

## *Eco-consciousness and Development in Palau*

*Minoru F Ueki*

Until the early part of this century, a thorough knowledge of their world was essential to the well-being of the people of the islands now known as Palau. Largely isolated, the Palauans would surely have faced starvation if they had irreversibly upset the natural balance of their environment. Eco-consciousness was intrinsic to their everyday life and cultural perspectives.

With the arrival of various colonizers, Palau was propelled, virtually overnight, from a subsistence economy to one that involved trading internationally and exposure to previously unknown goods. The presence of foreign governments and the emergence of a trade-based economy eroded traditional conservation practices, leaving an ethical vacuum as the people struggled to adjust to new guiding principles. The next decades were marked by overharvesting of marine and land resources and overall degradation of the environment through pollution and modern development activities.

Today, although degradation continues at an ever-increasing pace, there is hope as many are witnessing firsthand the costs of such behavior. Despite the overwhelming impact of foreign lifestyles, the core of many traditional beliefs, values, and practices has survived. Palauans are still closely tied to the land and the sea. Nevertheless, the changes that have occurred in the last century require traditions that once met the needs of the community to undergo further modification in order to adjust to the modern lifestyle that Palauans are adopting.

### NEW CHALLENGES

Since the Republic of Palau gained independence in 1994, the overriding concern of the national government has been to develop a self-sustaining economy before the year 2009, when funding under the Compact of Free

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Association, which established independence, comes to an end. The government is responding to the high levels of subsidy afforded to its operations and programs under the United States administration and during the first fifteen years of the compact. Palau will receive about \$500 million, mostly front-loaded, under the terms of this fifty-year agreement—a tremendous sum that will go a long way toward establishing a firm economic base. Palauans have become accustomed to a relatively high standard of living, and if a healthy economy is not established by the unofficial deadline of 2009, the country may face economic and political crisis.

At the time of independence, Palau's economy was already centered around tourism, although still in a fledgling stage. The 100-room luxury Palau Pacific Resort and 22 other hotels of varying quality were already established. Visitors were guided through the thriving reefs surrounding the Rock Islands by a relatively high number of tour agencies, which sometimes competed viciously for their share of the pie. Today about 34 hotels and a proportional increase in the number of licensed and unlicensed tour agencies are struggling to win a share of the market. In 1994, only a few other large-scale companies were in operation. Two were commercial fisheries, three were department stores, and a number of agricultural concerns provided the market with a widening variety of fresh eggs and vegetables. In addition, numerous smaller companies supplied the commodities, materials, and services to keep this small economy growing.

A high proportion of these firms, especially in the area of tourism, have been funded by foreign interests. All capital-intensive enterprises are the result of foreign investment, with the exception of two locally owned businesses that started small and developed into large operations. This situation is causing much concern because, despite high visibility within the community, the contribution of the foreign enterprises to the local economy is small relative to the revenues they collect. The common perception is that foreign companies take advantage of their long experience and Palau's lax legal regime to repatriate the bulk of their profits to their home countries. Nevertheless, the current administration has pinpointed tourism as the most viable industry for Palau and is encouraging its rapid development. Although most people agree that small-scale but lucrative "high-end" tourism is more desirable and more sustainable than mass tourism, the present pattern of large-scale development continues, thus excluding the possibility of significant Palauan involvement. To compound the problem, there is little to encourage these foreign interests to be good corporate citizens.

Development is the catchword of the day, and several projects that are under way have the potential to alter significantly the fabric of Palau's tourism industry. The most significant step toward mass tourism within the last decade occurred in 1998 with the opening of the Taiwanese-backed, 165-room Palasia Hotel. A 400-room resort development on a hillside that leads down to a mangrove area on the outskirts of Koror is now under construction. An even larger development involving more than a thousand rooms has been in the planning stages for about a decade. In essence this would be a resort community, complete with hotels, condominiums, restaurants, and a private artificial beach. When either of these projects is completed, the die will be cast, and Palau will become a mass tourism market. However, the development project that poses the greatest challenge to Palau is the 53-mile asphalt-concrete loop road around the large island of Babeldaob, funded by the United States under the terms of the compact. The new road will open up areas that are currently accessible only by off-road vehicles. Thousands of people currently residing in Koror are expected to settle in their home villages and build houses there, and new tourist-related developments are anticipated in previously pristine areas.

