equation that theorists such as Peoples and others direct their attention.

Different economic parameters are used to 'measure' and document the degree of dependency and bureaucracy in a given society.

The most important argument levied against "dependency theorists" by Peoples (1978) is that they deal with a single type of economic relationship between rich and poor nations in their characterization of underdevelopment. Four core propositions of standard dependency theory elicited by Peoples are as follows:

- (1) Despite "aid" ideologies, the involvement of multinational corporations actually removes more capital from the poor nations than it contributes, robbing them of economic surplus and actively underdeveloping the indigenous economy.
- (2) Sociocultural obstacles to development, as they represent local adaptations to colonial rule, constitute a characteristic of the native population.
- (3) The international economic structure of the metropolis-satellite, which is responsible for the development of capitalist metropolises and the stagnation of the dependent satellite nations is replicated within the dependent countries themselves.
- (4) Modernization theorists believe that a relatively small group of independent entrepreneurs will initiate the investments necessary for sustained growth by freeing themselves from the binds of traditionalism.

Peoples goes on to demonstrate the existence of another type

of dependency relationship: "One in which a colonial power is over generous in its 'development aid'" (Peoples, 1978:536)¹ in Micronesia. The basis of his argument concerns the dependence of the Micronesian population on wages supplied directly by the U.S. Government -- wages that are rapidly improving living standards and raising per capita income while simultaneously resulting in a situation of the stagnation of the TTPI economy.

The economic 'symptoms' of the Micronesian situation of dependency and stagnation elicited by Peoples may be summarised as follows:

1. Income

- (a) A significant proportion of employed Micronesians receive wages directly through transfer payments from the United States government.
- (b) Most of the income from private sources exists only because of the demand generated from this U.S. financed public employment.

2. Private:Public Sector Wages

Growth in wages paid to Micronesians by private business has almost exactly kept pace with the increase in government wages.

3. The Majority of Private Sector Businesses

- (a) are in service industries and hence do little to stimulate increased production and productivity.
- (b) Goods distributed by the private sector consist primarily of imported foodstuffs and not traditionally produced subsistence goods.
- (c) effectively do little but convert the wage income of government employees into services and imported goods.

4. Import:Export Ratio

The Import:Export ratio, instead of declining in

¹ The argument that 'stagnation' -- not just economic stagnation but inertia at the level of incentives, local organization and autonomy can also result from bureaucratic as well as cash overload, introduced earlier, will be developed further.

accordance with Trusteeship ideology (that is, "to promote the economic advancement and self-sufficiency of the inhabitants..." (Peoples, 1978:558) has, over the past few years continued to increase.

5. Living Standards and Local Production

High living standards as reflected in housing, income, consumption patterns, etc. are artificial because "they are the result not of the development of the islands own resources and labour skills, but of a pseudo-welfare system" (Peoples, 1978:545). Per capita subsistence agricultural production has declined significantly and has not been paralleled by an increase in the marketing of locally produced commodities. Remunerative government employment competes with agriculture for the population's labour time.

From Peoples' analysis then, the most important conclusion to emerge is that entrepreneurial activity² is strongly directed and channelled by the influx of large transfer payments (in various forms and by various mechanisms) from the United States government.

I will argue on the basis of comparative Melanesian material that transfer payments constitute but one of the causative variables in the dependency equation. The complex nature of the superordinate governing structure, the articulation between its constituent levels and the hierarchic composition of bureaucratic groups are also extremely important factors in the emergence of entrepreneurial alternatives and strategies. The lack of the emergence of cooperatives in the Micronesian case -- a strategy that appears to be working in the Solomons where bureaucratic complexity and the depth of its permeation and elaboration

² assuming here that it is in the area of entrepreneurial activity, that is private business, in which the population might invest more time and energy in the production of subsistence based commodities and hence achieve greater economic autonomy, albeit with a higher degree of risk than service-based industries.

