



Market Highs: Alcohol, Drugs, and the Global Economy in Oceania

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During the last three decades the production, distribution, marketing, and consumption of legal and illegal substances has been transformed. The rise and consolidation of huge transnational corporations (TNCs) selling alcoholic beverages and tobacco has been mirrored by the growth of sophisticated international drug cartels moving cocaine, heroin, and marijuana across national borders. At the same time, many traditional substances, like kava, betel, and qat, have been converted into market commodities and sold for money within and among nation states. The ways that all of these substances have entered the global economy and accompanied the ever-more-rapid movement of people and ideas around the world have only begun to be explored by social scientists. This chapter examines these new patterns of substance manufacture, movement, and use for the world region known as Oceania or the Pacific Islands.

The two major substances used by Pacific Islanders when outsiders initially came among them—betel and kava—will be discussed first. Both substances continue to be widely consumed in the islands, both have been incorporated into a market economy, and kava has entered the global economy, albeit in a modest way. The historical encounter of Pacific Islanders with alcoholic beverages will then be sketched as a necessary prelude to a more detailed look at the establishment of beer breweries in the islands, tied to TNCs that have extended their reach even to these far outposts of world trade. What is known of the production, use, and international transshipment of marijuana (cannabis, or pot) in Oceania will be reviewed next, and no effort will be made to discuss other illegal drugs such as cocaine, heroin, and methamphetamines. Final comments will concentrate on the economic and public health impacts of the marketing of kava, betel, beer, and pot on the lifestyles and well-being of Pacific peoples. Due to space limitations and because the topic has been explored in depth elsewhere (for example, Marshall 1981, 1987, 1991, 1997) the production and marketing of tobacco products in the islands will not be examined here.

GOING NUTS OVER ROOTS: BETEL AND KAVA

Betel-chewers masticate three separate ingredients: the endosperm of the *Areca catechu* palm seed (often mistakenly called "betel nut"), the leaf or inflorescence of the *Piper betle* vine, and slaked lime usually made from ground coral or seashells. The first two of these are pharmacologically active; the third can be caustic, especially when commercially manufactured lime is substituted, as is often done today. Melanesians generally do not add tobacco to the betel quid, although this is now commonly done in such areas of Micronesia as Yap and Palau. Leaving tobacco aside, the active ingredients in the betel quid are central nervous system stimulants that enhance arousal and produce mild euphoria and a general sense of well-being. Chewing betel also reduces thirst and hunger. Beginners may experience dizziness, nausea, and diarrhea, and even experienced chewers may sweat and salivate profusely.

Made from the chewed, pounded, or ground root of *Piper methysticum*, a shrub related to *Piper betle*, kava is drunk as an infusion made by soaking the prepared roots in water and straining the resultant mixture through coconut bast or cloth (for details see Lebot, Merlin, and Lindstrom 1992). Kava contains several potent alkaloids and taken in the traditional island manner, kava-drinking produces a range of physical effects, notably analgesia and muscle relaxation, and it leads to a sense of sociability and tranquility. While the drinker's physical coordination may be impaired after several cups, the mental faculties are left clear, and kava induces a quiet, contemplative camaraderie.

Betel and kava have limited distribution in Oceania, although in recent years consumption of both substances has expanded among people who formerly did not use them. Betel is chewed primarily in western Melanesia (Papua New Guinea [PNG] and the Solomon Islands) and in western Micronesia (Yap, Palau, and the Marianas), and is absent from the Polynesian Triangle. Kava is found in most major Polynesian islands, in Fiji and

Vanuatu, in scattered coastal and island locations of PNG and west Papua, and on the island of Pohnpei (and formerly also Kosrae) in Micronesia. Betel-chewing also is common through mainland and island Southeast Asia, in Sri Lanka and the Indian subcontinent, and as far east as the Zanzibar area of east Africa. Unlike betel-chewing, kava-drinking remains a peculiarly Pacific Islander pastime and, except among migrant communities, it is not practiced elsewhere in the world.¹

Betel-chewing occupies a social position similar to coffee or tea drinking in the West—it stimulates social activity, suppresses boredom, enhances work, increases personal enjoyment, and symbolizes friendly, peaceful social relations. Nearly all adults and many children in betel-chewing societies partake regularly. As with tobacco users, betel-chewers carry the necessary ingredients on their person so that they can prepare a quid several times a day. Once again, kava is different. Rather than a mundane, widely shared substance like betel, kava had sacred overtones, its use typically was restricted to adult men, and its preparation and consumption often were surrounded by elaborate ceremony. Over the past quarter century, however, patterns of kava use have changed markedly in much of the Pacific. Young and untitled men now drink it with impunity, as do growing numbers of women, particularly in urban areas. While in certain contexts it retains its sacred connotations, kava has become secularized as it has entered the market economy. In its patterns of sale and distribution, although not in the behavioral outcomes that follow its consumption, kava increasingly resembles alcoholic beverages, being sold by the drink in special "kava bars" where substantial quantities are prepared on a daily basis for customers' pleasure.

These transformations in the distribution and cultural positions of betel and kava reflect the forces of both tradition and modernity operating on Pacific societies. Hirsch has argued that the growth of towns, urban centers, and a monetary economy during the colonial period in PNG (but especially following national independence in 1975) led to the breakdown of

(1981) records that in the mid-1970s a Kaliai could earn one and one-half times as much money for about one-quarter the effort by selling betel in the Kimbe market instead of making copra. Watson (1987) reports that the first long-distance Biwat trading trip to Mt. Hagen in 1979 netted 1,400 kina (about US\$2,100 in 1979) from *Areca* nuts and *Piper betle* sales in just three days. Lutkehaus (1981) observed that people from Manam would prepare 25-kg. bags of *Areca* nuts, haul them by boat from the island to the government station at Bogia on the New Guinea coast (a trip of anywhere from two to six hours), carry them by truck from Bogia to the provincial capital of Madang (another six-hour journey), and then put them on an Air Niugini flight to Mt. Hagen. A Manam relative or *wantok* resident in Mt. Hagen would receive the shipment, take it to the public market, and sell single nuts for 10 to 20 *toea* each (the price of ten or twelve nuts on the coast). *Areca* nuts even have begun to affect inflation rates in PNG. For example, reporting on a close to 22 percent surge in annual inflation in PNG during 1998, Nick Suvulo of the National Statistical Office said: "one of the main contributing factors to the huge increase in the level of inflation was the price hikes for betel nuts nationwide" (PNG *Post-Courier*, February 18, 1999). While it is clear that betel has become a significant economic commodity within the country, betel-chewing ingredients are not exported from PNG. Elsewhere in the Pacific, however, in Micronesia, they *do* cross national borders.

Just as betel-chewing has spread into new areas such as the Highlands of PNG, so has betel-chewing expanded into new islands in Micronesia. The timing and reasons for this expansion are somewhat different than in the PNG case. The people of Yap, Palau, and the Marianas all chewed betel aboriginally, and all continue to do so with gusto. As Guam has developed into a major regional urban center, especially since the early-to-mid-1980s, islanders from all of the new Micronesian countries (FSM, the Republic of Palau, and the Republic of the Marshall Islands) have migrated there in substantial numbers for employment and

educational opportunities. Guam also has a large Filipino population, many of whom also chew betel. As in PNG, one consequence of Guam's regional ascendance has been that islanders from formerly nonbetel-chewing areas (for example, Chuuk and Pohnpei) have experimented with betel in the urban area and some have adopted the habit.

More important for betel's eastward spread in Micronesia, though, was the establishment of FSM's capital on Pohnpei. The FSM national government employs citizens from all four states (Chuuk, Kosrae, Pohnpei, and Yap), and the Yapese who moved to Pohnpei created a market for betel there. Yapese chewers led others to try their habit, and by 1995 betel was prominently for sale in stores on Pohnpei and Chuuk (Figure 12.2). While some of this was locally grown, much was imported on Air Micronesia flights from Palau and Yap to Guam, and thence to Chuuk and Pohnpei. By 1993 betel-chewing had become so thoroughly integrated into life in the FSM national center on Pohnpei that when then-President Bailey Olter signed a policy statement establishing a drug-free workplace, betel (and *sakau*—Pohnpeian kava) was specifically excluded (Ashby 1993). Based upon a 1992 survey of over 6,000 youths ages twelve to eighteen in all four states of FSM, nearly a third of the respondents from Chuuk and Kosrae, and over half from Pohnpei, had chewed betel in the preceding month (Reed 1993:68). So the substance clearly had taken hold in the Eastern Carolines.

