Aid donors have been promoting “good governance” in the Pacific Islands since the 1990s. They have funded projects to promote democracy or reduce corruption, and international financial institutions like the World Bank made good governance a condition of some of their loans. However, they have met some active resistance. In Papua New Guinea (PNG), for example, students rioted and soldiers mutinied over recommendations for land registration and public sector reform.

Governments often choose to learn from abroad. Sometimes they are forced to, through loan conditions, colonization, or military defeat. U.S. attempts at “nation building” in Afghanistan and Iraq are extreme examples. In June 2003, Australia led a force of troops, police officers, and other officials to restore order and rebuild institutions in Solomon Islands, labeling the country a failed state.

Institutions from one country may not suit another, but the Pacific Islands have also suffered from the partial application of idealized and standardized models with no particular national origins. Colonization, decolonization, fiscal crises, and membership in international organizations have made the islands open to prevailing ideas of “best practice.” Missionaries and consultants have been active and creative participants in this process. So have members of professions with well-organized bodies of doctrine, like economists, accountants, and surveyors. Local elites have been active partners as well. Traditionalist appeals to a version of the past have been countered by transformative appeals to the future.

The region provides the opportunity to see how similar institutions were adapted to different local contexts. A number of relatively isolated islands provide the conditions of a natural experiment. All but one, Tonga, were subject to direct colonial rule. Similar constitutions were overlaid on
both the highly centralized chiefdoms in the eastern parts of the region and the small-scale, more egalitarian systems in the western areas. Systematic attempts were also made to incorporate local circumstances into so-called homegrown constitutions. These constitutions are now being questioned, particularly by intellectuals in Samoa, which was the pioneer. Resentment toward foreign institutions in the South Pacific still continues, along with attempts to devise or restore indigenous alternatives. After Fiji’s first coup d’état, in 1987, a local newspaper wondered if democracy might not be a “foreign flower,” unable to survive in the hostile local soil (Larmour 1994).

The promotion of good governance in the South Pacific is nothing new. In the mid-nineteenth century the *Sydney Morning Herald* criticized the regime in Tonga as being “totally inefficient except for the wants of the merest savages” (Latukefu 1975). The king of Tonga took a study tour of New South Wales in 1853. He was shocked by the signs of poverty he saw but was impressed by the leasehold system of land tenure, which he then introduced to Tonga. He went on to adopt a constitution modeled on Hawai‘i’s, which in turn borrowed elements from Britain’s. In making these changes, the king was advised by missionaries. Now consultants and nongovernmental organizations (NGOs) play a similar role in promoting “international best practice.”

**Transfer**

“Transfer” means “conveyance or removal from one place, person, etc., to another” (*Shorter Oxford English Dictionary*, fifth edition). The phrase “institutional transfer” was used by David Apter, in his study of politics in what was then called the Gold Coast, now Ghana, in the 1950s (Apter 1955). He asked if the institutions of parliamentary democracy modeled on Britain were suitable for African circumstances. Similar questions were asked before independence in Solomon Islands, where a government report wondered if “political progress, following the Westminster model, is suitable or desirable” (British Solomon Islands Protectorate 1968, 3).

The argument against transfer was made most influentially by German legal theorist Von Savigny (1814). He saw the law, like language, as embedded in a distinctive Volksgeist, or spirit of the people. His argument was part of a more general Romantic reaction against the universal claims of the Enlightenment. Yet countries are not different in every respect. They often copy from each other and look for examples of best practice abroad. Nineteenth-century Japan modeled its police force on France’s
and its postal system on Britain’s (Westney 1987, 13). In turn, the Japanese system of *koban*—police boxes in urban areas—has been copied by American cities. Ombudsmen have proliferated from their origins in Scandinavia, as has Hong Kong’s Independent Commission Against Corruption. Privatization was promoted by the British accounting, advertising, and stockbroking firms that had done well out of its application to Britain in the 1980s. In the 1990s, borrowers looked to New Zealand for examples of “new public management,” based on market principles.

Law has always been particularly mobile. Most private law in the West, apart from Scandinavia, derives from Roman civil law or English common law (Watson 1974, 22). Even family law has been open to change as a result of foreign influence. Thus Alan Watson, the author of *Legal Transplants*, concludes that “the creation of law for that precise society in which it is operating is neither always common nor very important” (ibid., 100).