TABLE I

GOVERNMENT EMPLOYMENT

	BSIP GOV'T	LOCAL GOV'T	GOV'T* TOTAL	POPULATION	% POP. INVOLVED
1964	1,614	285	1,899	136,854	1.3
1965	2,787	246	3,033	139,591	2.2
1966	3,552	388	3,940	142,740	2.7
1967	3,565	244	3,809	145,530	2.6
1968	3,457	402	3,949	148,800	2.6
1969	3,895	393	4,288	152,000	2.8
1970	3,525	577		160,998	2.5
1970			4,102		
1971			4,591	166,290	2.7
1972			3,529	173,510	2.0
1973			3,898	178,940	2.2
1974			3,987	- (184,500 est.)	2.1

* From 1970 on. Detailed information on local governments not given (categories within "Government" given: Finance and Business Services; Public Administration, Social Services).

within the native population has not been as extreme -- is an interesting, and to this author, a significant occurrence.

The figures in Column 5 on Table 1 indicate the percentage total population of the Solomons involved in government administrative and service-oriented posts for the ten-year period 1964-1974. Two observations are worth mentioning here: the ratios are small in comparison to that mentioned by Peoples for Micronesia as a whole (7% in 1976) and they are consistent through time whereas in the TTPI the number of natives employed in government related services more than tripled between 1963 and 1976. Increased bureaucratization of the native population whether by design or circumstance was clearly not a development policy in the BSIP. There is no intention to represent the relationship here between bureaucratic organization and capital influx as one of cause and effect. The intention here is to draw as much attention to the importance of considering the issues as two distinct and equally and independently important elements in the development and modernization process as to discuss their inter-relationship.

The provision of large transfer payments to the TTPI is, most certainly as Peoples has so carefully demonstrated, an extremely important factor in the dependency equation -- but in the system he describes the ways or avenues in which these sums achieve apparently 'equal' distribution among the population are an integral part of the bureaucratic mechanism.

That is, if this analysis is consistent, it is the kind of relationship between bureaucratic structures and the influx of

TABLE II

BSIP - REVENUE

:	LOCAL RECURRENT REVENUE - TOTAL	GIA \$A	AID SCHEMES		TOTAL
	\$A		OAS \$A	BDA \$A	
1965	2,626,278	1,217,402	519,074		1,736,476
1966	2,782,243	1,371,003	696,787		2,067,790
1967	3,120,140	1,624,125	777,300		2,401,425
1968	3,344,368	2,196,575	-	1,448,227	3,644,802
1969	3,912,055	2,331,584	53,962*	2,823,862	5,209,408
1970	4,693,780	2,314,660		2,888,671	5,203,331
1971	5,419,389	1,844,887		2,416,640	4,261,527
1972	5,527,898	1,848,614		4,966,951	6,815,565
1973	5,708,309	1,573,121		3,573,567	5,146,688

GIA - Grant In Aid

OAS - Overseas Aid Scheme

BDA - British Development Aid

* With introduction of revised accounting arrangements, the OAS ceased to be shown as an item of revenue from 1968. Arrears of claims in respect of 1967 were credited in 1969.

TABLE III

WAGE RATES/MONTH \$A

	<u>PRIVATE SECTOR</u>		<u>GOVERNMENT</u>	
	unskilled	skilled	unskilled	skilled
1964	22.50	25.00 - 75.00	17.90	20.00 - 50.00
1965	23.00	50.00 - 100.00	20.00	22.00 - 75.00
1966			19.50	22.36 - 52.00
1967			19.50	
1968			19.50	24.44 - 55.12
1969			20.00	21.00 - 62.40
1970			19.80	21.00 - 62.40
1971			19.80	21.00 - 62.40
1972			19.80	21.00 - 62.40
1973	*	*	27.00	35.00 - 72.00

* No detailed data available. Descriptive statements only available maintaining that the rates are comparable although "changes in government wages have little effect on the private sector", BSIP Annual Report, 1967.

cash at different levels in the system (that is, describing redistributive or non-redistributive relations) that defines the kind of development situation (dependency/autonomy/symbiosis) prevailing as well as the kind of situation that might prevail after independence (or, at least, the cessation of payments and bureaucratic involvement by the superordinate government) is established and NOT just the strategic reaction of the population to changing economic variables alone. The flexibility in the system as to the potential adoption of alternative strategies is, surely, as intimately related to types of redistributive mechanisms defined by the governing bureaucratic structure as it is to the nature and quantity of transfer payments. Direct government in the Solomons (as Table II indicates) has never reached the proportions that it has in the Trust Territories (the \$700/capita figure Peoples quotes needs only to be compared to the \$A38/per capita figure for the Solomons in 1973).