Even back in the mid-1980s betel contributed importantly to Yap's economy. Local retail stores sold an estimated 50,000 Zip-Loc bags (called "a plastic") containing fifteen to eighteen *Areca* nuts and some *Piper betle* leaves for US\$1.25 each in 1986, and boxes of *Areca* nuts were sold to transiting Palauans at the airport for US\$5 each. Beyond that, "huge boxes of nuts . . . are exported wholesale by Joe Tamag Enterprises and other companies [to Guam]" (Bird and Ruan 1986). By 1999, Yap's betel business had shown sufficient potential that with help from the Pacific Business Center at the University of Hawai'i, a local entrepreneur, Francis Reg, was developing plans for an

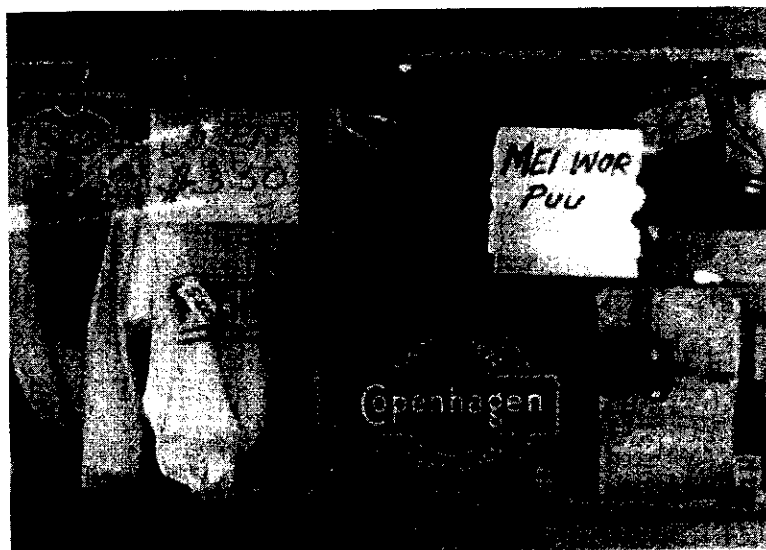


Figure 12.2 "Mi uor pu"

Areca nut plantation so as "to sell his product throughout Micronesia" (Pacific Business Center News 1999). Many retail stores on Palau sold single chews (called *elaus*), each consisting of half an *Areca* nut, a piece of *Piper betle* leaf, some lime, and half a cigarette "all wrapped together in aluminum foil" (Ysaol, Chilton, and Callaghan 1996: 252). The market value of an *elaus* varied between US\$0.10 and US\$0.20 depending upon the time of year. Not including exports, these researchers estimated the annual market value of betel-chewing ingredients consumed in Palau in 1995 as in excess of US\$9.2 million. This expenditure was "for a nation with a 1993 estimated gross domestic product of \$75.8 million" (Ysaol, Chilton, and Callaghan 1996:253).

Although to some extent betel is involved in international trade, when compared to kava this pales in significance. Even more than a century ago kava was exported from Hawai'i to Germany for medicinal use (Gatty 1956). In the 1970s kava figured in trade between island countries; for instance, Tonga began shipping kava to Fiji in 1973 and sent six tons in November 1974 (*Micronesian Independent*, January 10, 1975, p. 4). Such intra-Pacific trade crossed regional boundaries, too, with packages of powdered kava from Samoa on sale in Pohnpei in early 1989

(Ashby 1989; this product was still being sold during my visits to Pohnpei in 1993 and 1995). It was during the decade of the 1990s, however, that kava boomed as an export crop.

As far back as 1984, when Vanuatu began to look at kava as a possible export to other kava-drinking island countries like Fiji and Tonga, they also began to communicate with the European pharmaceutical industry. By the mid-1990s this had clearly paid off for Vanuatu and other island nations as kava became "the focus of interest from a growing number of pharmaceutical companies from Germany, the United States, Japan, and France" (Decloitre 1995:44). At that time Fiji was the leading kava exporter in the region, earning on average about US\$3.5 million a year, Vanuatu's domestic market was worth approximately US\$900,000, and the production and sale of kava provided income for some 6,000 ni-Vanuatu growers (Decloitre 1995). By 1997, domestic kava consumption in Fiji exceeded domestic beer sales in value at US\$11 million (Islands Business 1998). Vanuatu's kava exports were worth US\$6.83 million in 1997—almost one-fourth of all the country's commodity exports—and US\$7.4 million in 1998, while the value of Fiji's kava exports in 1998 reached US\$7.7 million (Guille 1999; Islands Business 1999c).

In the mid-1980s before this economic bonanza began, it appeared that the huge U.S. market might be closed to kava products when the Food and Drug Administration (FDA) prohibited kava imports under the U.S. Food and Additive Amendment of 1958.³ The ban was specifically on kava as a food or food additive, and did not affect its import for use in pharmaceuticals. By late 1986, however, U.S. officials reclassified the substance as a “dietary supplement,” which meant it no longer fell under FDA scrutiny, and the ban on kava as a beverage (food) was lifted. This paved the way for the 1990s market expansion. Between 1988 and 1994, Vanuatu “increased its export income from *kava* by six-fold . . . earning US\$520,000 in 1994” (Seneviratne 1997:48). By 1996 the huge German pharmaceutical firm, Schwabe, was “making big money by selling a tranquiliser drug made with extracts from the kava plant” (Keith-Reid 1996:30). A year later, Kava Kompany, locally registered in Vanuatu, introduced ten new products to the U.S. market, among them a drink called Mellow Out sold at US\$90 per liter, Kavatrof sold in thirty-capsule packets for under US\$9, Liquid Kalm (an after-dinner stress-relief syrup), and Erotikava, “a 200-ml bottle of *kava* syrup recommended to be taken after dinner preferably in a candlelit room with soft music” (Seneviratne 1997:48).

In April 1997, a Noumea-based company, the Richard Group, planned to invest in a kava-processing plant in Vanuatu, after research it had done “enabled it to develop *kava* chewing gum, *kava* juice, *kava* lolly and instant *kava*,” all of which they apparently had patented (Seneviratne 1997:49). Instant kava is the fine grey powder containing kava’s active ingredients that “those in the know refer to . . . as *neskava*,” an “amusing play on words with *neskafe*, which in Bislama is a generic term for ‘instant coffee’ [Nescafe]” (Crowley 1995:18). To further mix categories (if not drugs), a U.S. company has marketed a brand of instant coffee called Kava for many years. When questioned, this company’s consumer service representative wrote that they “have no information on how the Kava name came about” (Lois Jacobs, personal communication); it probably derives from the

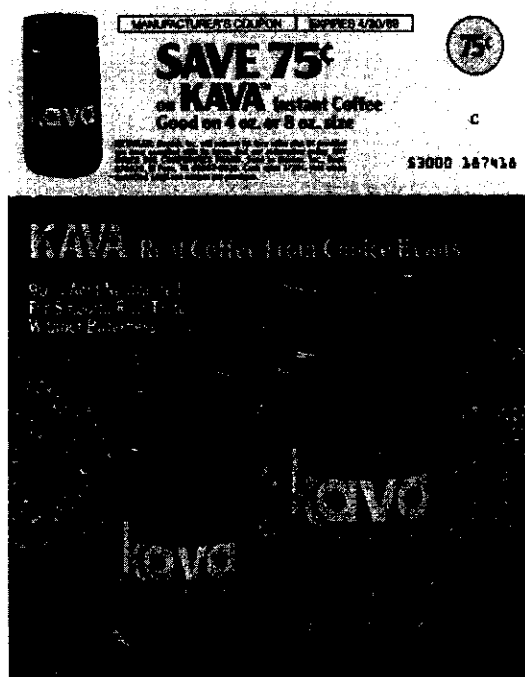


Figure 12.3 Kava brand coffee

“K” sound in coffee, combined with the -ava ending from Java, a common American English slang name for coffee (Figure 12.3).