“To transfer” means to take from place to place, but there are a variety of possible sources and destinations. Policy makers typically look to the past, or precedent, as a source. Generals are accused of fighting the last war. Ideas may be invented, and every borrowing is, in a sense, a reinvention as an idea is taken up and adapted to circumstances. Some ideas may be derived from first principles, like the assumptions of economics, and to that extent are borrowed from nowhere. The involvement of international organizations such as the Asian Development Bank, the World Bank, the Commonwealth, or Transparency International contributes to a sense of placelessness. “Best practice” might be found anywhere. And revolutionaries typically look forward, in a sense “borrowing from the future.” Six possible combinations of place and time are summarized in table 1.

In the first column for place, the borrowing is from somewhere: specifically named places or regions, like Africa. In the second column for place are more abstract sources, such as the first principles of economics and accounting, myths, or utopian fantasies. I have called these sources

<table>
<thead>
<tr>
<th>Sources of Borrowing</th>
<th>Somewhere</th>
<th>Nowhere</th>
</tr>
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<tbody>
<tr>
<td>The present</td>
<td>Other countries or regions</td>
<td>First principles</td>
</tr>
<tr>
<td>The past</td>
<td>National history</td>
<td>Myth and religion</td>
</tr>
<tr>
<td>The future</td>
<td>The West, China, or the former USSR</td>
<td>Utopia</td>
</tr>
</tbody>
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“nowhere,” after William Morris’ “utopian romance,” News from Nowhere, first published in 1908 (Morris 1970). Morris’ protagonist wakes up in the future, thus facilitating a critique of the present. The rows in table 1 point to borrowing from the present, the past (though this is often forgotten or selectively remembered), and the future. The typology also points to the sources that cut across the categories: “the West,” for example, is partly a region, but it is also something more placeless, abstract, and futuristic. “Westminster” is similarly abstracted but draws its prestige from the past. The Bible—which became a source of inspiration for nineteenth-century constitution makers—sits between the columns for place. It refers to real Middle Eastern places, but they are far away and almost mythic.

In his pioneering study of lesson drawing in public policy, Richard Rose (1993) distinguished “great examples” from “siren calls.” The former were highly desirable foreign models that were also highly practical for implementation. The latter were equally desirable but impractical. An Independent Commission Against Corruption might, for example, be highly desirable, but impractical in terms of its costs or demands on scarce legal or forensic talent. Rose opened up two other possibilities: undesirable but potentially practical, and undesirable and impractical, amounting from the recipient’s point of view to a lucky escape.

**Engineering or Gardening**

Giovanni Sartori (1997) talks of “constitutional engineering,” though the results may be unpredictable—a small change in a constitutional rule may have quite unexpected effects. Donors tend to use a metaphor of construction. As part of its “cooperative intervention” into Solomon Islands, for example, Australian officials would be “inserted” into the Department of Finance and the central bank, while “jurists are also likely to be sent to rebuild the justice system” (Sydney Morning Herald, 26 June 2003). Johan Olsen (2003) contrasts “gardening” and “engineering” as approaches to reform. The former recognizes the organism and autonomy of institutions. Reformers can plant, implant, or transplant, but their “foreign flowers” grow at their own pace, and in accordance with their own internal logic. Reformers can only hope to prune here or fertilize there. The engineering metaphor grasps the intentional and deliberate quality of institutions: they are products of human design. The gardening metaphor grasps their autonomy and independence: they have lives of their own.

The results of transfer are not necessarily the replacement of one institution by another. Often the new and the old coexist. One may dom-
inate the other, which is forced into the shadows, like magic in the West. In settler societies like Australia or the United States, the institutions of native or aboriginal people tended to be downgraded, marginalized, or co-opted. Some of those institutions are now being revived. In New Zealand, for example, the Treaty of Waitangi, signed between Maori and British leaders, provides the framework for an emerging dual political order, drawing on Maori and European institutions. Institutions also mix and blend. Esin Orucu (1995), looking at the reception of laws in the European Union, used a culinary metaphor: systems might be pureed, in which case the origins of the mixture were invisible; they might be blended, in which case lumps of one or another of the original systems were still visible; or each system might rest separately, like salad on a plate. Tonga, for example, has a blended system of government—parts of its Tongan and imported origins are still visible but are well mixed together all the way through. Fiji, by contrast, is more like Orucu’s salad, with parallel administrative systems for Fijians and non-Fijians still largely distinct and with little interaction between them.