Although detailed wage quotations for governmental:private sectors are not available for the Solomons, those estimates that are accessible are given in Table III. Generally speaking the wage rates, given tendencies over time, do not increase significantly.

As Table IV indicates the Import/Export ratio of the Solomons is extremely different from that of the TTPI. Instead of increasing over time, it actually decreases albeit inconsistently. Factors other than merely an increase in quantity exports are operative as the table indicates. Imports have also increased, although on a fluctuating basis. Reasons for the fluctuations

TABLE IV

(in millions)

	Export	Re-Export	Imports	Ratio I/E
1966	5.57	.186	8.52	2.38
1967	4.91	.189	8.198	1.67
1968	5.30	.254	9.40	1.77
1969	6.31	.168	8.543	1.35
1970	6.88	.170	10.046	1.47
1971	8.84	.228	11.5	1.30
1972	8.55	.584	12.1	1.41
1973	8.82	.725	11.3	1.28
1974	17.6	.614	17.0	0.96

TABLE V

	Primary Soc's All Types	Membership	Turnover \$A
1960	26	1,301	41,460
1961	31	1,712	125,404
1962	47	3,322	124,420
1963	59	3,972	214,820
1964	61	4,047	253,366
1965	67	4,583	348,836
1966	89	5,453	420,182
1967	93	5,622	509,745
1968	110	6,168	523,131
1969	119	6,987	803,297
1970	128	7,191	717,343
1971	139	7,912	757,649
1972	141	8,044	676,082
1973	156	8,906	973,829

are undoubtedly complex and need not concern the argument at hand, but to say that it represents consumer behavior on one level and the pace of increased productivity for export on the other.

Following Peoples' argument concerning dependency relations in the TTPI and comparing only the same parameters in the Solomons it seems as though the latter taken as a whole, is considerably 'better off' economically. Without entering into a debate as to whether or not those parameters chosen in Peoples' statement are or are not adequate for such a comparative evaluation -- the important characteristic that should be stressed at this point is that the two areas possessing similar kinds of superordinate authority and development-oriented policy should exhibit such a divergence at the level of economic trends and dependency relations.

One possible explanation for this difference is explored in the next section.

V. Cooperative Societies: The Melanesian Case

As indicated previously, direct government involvement of the native population in local administrative levels of the British Solomons Islands Protectorate is a relatively new phenomenon. There have been, however, since the beginning of British Colonial rule, relatively elaborate administrative superstructures concentrated in 'urban' centres employing a small number of educated indigenes. Government sponsored aid programs have never in the history of the BSIP exceeded \$A6.8 million and have never (except in 1972) constituted more than 50% of total protectorate revenue. Only a small proportion of these transfer payments reach the population in the form of wages or salaried income. Money is allocated through the governing superstructure in Honiara directly to centralised development programs, to District governments in the form of capital grants. Little if any of this capital is allocated to the form of local organization that will be considered next.

Cooperatives in the Solomons are of two types. The first is the government-sponsored fishing, farming and marketing cooperative. Early emphasis was on the establishment of cooperative methods applied to the retailing of consumer goods. Later, (in 1965) emphasis switched to producer cooperation in various fields, e.g. copra, cocoa, cattle and fisheries. These policy directives have resulted in the development of multi-purpose societies that provide both an organized outlet for productivity and a distributive system for consumer goods which is entirely

in the rural areas.

These societies are completely indigenously staffed and maintained. Government support is received through the provision of in-service training for technical staff and the training of societies' secretaries and other office bearers in the outlying districts. Secondary societies controlling the collection of produce, the distribution of consumer goods and the flow and direction of internal loans have also been established.

Another type of cooperative society based completely on native incentive, design and support has emerged in the islands. These cooperatives although sporadic in emergence and often transitory in duration have become well established in certain island communities. Loosely modelled after the government sponsored coops and called in Pidgin "unions"¹ these organizations are strongly kinship-centred based on traditional local social groupings and alliance units. The underlying framework constructed from indigenous notions of patri-lineage-based social organization and acephalous political cum administrative control is not, however, a property of the second type alone.