A new US\$3 million factory in Port Vila was scheduled to “begin producing kava paste for export to overseas extraction companies” by March 1999 (Johnston 1998:27). Named Botanical Extracts Limited, this company was owned 40 percent by a ni-Vanuatu shareholding group, with the other 60 percent comprising independent investors of various nationalities, many of them also ni-Vanuatu. According to the company’s chief executive, the then-current world price for a kilogram of 30 percent kavalactone paste was around US\$200.

But as often happens with a good thing, what began as an export primarily from Fiji and Vanuatu soon spread. The Hawai’i Kava Growers Association had been organized by 1998 and farmers were planting kava, especially on the Big Island, “as an ideal high value substitute for lost sugar cane and pineapple

income" (Islands Business 1998:38). Heavy international demand had driven the kava price up to between US\$5 and US\$10 per pound, depending on quality, and in 1996 international sales of kava capsules alone "were a record US\$14 million" (Islands Business 1998:38). U.S. consumers spent US\$30 million on kava products in 1997 (Grady 1998), and over US\$35 million in 1998 (MacDonald 1999). During this same period the wholesale price of a kilogram of dried root nearly doubled, several popular books were published about kava, and it was sold on numerous Web sites. Accompanying this run on kava-related products—comprising a whole range of anti-anxiety, depression, and tension pills and tonics—a Pacific Kava Council was set up in the hope of invoking intellectual property rights and protecting it as a special Pacific crop that is a part of the islanders' cultural heritage. But this was wishful thinking.

By the end of 1998, according to the editor of *Nutrition Business Journal*, a San Diego-based trade publication, kava had become one of the top ten or twelve herbal supplement products sold in the United States (MacDonald 1999). And by then major corporations like the L'Oreal cosmetic company and the German pharmaceutical firm, Schwabe, had taken out U.S. patents on their kava products. Natrol, which launched KavatroI in 1996, also had patented its particular kava mixture, and net global sales of KavatroI for the first nine months of 1998 were US\$48.9 million, up nearly 66 percent over the same period the year before (MacDonald 1999). Despite this rapid growth, recent reports suggest that the kava boom may be over. "Demand, prices and exports collapsed" at the beginning of 1999 and Vanuatu's exports in the first seven months of 1999 were only equivalent to sales in October 1998 alone—and at a price of "only US\$15 a kilo compared to US\$20–US\$25 six months ago" (Guille 1999:36). An even larger threat to continued profits for Pacific Islands countries from the sale of kava were reported plans for large-scale kava plantations in Australia and Mexico, which would seriously undercut the international market price and be much closer to major international markets.

CREEPING MODERNITY: BEER WASHES OVER THE PACIFIC

Western-focused histories of the explorations by Europeans and others of the Pacific Islands routinely document the wondrous new peoples, plants, and places that were "discovered." Typically left out of such histories is much discussion of the simultaneous discoveries being made by islanders as they, too, encountered new people and new things. One major new thing that often formed part of these early encounters was beverage alcohol. Unlike betel and kava, beverage alcohol did not exist in the Pacific Islands before foreigners arrived beginning in the sixteenth century. Europeans offered it to islanders in at least some of their early encounters, but such contacts were too sporadic for this to have much impact until the nineteenth century. By then the number and frequency of voyages by outsiders increased, previously uncontacted islands were visited, and beach communities sprang up in some of the nascent port towns frequented by whalers. Beachcombers and whalers often taught the islanders how to ferment coconut toddy or *ti* root into alcohol drinks, and provided rather intemperate models for how to behave when drunk. With missionization and the beginning of commercial enterprises during the first half of the nineteenth century, Protestant missionaries, reflecting changing attitudes toward alcohol in their mother countries, spoke out against "Demon Rum." This set the stage for colonially imposed prohibition laws as foreigners claimed control over different island areas by the end of the nineteenth century. While many islanders tasted alcoholic beverages and learned how to ferment their own home brew before the establishment of colonial governments, some were not exposed to beverage alcohol until after World War II. Stay-at-home PNG Highlanders had no experience with such drinks until prohibition was ended in 1962, and in some of that country's more remote areas alcohol remained unavailable as late as the 1980s. For most Pacific Islanders, then, alcohol was an alien substance that most of them first encountered sometime in the nineteenth century.

Beer is Pacific Islanders' favorite alcoholic beverage today, although this has not always been so. When alcohol first made its appearance in the Pacific it was in the form of distilled drinks such as brandy or rum carried aboard European sailing vessels. A common first reaction by islanders when offered a taste was to spit it out in disgust. Its bitterness, akin to the bitterness of kava, led many islanders to dub these distilled beverages "European kava." The coconut toddy and mashed fruits that islanders learned to ferment had approximately the alcohol content of beer, but toddy sometimes was distilled to make a more potent drink. Distilled drinks of this general sort were being made in Hawai'i as early as 1802. Since those early days of Western contact, the beverage preferences of Pacific Islanders have changed considerably. For at least the past forty years beer has been the drink of choice everywhere in Oceania, once it became legal for islanders to drink.

What appears to have been the first commercial brewery anywhere in the Pacific Islands opened in Honolulu in April 1854 under ownership of J. J. Bischoff and Co. (Schmitt 1997). This venture failed by January 1857, and in March 1865 another brewery was launched in Honolulu, producing "Hawaiian Beer" in casks, kegs, and bottles. Its two partners split after just a few months, with one retaining the Hawaiian Brewery and the other starting the O'ahu Brewery. Within a year both operations folded, and the owner of the latter opened the Honolulu Distillery instead. Local beer manufacture in Hawai'i then languished until 1888 when the National Brewing Company began, although it, too, lasted only a short while. Finally, early in the twentieth century, a brewery opened in Hawai'i that survived more than a few years. Honolulu Brewing and Malting Company, Ltd. began offering Primo Lager in February 1901, and this company prospered until the advent of Prohibition in 1918 (Schmitt 1997).

Soon after the fourteen-year dry spell during national Prohibition, two breweries opened in Honolulu in 1934: the American Brewing Company (offering Pale Ambrew)

and the Hawai'i Brewing Corporation (offering Primo). Ambrew was replaced by Royal, a new brand, in 1937, which survived until 1962 when the American Brewing Company ceased production. After becoming, in 1958, the first U.S. brewery to sell beer in aluminum cans, Primo fell on hard times during the 1960s. The Hawai'i Brewing Corporation had been acquired by Beatrice Foods of Chicago, and at the end of 1963 the Jos. Schlitz Brewing Company purchased the brewery from Beatrice Foods. From then until May 1979 both Primo and Schlitz beers were brewed in a new facility near Pearl Harbor, but "on 15 May 1979, Schlitz shipped the last cases of Hawai'i-brewed Primo and transferred production to its Los Angeles plant" (Schmitt 1997:148).

Next to the beers brewed in Hawai'i, the oldest Pacific brewery outside of the European-dominated societies of Australia and New Zealand was Brasserie de Tahiti. It began making Aora'i brand beer in 1914, a name that referred both to Tahiti's second-highest mountain and to a god's or king's palace. Instead of Prohibition, which destroyed the Honolulu Brewing and Malting Company, German warships literally blew up the original Tahiti brewery in 1917 during a World War I bombardment (Islands Business[Pacific] 1991). Purchased by an American company in 1922, Brasserie de Tahiti once again came under local ownership in 1937. While Keith-Reid (1997) dates the production of Tahiti's popular Hinano brand beer to 1982, it apparently was inaugurated in 1955 (Hinano 2000). French colonists also established a brewery in New Caledonia in 1920 (see Table 12.1).