As growth of the market economy continues, the need for foreign labor also increases. According to the 1995 census, the balance stood at 13,120 Palauans to 4,105 foreign residents out of a total population of 17,225. Most reside and work in the Koror area, straining Palau's limited infrastructure. The transient tourist population has also increased significantly in recent years, rising from 44,073 in 1994, before the onset of regular charter flights from Asia, to 73,719 in 1997. The numbers have dropped somewhat since that time, but are expected to climb again when economic conditions in Asia improve.

These changes are already placing undue stress on Palau's fragile ecosystem. Women are noticing increased siltation in their taro patches as runoff increases. Fishers are reporting decreases in the volume of their catches, and in fish size. The ecosystem of Koror's port area has been altered by increased algae growth attributable to sewage outflows, virtually closing these traditional fishing grounds for gleaning. Across the board, Palauans are aware that the rapid development of recent years is beginning to show significant ecological costs, but their responses are varied.

## CURRENT RESPONSES

Many Palauans feel that development, especially in the areas of tourism, agriculture, and fisheries, poses the greatest threat to the environment. Others hope that development will yield desirable economic benefits without destroying the balance of nature. Still others believe that the environment must be sacrificed to a certain extent in order to achieve economic growth and material prosperity.

While many are willing to turn a blind eye to the warning signs of an ailing environment, almost all agree that the current nature of development is not as it should be. The national legislature has responded with a variety of bills and laws designed to help curb the negative impacts. They include recent measures to encourage sustainable tourism-related activities, such as catch-and-release programs for sportfishing, as well as a moratorium on reef fish exports and recycling programs. Although well intentioned, such legislation has often failed to achieve the desired results because of loopholes or inadequate sanctions. But the greatest problem is with enforcement, especially in the area of marine activities. Currently, three agencies share the responsibility for policing the waters of the most highly stressed area of Koror: the Division of Conservation and Entomology, under the Ministry of Resources and Development; the Marine Enforcement Division, under the Justice Ministry; and the Koror Rangers, under the Koror State Government. Each of these organizations has its own personnel and watercraft for enforcement activities. This overlap obviously causes unnecessary budgetary strain and leads to conflict over sometimes trivial issues.

Interestingly, some of the strongest responses to environmental problems have occurred at the state level, despite severe budget restrictions. In 1966 Kayangel State at the northeastern tip of Palau placed a moratorium on fishing along Ngaruangel Reef. Although still a rich fishing ground, residents noticed declines in fish size and acted to preserve the resource in hopes of establishing the area for catch-and-release sportfishing. The chiefs of Kayangel placed a *bul* (taboo) on the reef, which was soon backed by a state law. However, there are few resources to enforce the law against violators from outside the state. Koror State took similar action in 1995, when it established a ban on fishing in a section of the Rock Islands renowned for its superlative diving and snorkeling. The prohibition was intended to maintain fish stocks and preserve Palau's best-known tourist attraction. However, as the number of tourists has increased, congestion

has become a problem on certain sections of the reef—a concern that is compounded by a lack of empirical data with which to establish a standard for diver impact on this area. Koror State and a nongovernment agency, the Palau Conservation Society, are currently working together to develop a methodology to ensure that this valuable resource will not be lost forever.

These kinds of actions have discouraged activities that threaten the environment, but in recent years some agencies have taken the efforts a step further. The Bureau of Natural Resources and Development has engaged in numerous studies to gauge the impact of development on the environment, culminating in the 1994 National Environmental Management Strategy. In 1996, the President's Office established a task force on population to evaluate long-term immigration goals. The Palau Visitors Authority held a forum in 1997 involving top government officials and private-sector interests to establish long-term goals for the development of a sustainable tourism industry. All these studies complement an overall strategic policy called the National Master Development Plan. This plan, which outlines policies for all government sectors, took a decade to compose and was officially adopted by the national government in 1997. The plan identifies steps that, if followed, will help Palau develop a sustainable economy while respecting its environmental resources.

