

Raymond Goodman, Charles Lepani, and David Morawetz, *The Economy of Papua New Guinea: An Independent Review*. Pacific Policy Papers. Canberra: Development Studies Centre, Australian National University, 1985. Pp. 273, tables, charts, appendices, bibliography, index. A\$15.00, paper.

Reviewed by Eugene Ogan, University of Minnesota-Twin Cities

This work presents the findings of a committee commissioned in 1984 by the Papua New Guinea government to review that nation's economy, with special reference to progress made since the achievement of independence in 1975 and to proposals for future policy changes. The authors, drawn from the Australian and PNG governments and the ANU Development Studies Centre, composed the committee and drew on a variety of sources for information, including eleven background papers commissioned by the center.

The report proceeds from the general to the specific, beginning with a nineteen-page "Executive Summary." Each of the sixteen chapters that follow provides abundant detail, elaborating on the general remarks in the corresponding portions of the opening statement. The chapters, in turn, are grouped into sections on "The General Economy," "The Rural Economy," "Industry, Mining, and Commerce," and "Other Sectors and Issues." This organization is very helpful to the reader, who can move easily from a question or problem generated by the summary to the relevant details, often available in tabular format.

Since the strength of the work lies in these details, the reviewer is inclined to direct the reader to them without a great deal of comment. At the very least, what is presented here is a valuable overview of PNG economy at a particular point in time. Inevitably, events have overtaken some of the conclusions. (For example, the future of the Ok Tedi mine is referred to in pessimistic terms on pp. 9 and 135-139, but 1987 reports in Pacific business journals argue otherwise.) Nevertheless, anyone interested in the future of the largest and potentially most powerful Pacific island nation will gain from consulting this array of data.

It is at the general level of conclusions and recommendations that some readers may experience unease. The problem that political scientists, sociologists, cultural geographers, and anthropologists have with such reports as this lies in concern for the material that has perforce been left out. Although the authors are less guilty than some economists of writing as if economic institutions float free of political and sociocultural considerations (for example, they are clearly aware of the political obstacles to much-needed reform of the public service), their conclusions and recommendations are often stated as self-evident or unproblematic. To cite just one important recommendation: a national population-control policy has been a favorite of Western development economists for decades, but instituting such a policy in PNG is likely to face fierce opposition from mission-educated government ministers and

parliamentarians all the way down to village big-men who traditionally base their status and power on the number of clansmen they can rally.

This report, like others of its kind, ignores a wealth of material gathered at the grass-roots level that is directly relevant to the issues under consideration. Although the 1982 national survey of nutrition had not been published at the time of this economic review, there were many small-scale studies extant that could have provided greater depth to the relatively superficial treatment (pp. 77-81). Similarly, reasons for the failure of smallholder cattle projects may be "complex" (p. 82), but they can be clarified if one takes the trouble to consult such meticulous accounts as that by Lawrence Grossman for the Eastern Highlands.

Finally, nothing in the work under review seriously addresses the powerful critique of PNG's political economy before and after independence presented in Amarshi, Good, and Mortimer's *Development and Dependency* (Melbourne: O.U.P., 1979). One need not--and this reviewer certainly does not-- accept the arguments of that earlier work in their entirety to express reservations about Goodman et al.'s recommendations for PNG's future. There are no doubt cogent economic arguments for allowing devaluation of the *kina*, lowering real wages, removing obstacles to foreign investment, and reserving government expenditure for the creation of infrastructure, narrowly defined. But shouldn't one at least raise questions about the dangers of returning economic--hence, ultimately, political--power to outsiders, of exacerbating urban-rural inequities, and of creating enduring class divisions in village communities more or less egalitarian by tradition?

If *The Economy of Papua New Guinea* does not (or even intend to) deal adequately with certain of these issues, it nonetheless provides abundant information to those who may wish to utilize, supplement, or challenge the conclusions presented. It will be of use to scholars and PNG politicians alike, though this reviewer hopes that all readers will treat its recommendations with caution.