The year 1955 was a momentous one for brewing in Oceania because it marked the initial penetration of this industry by large TNCs from elsewhere in the world. South Pacific Brewery Limited (SP) began producing beer at its Port Moresby plant in November 1952. Three years later the controlling interest in the brewery was sold to a Singapore-based company, Malayan Breweries Ltd. (MBL, now called Asia Pacific Breweries), which had been formed in 1931 by the merger of Fraser and Neave Ltd. of Singapore (a soft-drink

Table 12.1 Pacific Islands Breweries in the Year 2000

Country (Island)	Brewery Name	Year Established ^a	Name(s) of Top Brands	Ownership and Operation
Papua New Guinea (PNG)	South Pacific Brewery	1952	South Pacific Lager ("SP")	Owned 80% by Asia Pacific (Malayan) Breweries of Singapore, which is owned 42% by Heineken of the Netherlands and 20% by PNG government and local interests; also brews San Miguel on license (since 1983).
French Polynesia (Tahiti)	La Brasserie de Tahiti	1955	Hinano ^b Hei-Lager	Owned by Heineken of the Netherlands. Local interests; also brews Heineken on license (since 1976).
Fiji	Carlton Brewery (Fiji)	1958	Fiji Bitter; Fiji Light; Fiji Stout; Fiji Draught; Fiji Gold	Owned 63% by Carlton and United Breweries of Australia, the major production arm of Fosters Brewing Group, and 30% by the Fijian Holdings, Ltd. and 7% by other local interests.
New Caledonia	Grande Brasserie de Nouvelle Caledonie	1974	Number One	Owned 87.1% by Heineken Brewery of the Netherlands. ^c
Samoa	Samoa Breweries	1978	Vailima ^d	Owned 68.3% by Carlton Brewery of Fiji, in turn part of the Fosters Brewing Group of Australia; remaining shares held by the Samoan government (15%), the Nauruan government (10%), and the remainder by small shareholders; also brewed San Miguel on license from 1982–1990; also brews EKV Bavaria beer under license to Erste Kulmbacher Actienbrauerei AG. ^e
Tonga	Royal Beer Company	1987	Royal; Ikale ^f	Owned 50% by Pripps Brewery of Sweden (which is owned by ORKLA, a Norwegian food company that has merged Pripps with Ringnes, a Norwegian brewery) and 50% by a wholly owned Tongan firm, CFTL. ^g
Cook Islands	Rarotonga Breweries	1987	Cooks Lager	The major current owner is Richard Barton; formerly owned 94% by George and Metua Ellis (local business people).

(table continues on page 209)

manufacturer) and Heineken Brewery of the Netherlands (Heineken 2000). SP's subsequent success is owed in no small measure to "the huge resources of the Heineken Group and MBL" (Sinclair 1983:32).

In mid-1958, a local competitor, Guinea Brewery, began selling beer from its new Lae facility, and this plus the pressure of imported beer from Australia severely stressed SP. Fortunately for the company's future well-being, in November 1962 Papua New Guineans won the right to drink. From that point on the

quantity of annual beer imports declined and SP's production soared—to over one million gallons in 1965–1966 and three million gallons in 1968–1969. In the process, SP took over Guinea Brewery in 1965. Not long thereafter, in 1971, another new brewery was established in Port Moresby—Territory United Brewery Ltd. (TUB), with technical assistance from Asahi Breweries of Japan. Marketing TUB brand beer, the new brewery opened to considerable fanfare, but its product never really took hold with PNG's drinkers and it

Country (Island)	Brewery Name	Year Established ^a	Name(s) of Top Brands	Ownership and Operation
Vanuatu	National Breweries	1990	Tusker; Vanuatu Bitter	Owned 50% by Pripps Brewery of Sweden (which is owned by ORKLA, a Norwegian food company that has merged Pripps with Ringnes, a Norwegian brewery), 25% by the Vanuatu National Provident Fund, and 25% by the Vanuatu Development Bank; also brews Pripps on license. ^b
Samoa	Apia Bottling Company	1991	Manuia ^c	Owned by Dick Carpenter, the American managing director of a diversified miniconglomerate in Apia.
Solomon Islands	Solomon Breweries	1993	Solbrew	Owned 72% by the government of Nauru, with remaining shares held by Brauhaase International of Germany, and two smaller German shareholders; also brews EKV Bavaria beer under license to Erste Kulmbacher Actienbrauerei AG. ^d
Niue	M.K. Viviani Brewery	early 1990s	Fiafia Lager ^e	Brewed by Onehunga Spring Brewery in Auckland, New Zealand for the Niue market.

^aThis is the year that the brewery's beer first went on public sale, not the year of the company's incorporation.

^bHinano refers to the pandanus blossom; hei means a flower garland (cf. Hawaiian lei).

^cGrande Brasserie de Nouvelle Calédonie (GBNC) was created by the 1974 merger of two breweries: Le Grande Brasserie Calédonienne (GBC) and La Grande Brasserie de Noumea (GBN). Soon thereafter, Heineken bought in and by 1980 had acquired a 76.5% interest. The Grande Brasserie de Calédonie began in 1920, became La Glacière in 1953 (producing "La Marybet," the first locally brewed beer in New Caledonia), and then in 1966 again changed its name to La Grande Brasserie Calédonienne, brewing a beer named "L' Ancre Pils." In 1969 a second brewery (GBN) began producing "La Number One" beer, and that has remained the merged company's primary product. Heineken increased its share of GBNC from 28% to 76.5% in 1980, and later to the current 87.1% (Heineken 2000).

^dNamed after Robert Louis Stevenson's residence and burial place in Samoa.

^eSources: Ah Mu (1999), *Islands Business [Pacific]* (1999a, 1999b), *Pacific Islands Monthly* (1999), and Hugh Ragg, Vice President for Pacific Operations, Foster's Brewing International (personal communication).

^fThis is the Tongan spelling of "eagle" and the brand depicts a sea eagle on its label.

^gSources: *Pacific Islands Monthly* (1987) and Tu'itahi (1987).

^hSources: Douglas (1994), Douglas and Douglas (1991, 1992), Grynberg (1993), and Sharma (1990).

ⁱManuia means "health, healthy, in good health" in Samoan and is used as a toast. Apia Bottling Co. "produces a range of fruit juices, soft drinks, and ice creams, and employs about 70 workers," although the Manuia brewery only had three full-time employees in 1992 (Robinson 1992:51). Manuia beer is sold in two-liter plastic Coca-Cola bottles (Douglass Drodzow-St. Christian, personal communication).

^jSources: Grynberg (1994) and *Islands Business [Pacific]* (1993).

^kFiafia means "happy" in Niuean (Vili Nosa, personal communication).

closed in March 1972 (Sinclair 1983). By February 1973, TUB accepted a take-over offer from the San Miguel Corporation of the Philippines (itself a giant TNC) and the Swan Brewery Group of Perth, Australia, who together formed Papua New Guinea Brewery Pty. Ltd. and began to sell both San Miguel and Swan beers brewed in PNG. Swan soon dropped out of this joint venture, and by the

beginning of 1977 the new brewery was simply known in PNG as "San Mig."

In June 1975, a few months before national independence, SP had over 92 percent of the PNG market, but by the beginning of 1977 San Mig had captured nearly 15 percent of the domestic market. As the competition between these two breweries intensified, SP had the decided advantages of priority in PNG

and breweries in both Port Moresby and Lae, the latter of which gave it easy access to the large market in the Highlands. Finally, in February 1983, SP successfully took over San Mig in PNG (Sinclair 1983).

Except for the breweries in Hawai'i, Tahiti, New Caledonia, and Papua New Guinea, all other Pacific breweries in 2001 postdate the end of colonialy imposed prohibition in the islands. The oldest of these, Carlton Brewery (Fiji), dates to 1958, the year that prohibition was lifted there. The Pacific's eight other commercial breweries⁴ all began between 1974 and 1993 and most of these operations are now controlled by large TNCs (see Table 12.1). Periodically, items appear in regional magazines about plans for new breweries, but most such plans fail to materialize. For many new nations around the world, having a brewery seems to take on some of the same status connotations as having their own national airline, although this rush to have a "national brewery" usually is done in the name of import substitution.