In addition, some government agencies are acting proactively at the grassroots level to encourage environmentally responsible behavior. Notably, the Environmental Quality Protection Board and the Division of Cultural Affairs have been engaging in outreach programs to explain the impact of negative activities on the environment, to increase grassroots knowledge of the ecosystem, and to revive an awareness of Palau's rich cultural past. To this end, the Division of Cultural Affairs has brought together some of Palau's living resources—the Society of Historians—to record in a two-volume tome some of the stories, legends, laws, and underlying principles that provided guidance to past communities (Alonz 1995). Since 1995, the Environmental Quality Protection Board and the Palau Visitors Authority have engaged in coastal cleanup programs aimed at giving high school students an increased understanding of the negative impact of waste on the marine ecosystem.

Government efforts are being supplemented by nongovernmental organizations that often respond to environmental issues at a grassroots level. The most organized and visible of these is the Palau Conservation Society, which was established in 1994. With its small staff and supported by

contributions from the community, the society conducts its own monitoring programs, engages in scientific studies to set baselines for measuring the effects of development projects, and most importantly engages in educational programs for the youth of Palau. Its stated goal is to work with national and state governments to promote sustainable development. Most recently, it has been involved in increasing awareness in the communities about the environmental impacts of the Babeldaob road and major resort development projects. By translating dense environmental reports into language that the community can respond to, the group is essentially acting as a liaison between developers and the community, hopefully bringing the developers' plans in line with community expectations.

Many areas also have neighborhood women's and men's groups. Remnants of the traditional leadership structure, these groups get together to discuss family and customs, or simply the news of the day. However, at times these groups have played an essential role in ensuring that developments did not destroy their food base. In the 1980s, when a thousand-room resort complex was proposed in the Ngesaol area, women who collected shellfish and sea cucumbers on the reef flats of the area led a protest against the plan—despite approval of an environmental impact statement by the US Environmental Protection Agency. As a result, the project, although still on the table, has to date not broken ground.

These responses indicate quite clearly that there is great concern over the state of the environment. While there are sporadic examples of effective, collective efforts to protect against the negative forces of development, Palau today is still not in control of the reins of development. The problem is largely one of adaptation to new lifestyles, new technologies, and new threats to the ecological balance. In their hearts, Palauans still have a great love and respect for the environment. Unfortunately, that love is not currently matched with an understanding of the irreversible impact that development can wreak on the ecosystem.

## CONCLUSION

Palau has already started down a road from which there is no way back. Palau will never again be a subsistence-level economy, and a return to the old ways is impossible. Most of today's Palauans have only a nominal awareness of the traditional belief system. But with a culture so steeped in respect and understanding of the natural environment, a basic desire

to see that the ecosystem is not harmed survives. Even if the old ways had survived, they would not have been equal to some of the issues that Palau faces today. For example, with the introduction of bulldozers, communities have to deal with the danger of increased siltation from runoff as these huge machines churn up the soil and vegetation. This cannot compare with the effort that was required for the cutting of a single tree with an ax that had a seashell for its cutting edge. What took days now takes minutes.

Palauans can identify with and respect certain rhythms and logic of their traditional values. Although they have been supplanted in the post-war years with a desire for profit and a higher lifestyle, goals that still motivate many today, a resurgent interest in traditional culture is observable. The formation of the Society of Historians and the publication of some traditional stories and legends is one source of hope that Palauans can return to positive practices toward the environment. Nevertheless, Palau is still simply reacting awkwardly to the problems that arise. The controls that their ancestors had to encourage responsible behavior and prevent resource depletion are evident in today's government system. But they are not strong enough to address present problems. Add to the mix a weakening of homogeneous values as industry growth precipitates an ever-larger immigrant workforce. As the population diversifies, strength of purpose is also diluted, making collective efforts at environmental preservation even more difficult.

The development of a new approach that would combine traditional wisdom with western science could be an effective tool to deal with today's environmental challenges. However, the clock has been ticking for quite some time, and the issue that is of greatest concern is whether Palau as a nation will be able to bring development in line with sustainable environmental practices before its resources are destroyed.

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