Fiji: A coup d'etat sparked off by a mahogany plantation

It is already a well-known fact that large scale tree monocultures result in a large number of social and environmental impacts. However, we had not yet heard of a situation such as that of Fiji, where plantations generated such acute social and economic tensions that they eventually led to a coup d'etat.

The roots of the issue can be traced back to the 1950s and 60s, when the former British colonial administration decided to implement two large-scale plantation projects, one based on pine trees and the other on Honduran mahogany. The land occupied by the plantations was leased to Fijian landowners at a nominal price of some 10 cents per hectare per year. Many of the leases gave landowners rights to share profits at harvest.

The pine plantation was harvested in the 1980s --the decade after the British left-- by the state-owned Fiji Pine company, created for that purpose. Most of the logs were converted into chips and exported at low prices. Landowners made no profit.

In the year 2000, the time had come for harvesting the mahogany, and a number of actors appeared in the scenario. A group of Fiji landowners, discontent about the results with the pine plantation, contacted in 1996 a US businessman -- Marshal Pettit-- and convinced him to get involved in the harvesting of the mahogany plantation. However, he was totally unaware about the fact that the issue was not a typical business deal, but involved land rights, local politics, ethnic conflict, a British company and Fijian international policy.

The US businessman, in partnership with the newly appointed chairman of Fiji Pine --George Speight-- seemed about to succeed in the bid to harvest the plantation, when the party that backed Mr Spreight lost a parliamentary election. As a result, he was out of his post and the new government gave the contract to the British company Commonwealth Corporation, in spite of the fact that the US$ 65 million offered by this company was far less than the US$ 210 million offered by Pettit's Timber Resources Management company. The reason for this apparently absurd decision was that the new Prime Minister, the first ethnic Indian to occupy the post in 13 years, needed British backing in the European Union over export support for sugar, Fiji's leading industry and dominated by ethnic Indians.

The decision gave rise to mass demonstrations organized by landowners and spurred by both Pettit and Speight. In May, a 20,000 people-strong demonstration resulted in riots and the destruction of ethnic Indian businesses, while at the same time Speight occupied the Parliament building with paramilitary troops and held the Prime Minister and his cabinet hostage for two months. In July the army arrested him and he is currently awaiting trial.

The final result from this plantation is that a British company will receive most of the benefits. On the other side, the Fijian people will be more divided over ethnic conflict than before, local landowners will receive very little for the trees planted on their land, the Fijian democratic system will be weaker and the country's economy will have gained almost nothing.

Article based on information from: "Fiji's rich resources became political prize. Plan for timber harvest led to ethnic unrest", by Joseph Kahn, New York Times Service. International Herald Tribune, September 15, 2000