As if to make this very point, after PNG's national independence SP Lager was marketed as "bia bilong yumi; bia bilong PNG" ("our beer; PNG's beer"), and the Export Lager label featured the same Raggiana bird-of-paradise that appears on the country's flag (Figure 12.4). When the Royal Brewing Company opened in Tonga, Tongans were "asked to show their loyalty to the kingdom by switching to the new beer" (Pacific Islands Monthly 1987:33). Apparently Tongans took this seriously. Tuita reports that "with the establishment of a locally brewed beer (Royal Beer) in 1987, consumption of beer increased tremendously because it was widely available and cheap" (1999:151) (Figure 12.5). Other Pacific breweries also have made ready use of important cultural or national symbols of identity to market their products. For example, the label on Samoa's Vailima beer used to depict a traditional multilegged kava bowl and cup with a talking chief's fly whisk draped over the bowl's edge (Figure 12.6). Likewise, Vanuatu's Tusker beer takes its name from the curved boar's tusk that is symbolic of traditional value and authority in that country, and the brewery was opened on the country's tenth anniver-



Figure 12.4 South Pacific Lager

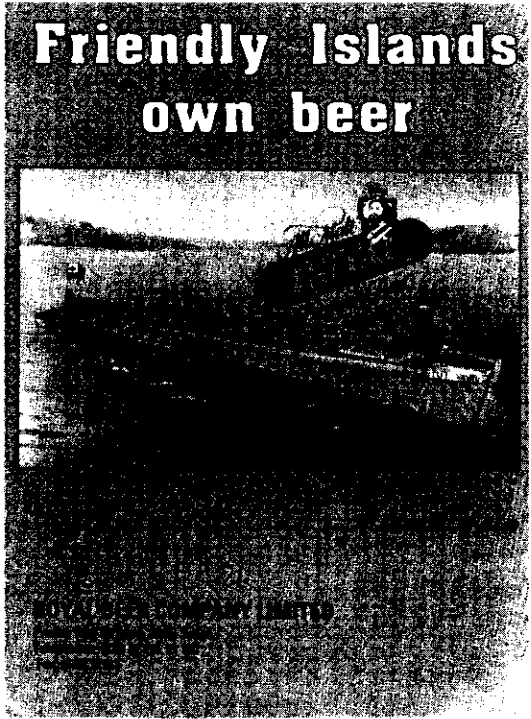


Figure 12.5 Friendly Islands Own Beer

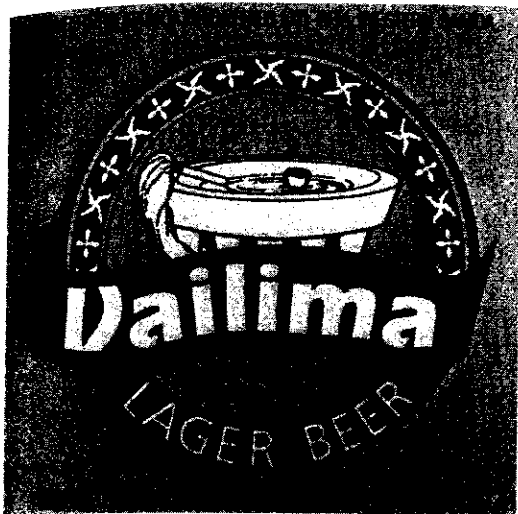


Figure 12.6 Vailima Beer

sary of national independence (Figure 12.7). When National Breweries introduced Vanuatu Bitter in July 1993, it was "in a can that used the national colours of the Vanuatu flag" (Grynberg 1993:23), and Solomon Breweries manufactures "Solbrew," a play on nationalism akin to SP's "bia bilong PNG" (Figure 12.8). Finally, appropriately enough, Cooks Lager, produced by Rarotonga Breweries in the Cook Islands features Nathaniel Dance Holland's fa-

mous engraving of Captain James Cook (c. 1779) on its label. All of these advertising ploys illustrate that Pacific brews are among the "specific, tailor-made products" characteristic of the flexible economy of the late twentieth century (Martin 1994:93).

Four major TNCs are involved with Pacific breweries in 2001: Heineken of the Netherlands (PNG, Tahiti, New Caledonia), Foster's Brewing Group of Australia (Fiji, Samoa), ORKLA of Norway (Tonga, Vanuatu), and Brauhasse International Management (BIM) of Germany (the Solomon Islands, and until October 1999, Samoa). Globally, Heineken had the second-highest market share in the transnational brewing business in 1995, and Foster's ranked ninth (Jernigan 1997).

The power and reach of these major alcohol TNCs is enormous. The Heineken Company dates back to the establishment of a brewery in an Amsterdam shed in 1592. The company's international expansion began in 1931 with the joint venture in Singapore that resulted in what is today called Asia Pacific Breweries, and by 1960 Heineken owned or had an interest in twenty-four breweries outside the Netherlands (Heineken 2000). Today, Heineken supervises more than 110 breweries spread around the world in some fifty different countries, and Heineken brands are sold in 170 countries.

The advertisement for Tusker Premium Beer from Vanuatu features a large key logo on the left. The text "Tusker Premium from Vanuatu..." is at the top. Below the key logo, it says "Vanuatu Premium Beer Export". To the right, there is a circular award logo from the Australian International Beer Awards (AIBA) with the text "...Scores Silver amongst some of the World's Finest Beers". At the bottom, it says "Discover the Taste of Tusker Premium Today" and provides contact information for Vanuatu Brewing Limited.

Figure 12.7 Tusker Beer

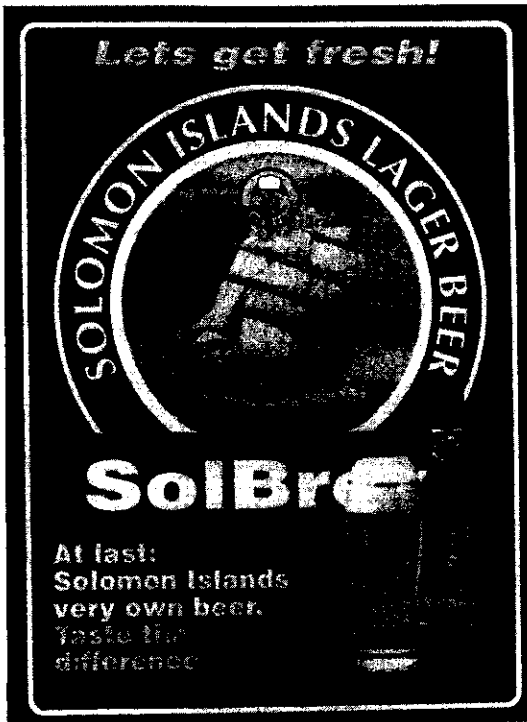


Figure 12.8 Solbrew Beer

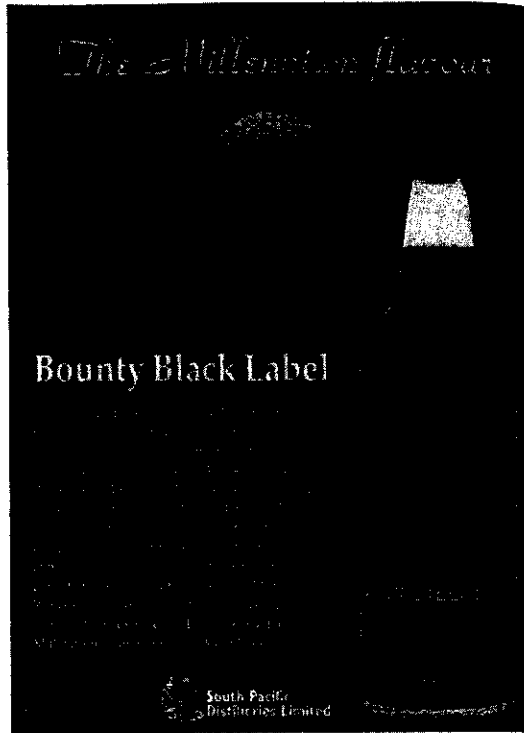


Figure 12.9 Bounty Brand Rum

Foster's Brewing Group, whose beer and leisure arm is Carlton and United Breweries (CUB), employs more than 14,000 people, generates more than \$3 billion in total annual sales, and runs breweries in six different countries, including India, China, Vietnam, Australia, Fiji, and Samoa (Foster's Brewing Group Limited 2000).⁵ In addition to the breweries in Fiji and Samoa,⁶ CUB acquired an 81 percent share of South Pacific Distilleries Ltd. from the Fiji Sugar Corporation in Lautoka, Fiji in 1998 (Hugh Ragg, personal communication). The distillery was established in 1980 to produce rum and other drinks from byproducts generated from the Fiji Sugar Corporation mills (Figure 12.9). The only other current manufacturer of distilled beverages in Oceania outside of Hawai'i, New Zealand, and Australia is Fairdeal Liquors of PNG, makers of Gold Cup products and backed by Malaysian capital (Marshall 1999) (Figure 12.10).