Why Does Transfer Matter?

Introduced institutions are often blamed for political problems in the South Pacific. Barak Sope, once prime minister of Vanuatu, believes that the Westminster system is unable to cope with ethnic conflicts in Melanesia (interview on Radio Vanuatu, 19 December 2000). These views are endorsed by journalists and academics writing from outside the region. An Australian newspaper comments that the introduced system of government “didn’t work” in Papua New Guinea because “it was irresponsibly grafted on to an already sophisticated society that worked in a completely different way to our own” (Canberra Times, 14 March 2000).

Historian Judy Bennett argues that the “failure of the transplanted political system based on the Westminster model” resulted because “few Solomon Islanders own the national system as theirs”: “Introduced by the colonial ruler it is still seen as a foreign superstructure, not a product of their efforts, so they lack both a commitment to it and a critique of it” (2002, 14).

A transfer of political institutions came with colonization and decolonization. A third wave of transfer has taken place in the Pacific Islands after decolonization, as fiscal crises have forced governments to borrow from financial institutions like the World Bank and the Asian Development Bank. Independence was accompanied by aid agreements that have
expired or been renegotiated. The international financial institutions now promote “good governance”—including democracy, the rule of law, and anticorruption—and can insist upon it as a condition for a loan. Many of these institutional reforms run up hard against “homegrown” beliefs in chieftaincy, custom, and duty to support one’s family and kin. From a study of Kiribati, historian Barrie Macdonald asserted that the approach taken by the World Bank and other donors was “ideologically driven” and that “standard checklists of good governance characteristics make insufficient allowance for cultural diversity, historical context, local economic circumstances or the dynamics of political process” (1996, iii).

A fourth wave of transfer may be breaking over the region, as Australia leads the Regional Assistance Mission to the Solomon Islands (RAMSI). It followed on Australia’s intervention in East Timor and its contribution of troops to the United States’ “coalition of the willing” in Iraq.

The experience of the South Pacific is of wider relevance. International organizations like the World Bank and private consulting firms promote models of good governance in formerly socialist and developing countries. The collapse of socialist societies provided the opportunity—and the demand—for new political and economic institutions such as stock markets and private property. Some were restored from a precommunist past. Others were borrowed. Some were insisted upon as a condition for entry into the European Union. Political theorist Claus Offe wondered at the relevance of the constitutions being adopted in Eastern Europe: “No Western political or economic or social institution has been invented for the purpose of extricating an entire group of societies from the conditions of state socialism and its ruins” (Offe et al. 1998, 216). Western political institutions, Offe says, arose in response to Western problems, which in turn have shaped the cultures on which these institutions depend to perform their functions. Nor were they invented for such purposes as the economic development and management of an ethnically diverse society—typically tasks for government in postcolonial states like, say, Malaysia or Fiji.

Yet opposite lessons were drawn from the Asian financial crisis of 1997. One was that there was no alternative, “Asian” route to development. An Australian newspaper headline put it bluntly: “We tell Asia: Westernise to end the crisis” (Canberra Times, 24 October 1998). Malaysian prime minister Mahathir drew the contrary lesson, that there was no single prescription: “The real issue is whether we will willingly allow our economies to be governed by a ‘doctor with only one pill for every illness’” (Australian Financial Review, 25 June 1999). Mahathir was doing
more than objecting to foreign ideas—though he might have been doing that as well. He was criticizing the standardization of the advice and hinting at the exercise of power in the doctor-patient relationship.

Transfer is now promoted by management gurus, academic economists, policy analysts, and their students. These days, as sociologists Strang and Meyer pointed out, “theorists do the travelling” (1993, 492). Yet, as they noted, there is a loose link between theory and rationality. Global theorization tends to ignore important local differences. Behavior based on it, Strang and Meyer suggested, will produce more standardized and ritualized action than behavior based on personal information will. Borrowing environmentalist imagery, other writers have worried about the spread of “institutional monocultures” (Crouch and Streeck 1997).