In the government-supported societies traditional types of socio-economic groups based on kinship, residence and the principle of intergroup reciprocity are also evident as any brief survey of the composition of these units will show. Unlike the structure of formal administrative and bureaucratic organizations

¹ The adoption of arbitrarily chosen notions from the Western (particularly popular American) folk labour organisation model into the native "work" ideology is an interesting and increasingly widespread phenomenon.

which is clearly a result of the direct imposition of externally conceived and dictated organizational forms which are reproduced as carbon miniatures at the various levels of the indigenous government hierarchy, the cooperative societies have received support and directives from alien government agencies but have neither been totally financed nor controlled by them.

In the Micronesian case the only distributive mechanism is the government bureaucracy¹ and the only redistributive mechanism is the private entrepreneur dealing in consumer goods who is intimately dependent on the sustained government payments.

In the case of the Solomons while a proliferation of government sponsored bureaucratic positions and a concentration of social welfare and "domestic" development programs (e.g. housing, health benefits, child care, income stabilisation, etc.) creates a kind of dependency relationship between the bureaucratic structure and the population of the administrative centres, the cooperative societies appear to be emerging as relatively autonomous 'mini'-mechanisms for the redistribution of capital in both the administrative core and the outlying rural areas as well. A distinction, however tenuous at the moment, by virtue of these organizations is being made between the bureaucratic and administrative functions of the local group and the political functions of the larger superstructure.

Formal bureaucratization has not permeated the population of the Solomons as it has in Micronesia. Cooperative kinds of¹ which deals solely with transfer payments of considerable magnitude.

organization can emerge (1) as separate units that deal with traditional type subsistence resources as well as imported consumer goods, and (2) as "local level translations" of formal bureaucratic models and directives.

Another interesting feature of these groups concerns the relationship between the private entrepreneur and the cooperative in the Solomons-- a relationship that cannot emerge in Micronesia given the nature of the public:private sector dependency equation. Although, as a trend, this relationship is more difficult to document the following example may serve as a particular illustration of a more general, and hopefully widespread condition: The volume of trade between the primary societies and the Central Cooperative Association in Honiara (the administrative centre for the Solomons) increased by over 80% during 1972, and at the end of the year it was double the 1971 monthly average. This may serve as testimony to the fact that the societies, during this period at least, have come to realize that their own marketing organization provides a better supply service (whether because of sociological variables or more competitive roles-- probably a combination of both) than itinerant private wholesalers and local private businesses.

One final observation of the differences between the Micronesian and Melanesian examples-- as two cases in this inquiry into development-dependency relations may be stated here. From a comparison of Tables 1 and 5 indicate the ratio of the number of people engaged in government employment to those involved in

cooperative societies is not only approximately one-half, but also decreases through time.

In summary, two conclusions emerge from this discussion. The first is that cooperative societies not only do not but cannot exist within the bureaucratic stringencies of the Micronesian situation. The second is that while they do exist in the Solomons example they exemplify a strategy that has emerged under a similar situation of a dominant governmental bureaucracy but that they represent a viable and (at least to date) efficient strategy that is possible because the formalization of bureaucratic structures does not permeate every level of socio-economic organization to the same extent as it does in the TTPI.

VI. Concluding Remarks

One of the most, if not the most striking conclusion that emerges from the study is that in either of the two cases considered the establishment of local level government-- however it is articulated from within-- has not just less access to superordinate bodies than before but that as the increasing overhead and multiplication of positions and bureaucratic structures increases the system becomes more and more lethargic with respect to local incentives, plans and proposals.

What is more, this replication of bureaucratic structures actually creates a system in which the incentive for the self-design and creation of independently conceived development programs is very low-- the local level government only responds either in the unqualified endorsement of government proposals or as a reactionary force in the face of government crises.

In addition to this, a situation of insidious dependency on the system creates and maintains the infrastructure. Economic dependency from this perspective thus appears to be but one variable in a dependency dialectic. The Trust Territory of the Pacific Islands is a case in point.

On the other hand, a similarly top-heavy and internally elaborated bureaucratic superstructure lacking a tightly knit hierarchial configuration of formalized organizational sub-levels with a proportionately lower overhead and smaller scale transfer payments generates a system in which the emergence of relatively autonomous, potentially innovative and traditionally integrative cooperative units is possible.

No generalizations can be made concerning the specific characteristics of the two examples chosen in this discussion. What emerges quite clearly from the study, however, is that bureaucratic forms and bureaucratization as a development strategy are important considerations in the discussion of dependency relations.

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