As of October 2000 ORKLA, a Norwegian food company that bought and merged

Pripps Brewery of Sweden with Ringnes Brewery of Norway, was negotiating with the Danish Carlsberg Group. The goal was to merge Pripps-Ringnes with Carlsberg Breweries (ranked eighth internationally in 1995; Jernigan 1997), but approval had not yet been granted by the Office of Fair Trading of the European Union (Bjorn Trolldal, personal communication).

Brauhasse International Management (BIM) developed originally out of a family-run German brewery founded in 1858. Haase Brauerei (Haase Brewery) at Kulmbach became Erste Kulmbacher Aktienbrauerei (First Kulmbach Shareholding Brewery), with E[KU] (from E[rste] + KU[lmbacher]) as their major export beer. Beginning in the mid-1960s, Haase Brauerei made overseas niche markets its major focus, always selling E[KU] along with local brews (as with Solbrew and Vailima), and in 1989 the company was renamed Brauhasse International Management. BIM is an interna-

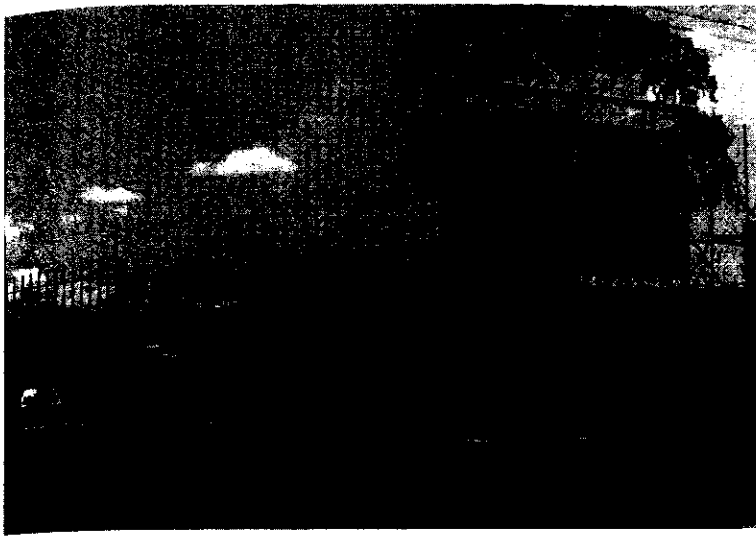


Figure 12.10 Fairdeal
Liquors Plant of PNG

tional consortium with shareholders all over the world and with brewery projects in twenty different countries, including the Solomon Islands, and until October 1999, Samoa (Peter Mesenholler, personal communication). Today BIM and Kulmbach Brewery have no formal corporate connection, although the former continues to produce and market EKU beer in various locations around the world.

In the relatively small economies of most Pacific Islands countries, a brewery can become an important revenue earner. For example, in 1988 “Western Samoa Breweries Limited [was] . . . the single largest revenue earner in the country, with a turnover of 12 million tala (\$A8.5 million) and a workforce of 130” (Strachan 1988:38). Even so, the Pacific Islands breweries produce primarily for their domestic markets, which they typically dominate. However, Hinano is sent abroad to New Zealand, Europe, and the United States, Vailima is exported to many other Pacific Islands countries, Australia, and the United States, PNG’s SP export lager is available in Australia and the United States, and Fiji’s beers are exported to Canada, the United States, Australia, New Zealand, and other Pacific Islands countries. Even Solbrew is exported, in this case to Australia, Fiji, Nauru, and Vanuatu. Thus economically, island-

brewed beer operates in a similar fashion to the ways betel and kava function: It circulates both within and among Pacific Island countries, and it also enters into the global marketplace.

In spite of the economic significance of beer exports—for example, Samoa sent US\$850,000 worth of Vailima to American Samoa in 1992 (Pacific Magazine 1993)—imported beer continues to be important in many parts of Oceania, especially in those areas like Micronesia that do not have breweries of their own. San Miguel beer was brewed on Guam beginning in November 1971, but the brewery closed in March 1975, perhaps due to an economic recession on the island at that time (Donald H. Rubinstein, personal communication). During the 1990s the Republic of the Marshall Islands had a succession of a small brewery (Majuro Brewery) and two microbreweries on Majuro, none of which survived in November 2000 (Giff Johnson, personal communication). Thus in 2001 the market in the FSM, the Republic of the Marshall Islands, and the Republic of Palau is dominated by Budweiser, the main brand produced by Anheuser-Busch of the U.S.A., itself the global market share leader in beer in 1995 (Jernigan 1997). Even so, imports from Australia, Japan, and New Zealand are readily available in these island areas, as are other U.S.

brews and even European beers. And while Budweiser also is the market leader on Guam and in the Commonwealth of the Northern Marianas Islands (CNMI), heavy reliance on Asian tourism has meant that these islands' markets have been penetrated by beers from Japan, South Korea, and the Philippines as well. Beer imports comprise a very significant dollar amount of all imported products in such island areas. For example, one-third of Palau's US\$38 million in imports in 1992 was for beer (Keith-Reid 1994), and beer was the third-ranking import category in dollar amount for the FSM in 1992, after vehicles and rice (Marshall 1993). When combined with cigarette imports (the fourth-ranking category), these two substances vaulted into the number one import position at US\$5.4 million (Marshall 1993).

Elsewhere around the Pacific imports often continue to provide stiff competition for the local breweries, notably imported brands from Australia and New Zealand such as Victoria Bitter, Castlemaine XXXX, Foster's, Lion Red, and Steinlager. Finally, as is true the world over, the Pacific Islands breweries typically are licensed to bottle and sell major brands of soft drinks (for example, Coca-Cola and Pepsi products), fruit juices, and mineral water, and these products contribute significantly to their profitability.

GOING TO POT

Marijuana (cannabis, or "pot") is far and away the most common and widespread illegal drug in Oceania today. Back in the 1970s *pakalolo*, as marijuana is called in Hawai'ian, reportedly had become the largest cash-producing crop in Hawai'i, worth hundreds of millions of dollars annually, before determined efforts by the government to eradicate gardens and cripple or eliminate marketing of the drug began. A sense of the scale of *pakalolo* growing just on the Big Island of Hawai'i alone can be gained from the following quotation:

If the Big Island's \$94-million sugar industry died, the economy would teeter. If the island suddenly lost its \$250-million visitor industry, the economy would collapse. So, the question

naturally arises, what effect has the \$500-million-plus loss so far this year [as of November 1985] suffered by the marijuana industry, thanks to intensified law enforcement actions, had on the Big Island economy? (*Hawaii Business* 1985:88)

The magazine writers' initial answer to their own question was "a lot," but then they noted that even though about 250 growers already had been arrested in 1985 and that it had become much more difficult to move marijuana off the island, the island's economy was "feeling no pain" because there was "another \$4.5 billion worth of marijuana out there that the police know of" (*Hawaii Business* 1985:89). Despite such government efforts, Hawai'i was still the nation's top producer of illegal marijuana in the mid-1980s, and the police continued to engage in major drug busts. For example, agents confiscated a "record 607,960 marijuana plants in '86 worth \$608 million," double what they had seized in 1984 (*USA Today*, September 22, 1986, p. 8A).

On the other side of the Pacific during the 1980s Palauans also grew substantial amounts of marijuana which they sought to sell in the lucrative tourist-rich markets of Guam and Saipan, smuggling it in ice chests of frozen fish before the use of drug-sniffing dogs by customs agents began. The U.S. Drug Enforcement Agency crackdown on this trade, as in Hawai'i, substantially slowed but did not stop the flow altogether. As evidence of this, two stories in the Saipan newspaper in 1993 made it clear that efforts to export marijuana from Palau continued (*Saipan Tribune*, April 2, 1993, p. 8; May 14, 1993, p. 1). And on January 12, 2001, police seized nearly half a million dollars worth of marijuana after raiding a plantation on Angaur Island, Palau (*Pacific Islands Report* 2001), so the supply side of this trade appears to be thriving.