Déjà Vu

My own interest in “institutional transfer” began with trying to reverse it. My first job in the Pacific, as a lands officer in Solomon Islands, involved returning freehold land to the descendants of its original customary owners. My first consultancy, in Vanuatu in 1980, involved recommending that Vanuatu not borrow from the example of its Melanesian neighbor in land policy. Given that the Vanuatu government lacked the bureaucratic capacity of Solomon Islands, I thought it should get out of the way of direct negotiations between expatriate freeholders and traditional owners.

I had been brought up at university on varieties of Marxism, which tended to see political institutions as determined by more fundamental economic conditions. However, in the 1980s I got excited by what the property rights school of institutional economics had to say about the customary land tenure I had been working on in Solomon Islands. Vincent Ostrom (1987) also showed how a right-wing “political economy,” or what became known as public choice theory, could recast the study of public administration. When I started teaching at an Australian university, a colleague and I devised a textbook that tried to combine simple economic and sociological ideas about institutions (Colebatch and Larmour 1993). Occasional consultancy work since—particularly an assignment for a multilateral bank—kept me thinking about the relevance of standard or introduced ideas, the role of brokers of ideas, and why some reforms stick and others do not.

The idea of good governance brought institutional thinking back into development policy in the 1990s. However, like others working on comparative politics and development administration, I was uneasy about the
standard package of privatization and public sector reform that was being promoted after the collapse of communism in 1989 or during the fiscal crises of the late 1990s. My concerns were sharpened by a 1999 article in the American journal *Public Administration Review*. Watching the flow of consultants engaged in “building institutions in the image of the West” in Bosnia in the mid-1990s, Huddleston saw “a return to a foreign assistance tradition that had largely been abandoned in the 1960s superseded by the more culturally sensitive insights of development administration” (1999, 147). The editors’ introduction used the phrase “here we go again.” Huddleston wondered at the “disconnect between what public administration specialists are now being sent abroad to do, and what we as a profession ostensibly learned decades ago” (ibid., 148). Yet he concluded reassuringly that the space for national differences was closing as international norms emerged. I was less reassured about the loss of space. I also wondered who was closing it and why and how it was being closed.

What exactly had been learned from the 1960s and 1970s? Then the major actors included the United Nations Public Administration Division; the technical assistance missions of the governments of the United States, Britain, and France; and the Ford Foundation. Together they all promoted a program of “administrative reform,” involving “the replacement of expatriate administrators, the establishment of training in administration and management, long range institution building, the application of sound managerial concepts, and attitudinal change” (Caiden 1991, 54). They produced a network of consultants and contractors “mostly located in North America, many of whom had known each other from service in World War II and met together formally at briefings and academic gatherings” (ibid., 57).

In the 1960s, the Ford Foundation funded conferences that found, for example, that those promoting rational legal models of bureaucracy were underestimating the “survival power and capacity of traditional administrative systems” (ibid.). National governments were resisting ideas for their own reasons. They realized that “ostensibly neutral matters of means carried with them Western ideas at odds with national objectives.” So the governments reacted opportunistically. They picked the “technical operations (management) readily assimilable without fundamental changes (administrative reform)” (ibid., 58). A later international conference on development administration went on to conclude that “reforms have to be country specific” (United Nations 1985, 1). “Country specificity” defers to the sovereignty of national governments represented in international
organizations like the United Nations and is now a cliché of development assistance.

These early conferences also anticipated the 1990s concern with democratic institutions. They concluded that Western countries should be less concerned with marginal technical adjustments and more concerned with ideology and social changes—particularly the encouragement of “democratic, private and local government institutions and progress towards the rule of law, freedom of expression, and individual freedom, initiative and private enterprise” (Caiden 1991). In 1966 the U.S. Foreign Assistance Act was amended to include “the utilization of democratic institutions in development.”