Elsewhere in Micronesia marijuana is grown, in most cases for personal consumption or local sales, and smoked widely. Likewise, there are scattered reports of small-time marijuana growing, use, and arrests from Tonga, Fiji, Solomon Islands, Vanuatu, and both Samoas. But far and away the current "hot spot" in the Pacific for the commercial production and international marketing of

ana is PNG. Although cannabis proba-
 reached coastal and island areas of PNG
 the colonial era following World
 there is no mention of this in the liter-
 and the drug was not adopted by Papua
 Guineans at that time. By the mid-to-late-
 however, pot had reached areas of the
 lands such as Simbu (Sterly 1979), and
 then its planting and use has spread
 throughout this region.
 The PNG press reported as early as 1980
 cannabis was being cultivated "in remote
 of the country for sale overseas (PNG
 Courier, November 13, 1980, p. 3), but only
 in the mid-1980s did marijuana really
 to take hold in the highlands. People in
 Simbu and Eastern Highlands Provinces
 said to smoke (and even drink) it at vil-
 lages, and it had acquired the Tok Pisin
 names of "Maria" and "spak brus" "intoxicating
 drink" (PNG Post-Courier, March 13, 1984,
 Koroma 1984). By 1988 reports claimed
 PNG was "experiencing a big increase in
 trafficking—mostly cannabis," and that
 marijuana from the Highlands had "become
 recognised internationally as being of ex-
 ceedingly good quality" (Pacific Islands Monthly
 1988). This increase in marijuana gardening
 doubt had to do with the substantial profits
 made, but it may have been prompted
 locally by a huge downturn in the world mar-
 ket price for coffee—another major cash crop
 in the Highlands. Destined for south-
 Australian cities, "PNG Gold" was being
 in the Highlands and smuggled across
 the Strait in boats or flown in small planes
 north Queensland by international drug
 rings, one of which was exposed in January
 1988. That ring reportedly "bought" the mari-
 juana in exchange for firearms.
 In more recent years, this arms-for-drugs
 trade has expanded. An estimated 92,000 to
 100,000 people in Simbu, Eastern Highlands,
 Western Highlands, and Madang Provinces
 are cultivating cannabis for sale in 1991.
 The crop had an average annual value of
 about 39 million kina for farmers in Simbu
 and Western Highlands alone (Iamo et al.
 1991, cited in Chen et al. 1999). Grown
 mostly in remote villages, "PNG Gold" was
 being sold up not only in Australia, but also as

far away as Hawai'i and New York, to which it
 was transshipped from Australia. In a 1996
 report, the marijuana trade was said to have
 expanded to include Western and Sand-
 daun [West Sepik] Provinces, and the "drugs-
 for-guns" exchanges continued (Vulum
 1996). At that time most guns appeared to be
 shotguns, handguns, and 22-caliber rifles, with
 relatively few military-type weapons, but by
 September 2000, matters took a decidedly
 more ominous turn:

A large number of automatic weapons from
 Australia and Indonesia, including M-16 and
 AK-47 assault rifles, are being smuggled into
 Papua New Guinea in trade for high quality
 marijuana, according to local and regional
 reports. While the arms are currently going to
 criminals in the cities and feuding highland
 tribes, there are historical links between the
 arms-for-drugs trade and the Indonesian separ-
 atist Free Papua Movement (OPM) based in
 neighboring West Papua. Given the instability
 in Indonesia, the growing weapons trade repre-
 sents a threat to cross-border stability and po-
 tentially to the Papua New Guinea government
 itself (<<http://www.stratfor.com>>, September
 13, 2000, posted on ASAOnet).

Even though the international drug cartels
 have become involved in the smuggling of
 marijuana out of PNG, it is important to note
 that, as with betel and kava, pot is grown lo-
 cally by village cultivators, most of whom are
 paid by buyers for their crop in cash, not
 guns. (The guns enter the trade when the
 buyers later sell to representatives of the in-
 ternational drug rings.) Given the limited
 cash-earning options in places like the PNG
 highlands, marijuana becomes an extremely
 attractive crop to grow because there is a
 strong international demand for it.

CONCLUSION: THE ECONOMIC AND PUBLIC HEALTH IMPACT OF BETEL, KAVA, BEER, AND POT

Over the years a number of concerns have
 been expressed about the negative effects of
 betel-chewing on human health. For example,
 the spitting often associated with the heavy

salivation betel-chewing produces (the world of chewers is divided into spitters and swallowers), or the sharing of a lime spatula, may provide avenues for the spread of infectious diseases such as tuberculosis (Talonu 1989). Another concern, although the finding is preliminary, is that chewing betel may provoke and aggravate asthmatic attacks (Kiyangi 1991). But far and away the biggest concern is that chewing betel may contribute to precancerous conditions and oral cancer. This has been widely discussed in the clinical and epidemiological literature for years, but clear evidence for this remains somewhat elusive. The primary reason is that when betel-chewers add tobacco to quid, it is as likely that the tobacco rather than the *Areca* nut or the *Piper betle* is the culprit that causes cancer. Equally confounding to researchers are the common circumstances in which betel-chewers also smoke cigarettes (although not at the same time!), or where chewers are also alcohol drinkers. In such cases it is impossible to determine whether it was the betel, the tobacco, the alcohol, or an interactive effect among them that induces oral cancer. And last but not least, there is some evidence to suggest that it is the lime—especially commercially manufactured lime—that may be the problem ingredient in betel-chewing. What this shows is that psychoactive substances often are taken together, or in sequence, making a clear causal connection between the use of any one substance and a subsequent disease extremely difficult to pin down. On balance, chewing betel without adding tobacco to the quid and using traditionally manufactured lime, in the absence of smoking or drinking, has not been shown to be a serious health risk.

In fact, there is evidence for several positive and protective effects of betel-chewing on human health. It reduces tooth decay, has antihelminthic and purgative properties that may lead to a lower frequency of maternal anemia in malarious communities, and an extract from *Piper betle* leaves has been demonstrated to inhibit both mutagenesis and carcinogenesis in laboratory mice. Moreover, a Danish firm has developed an epilepsy drug based on a substance isolated from *Areca* nuts, and the

symptomatology of schizophrenia has recently been shown to be milder among betel-chewers than among nonchewers in Palau; this suggests that the powerful alkaloids in the *Areca* nut may have therapeutic consequences for schizophrenics (Sullivan et al. 2000).

From an economic perspective betel is a cash crop for people in some areas of the Pacific, notably in Yap and PNG, but for most growers it is not a huge revenue earner. Nor is it a source of money for government since betel and kava are not taxed in Pacific Island countries, as are alcoholic beverages and tobacco products. Perhaps betel's greatest economic impact lies at the household level where the costs of ingredients consumed regularly by several household members—particularly in those places where people cannot grow their own—may comprise a significant portion of total household expenditures.

Fewer health concerns have been raised about kava than about betel, but there are some nonetheless. Perhaps the most notable of these is that heavy kava consumption leads to a scaly skin, a condition that reverses if the person stops drinking kava. A study on Pohnpei showed a relationship between kava-drinking and severe gastritis (Ngirasowei and Malani 1998), and investigations among members of an Aboriginal community in Australia who drank very heavy amounts of kava suggested possible liver and kidney damage and malnutrition to be among the consequences (Mathews et al. 1988). Kava has not been shown to impair cognitive functioning, although other functioning may be impaired. Heavy doses of kava supposedly “deflate” the male sex drive (Verebalavu 1998, citing Dr. Jude Ohaeri at a meeting of the Fiji Medical Association), and police have arrested drivers ostensibly intoxicated by kava in California and New Zealand. When these “drunk” drivers have come to trial, however, they have in every case been acquitted.

Other concerns that have been raised about kava bear on the larger socioeconomic scene. In Fiji it is claimed that because kava is a lucrative crop farmers often plant it instead of food crops, presenting problems for some families. Related to this is the claim that ex-

cessive kava-drinking leads men to neglect their gardening and other responsibilities to their families. On Pohnpei kava farming has raised an important environmental issue: as people have begun to destroy the upland forests illegally to plant more kava they have threatened the island's watershed and contributed to a substantial reduction in forest land over the past fifteen years.

Even allowing for these socioeconomic and health problems, though, kava has been a huge economic success for the Pacific Islands over the past twenty years. If the market for kava holds in the West, and if megaplantations of kava are not established in places like Mexico, using rootstock taken from the islands, then "the Pacific drug" has great promise as a continued money winner for island peoples.