My sense of déjà vu was increased in two other ways. First I reread Sione Latukefu’s history (1975) of the Tongan constitution. The nineteenth-century arguments about the role of missionary advisers seemed very similar to those about the role of NGOs and consultants in the region today. Second, newspaper stories in March 2003 described how Afghan factions and their advisers were jostling over the content of a new constitution, particularly the role to be played by traditional leaders and by Islamic and customary law. They were doing so after a violent invasion by the United States and its allies. Similar issues of “nation building” arose during the decolonization of the Pacific Islands and in the Australian interventions in Timor and Solomon Islands.

**Approach**

In a recent survey, De Jong, Lalenis, and Mamadouh (2002) identify two perspectives on what they call “institutional transplantation.” The first perspective looks at what makes actors seek answers abroad—what they call “actors pulling in.” The second looks at the relationship between introduced and indigenous institutions, or “goodness of fit.” In the Pacific Islands there has been more pushing from outside than pulling in, and the imposition of introduced institutions is often blamed for their poor fit.

This book focuses particularly on the process of transfer and on the role of power in that process. It uses a framework devised by Dolowitz and Marsh (2000) to guide studies of policy transfer. The word “policy” emphasizes deliberate choice and actors pulling in. The word “institution,” by contrast, emphasizes what is fixed or given and issues of fit. Dolowitz and Marsh also recognized that transfer might be coercive, along a scale that ranged from the pressures to keep up with competitors, through
conditions attached to loans, to outright imposition of institutions following military defeat. And without a choice, countries were particularly vulnerable to standardized solutions peddled, for example, by consultancy firms.

This book tries to answer several questions:

- Where did the institutions come from? Were they invented or borrowed or some combination of the two? Did they come from metropolitan models, other colonies, or first principles?
- Why did so many local institutions end up looking like those in the West? Was it because the institutions were forced on their recipients? And what was the role of the consultants and advisers who played such a visible part in the process?
- Why did some transfers take hold, and others not? What was the fate of alternatives?
- What were the effects of transfer? In what ways did transferred or hybrid institutions perform better or worse than indigenous ones?
- What has been the fate of a particular institution, the state? (Many of the current diagnoses of Melanesia’s economic problems hinge on ideas about the state, its weakness, or even its failure. The state was imported into the region, and countries became independent states at about the time that official opinion in Western countries was turning against statism, in favor of privatization and NGOs.)
- What role does culture play in the transfer of institutions and in resistance to the transfer? (Critics of imported institutions often bring up ideas about culture.)

The book answers these questions in several linked ways. Chapters 1 and 2 identify institutional transfer as a persistent theme in the study of the Pacific Islands, reflected in ideas like homegrown constitutions, invented traditions, and weak states. Chapter 3 examines the “institutional” in the phrase “institutional transfer.” The so-called new institutional economics has become influential in the study of development, and ideas about institutions appear in several disciplines. The argument for good governance is partly an argument that institutions matter and have a causal impact on rates of growth or on economic development more generally.

Chapters 4 through 6 are more empirical, analyzing about forty cases of institutional transfer, beginning with Tonga’s borrowing of foreign institutions in the nineteenth century and ending with current attempts to induce island-states to give up money laundering. The cases are of insti-
Institutions associated with good governance: property, constitutions, democracy, public sector reform, and the prevention of corruption. Aid donors believe that these institutions are important for development, yet transfers of them often fail or are resisted.

The final chapters are more reflective. There is a presumption that institutional transfer is difficult or prone to failure. The image of the foreign flower is a rather pathetic one, of a plant beleaguered or starved of nourishment. Yet some transfers—for example, of Christian churches—seem to have taken place quite successfully. Chapter 7 identifies some common themes in the earlier chapters, such as the role of timing and crisis, and the techniques and sources of transfer. It goes on to identify factors that determine whether or not transfer took place, including social conditions, sympathy with local values, and misunderstanding.

Chapter 8 turns to the question of power. Many of the political institutions in the Pacific Islands were introduced during the colonial period. The World Bank and the Asian Development Bank have often insisted on institutional changes as a condition for loans. Governments, students, and soldiers have sometimes resisted. The chapter draws on recent political theory to identify the types of power involved in transfer. Chapter 9 considers how the transfers have been evaluated by those involved, including the consultants who advised on them and the donors and financial institutions that hoped that institutional transfer might lead to improved economic performance. The final chapter summarizes the results of the analysis of the Pacific Island cases and uses those results to answer questions about institutional transfer.