One possible health issue surrounding kava not addressed above concerns polydrug use. Traditionally, kava, and kava alone, was drunk, but today kava-drinkers often take other substances at the same time or subsequently. Kava is followed by beer or other alcohol chasers in Fiji, Pohnpei, and Vanuatu, and doubtless elsewhere as well. The physiological consequences of this have not yet been studied, but Foo and Lemon's (1997) research suggests that kava may serve to potentiate alcohol-induced impairment. Also, cigarette smoking is strongly identified with kava-drinking in Fiji, with some drinkers smoking up to two packs during a single kava session (Meo et al. 1996). Regardless of the possible synergistic effects between kava and tobacco (which also remain uninvestigated), we know that this level of smoking presents serious health risks.

Of all the substances discussed above, alcohol is the one that has been most demonized. There is no question that over time excessive alcohol consumption can contribute to numerous serious physical and mental health problems for the drinker. But what often gets ignored in such a focus are the ways that alcohol abuse relates to various kinds of injuries, notably those resulting from drinking-driving crashes. Although systematic data on such traffic crashes are not available for most Pacific Island countries, Barker (1993, 1999) has pro-

vided a detailed and well-contextualized study from Niue. Her work shows that deaths and injuries resulting from road accidents exact a very substantial economic toll (not to mention the personal and personnel loss) in Pacific countries, and that many of these crashes are alcohol-related (about half on Niue).

Other alcohol-related injuries also show up with numbing regularity in clinics and hospitals throughout the islands. For example, in a two-year period during 1996-1998, 88/100 injuries treated at Yap State Hospital were alcohol-related. Of these, 59 were cases of assault, 14 resulted from drinking-driving crashes, 9 were instances of domestic violence, 4 were from falls, and 2 were rapes. Five cases that had to be referred off-island, all related to alcohol, cost Yap State a sum of \$50,686 during the two-year period, "money that could have been used to buy medicines and supplies that the hospital needs" (Ravia 1999:56). Drunkenness also is strongly correlated with domestic violence in Palau (Nero 1990) and Guam (Pinhey et al. 1997), and this kind of injury is common in other parts of the Pacific as well. Alcohol-related injuries or deaths also figure prominently as factors that engender outbreaks of tribal fighting in the PNG Highlands (Dernbach and Marshall 2001).

Heavy drinkers are often heavy cigarette smokers, and Pacific Islanders are no exception. The point is pertinent here because "alcohol and tobacco appear to have a synergistic carcinogenic effect" (Lichter and Rothman 1999:68), and because noncommunicable diseases like cancer have become the major causes of death in much of Oceania in the twenty-first century. Indeed, Johnson (1999:11) emphasizes that globally "excessive consumption of alcohol is the second most important risk factor [for oral cancer]." Heavy alcohol use also is one of several contributing factors to other chronic diseases now common in Oceania such as ischaemic heart disease and NIDDM (Non-Insulin Dependent Diabetes Mellitus).

Of course, when alcohol is used responsibly it can aid sociability and contribute positively to people's lives. In addition to its use as a social lubricant, an item of exchange, and a marker of

social status, alcohol also is a significant source of revenue for island governments, and the breweries and their distributors are important employers as well. To the extent that beer (and to a much lesser extent distilled beverages) are exported from the islands, it aids national balance of payments in what are mostly rather fragile economies. In a few cases, remunerative uses have been found for brewery byproducts. Recently in Tonga waste yeast from the local brewery was converted into a protein bait to help control fruit fly infestations on fruits and vegetables, and Vanuatu and Fiji are now investigating the possibility of establishing similar facilities (Hoerder 2000).

Like betel and kava, cannabis produces mild euphoria, relaxation, and sociability. None of these drugs leads people to act aggressively. Pot smoking heightens sensory perception and increases the appetite. In some people, however, marijuana produces depersonalization, loss of a time sense, confusion, and anxiety. There is growing evidence that regular marijuana use for long periods of time may negatively affect memory, and it has been known for years that smoking it impairs psychomotor skills such as those necessary for driving. Marijuana smoke contains numerous carcinogens, and hence—like cigarettes—“joints” are a risk factor for lung cancer and other respiratory diseases if indulged to excess.

Selling marijuana resembles the marketing of kava and betel by small-scale growers, or the marketing of coca by peasant farmers in South America (see Leons and Sanabria 1997). Because it is illegal everywhere in the Pacific, marijuana forms a part of the hidden economy and it is difficult to determine just how much it might contribute to people's incomes. Its illegality also means that it is untaxed, so governments reap no financial benefit from this now widespread crop. Indeed, pot's very illegality is ironic in Oceania, since the idea that it is a “bad” drug was imposed on islanders along with many other colonialist prejudices. As just about everywhere else in the Pacific, except perhaps Hawai'i, much of the cannabis cultivated in PNG is consumed locally, and in this respect it is also like both betel and kava.

Betel, kava, and cannabis are all locally grown. Nearly all of the betel stays within the Pacific, mostly within the country or island where it was planted. Until perhaps a quarter of a century ago this was also true of most of the kava grown in Oceania, but then kava “caught on” as both a dietary supplement and a pharmaceutical, and the rise of a sizable international export market along with continued strong domestic consumption led to an economic boom in the 1990s. Marijuana mimics kava in this regard: much, probably most, cannabis grown in Oceania is consumed locally, but an increasing amount finds its way into international trade. The difference is that its illegality means that cannabis circulates in the shadow economy through international drug rings and cartels, adding value at each step along the way.

Alcohol—especially in the form of beer—is clearly in the Pacific to stay and has become woven into people's lives in many ways. But while beer is brewed locally in a number of island countries, the financial capital, the equipment, the ingredients, and the technical know-how to make it all come from abroad and are not locally controlled. The same is true of tobacco products, most of which are imported to the Pacific region. The result is that the major profits from these drugs *leave* the islands and line the pockets of stockholders in the major TNCs that control their manufacture and distribution. But that is, after all, the nature of market highs in a global capitalist economy.

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NOTES

1. One exception to this statement was the introduction of kava by Fijian missionaries to Australian Aborigines in the Northern Territory during the 1980s in a failed effort to reduce alcohol-related problems there.
2. As a public house for the commercial sale of kava by the drink, a kava bar also is to be found in Canberra, ACT, Australia, although it is only open on Friday nights (Ian Fraser, personal communication). In Tonga, Samoa, and New Zealand kava bars do not exist, although these countries have numerous informal kava clubs that meet frequently.
3. Also known as the Delaney Clause, this legislation was repealed by Congress in 1998 (Lichter and Rothman 1999).
4. Commercial breweries are defined here as those that produce their product in bottles or cans for a national and/or export market, and microbreweries that brew only draft beer for a local market are not included.
5. Founded in 1905, CUB produces well over half of Australia's beer. In 1996, Foster's bought Mildara Blass, a premium Australian wine producer that controls 10 percent of the global share of the wine club market and is one of the top three profit earners in the global wine industry. Another arm of the Foster's Group is the Continental Spirits Company, formed via a strategic alliance between CUB and the Seagram Company Ltd. (Foster's Brewing Group Limited 2000). This involved the purchase of Seagram assets in Australia and New Zealand and distribution rights in those countries of selected international Seagrams brands (in 1995 Seagrams had the fourth-largest global market share in the distilled beverages business; Jernigan 1997).
6. Foster's (via its Carlton Brewery [Fiji]) only acquired a majority share in Samoa Breweries in 1999. By August of that year it had a 51 percent share purchased from the Samoan government under a privatization policy (*Islands Business [Pacific]* 1999a), and in October 1999 Carlton bought another 12.8 percent of shares from Brauhasse International Management of Germany and 4.5 percent from Grove International (Ah Mu 1999). When Samoa Breweries originally was established, 75 percent of the shares were held by the national government, 17 percent by German interests (the German Development Bank, a trading firm, Breckwoldt & Co., and a German brewery, Haase Brauerei, that managed the Samoa venture; Casswell 1985). Other shareholders along the way have included Neptunia Corporation of Hong Kong (the holding company for San Miguel Brewery), and the government of Nauru. Carlton Brewery (Fiji) Ltd. was established in 1958, and in 1973 New Zealand Breweries Ltd. (now Lion Nathan Ltd., in which the Kirin Brewing Company of Japan has held a 45 percent interest since 1998; Lion Nathan 2000) opened a brewery at Lautoka, Fiji called South Seas Brewing Company. The latter venture failed, was bought by

Carlton (Fiji) in 1977, and reopened in 1978 producing Fiji Bitter (Hugh Ragg, personal communication).

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