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## **Editorial**

# Letter from the Editors: Engaging with Oceania: Some Background about the Region – and Why It Matters for IB Research

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## **AIB** Insights

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This special issue aims to introduce readers to the southern Pacific region of Oceania, which includes Australia, Melanesia, Micronesia, New Zealand, and Polynesia. This region represents remarkable diversity of institutions, cultures, and languages, and its history and economic development are deeply intertwined with the ocean. While typically viewed as a collection of geographically-remote and generally small-population island nations, relative to global centers, Oceania offers an interesting context for IB research, with respect to a variety of issues, from the impact of climate change to cross-cultural management and geopolitics.

To belong to an island is to look outwards, understanding that the horizon is not simply a boundary between what is visible and what is invisible, what is known and unknown, but a challenge: to imagine, to yearn, to leave, to search, to return. (Laughlin, 2017: 10)

## THE CONTEXT

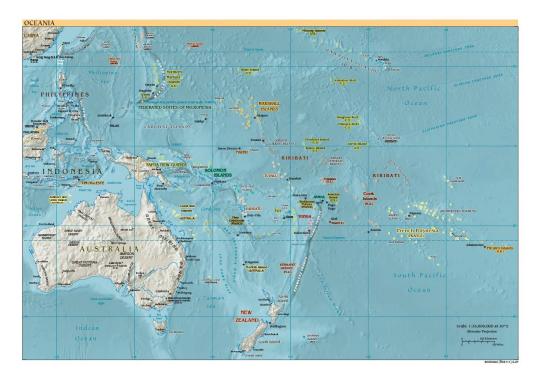
The history of humanity and its socioeconomic development has always been inextricably determined by geography and connected to water (Morris, 2011). Many ancient civilizations emerged in coastal areas, and ocean-going trade has existed for millennia. Oceanic trade in the Age of Discovery gave birth to the first multinational corporations: the British and Dutch East India Companies. These trading organizations became archetypes of the modern multinational corporation and central actors in what would, centuries later, come to define the field of international business (IB). Their government-backed activities had consequences that were both immediate and enduring. The scars left by various extractive empires and their trading corporations are still visible today, either as remnants of colonialism or as more contemporary forms of economic and political power struggles in the name of peace, security, and prosperity.

Consider the Pacific region. With a surface of over 165 million km<sup>2</sup>, the Pacific Ocean is the largest body on Earth, larger than all the continents combined (Winchester, 2015); it is the planet's largest single feature (Thompson, 2019). Yet, in terms of "mental maps" and the geographical scope

of IB research, the Pacific rarely features as a holistic entity in IB research (Thomas, Shenkar, & Clarke, 1994). Instead, we continue to draw on a physical geography-informed epistemology and pursue nation-state-centric research, as opposed to reimagining such a region as an idea-scape or a space for exploring various types of critical junctures of tradition and modernity, the physical and the metaphysical, or the global and the local (Schorch & Pascht, 2017). For example, the Federated States of Micronesia, located northeast of New Guinea and east of the Philippines, comprise some 600 islands and have a population of just over 104,000 people. While small in land mass, Micronesia stretches over 2,700 km in length and covers an area of 2.6 million  $km^2$ , making it the 10<sup>th</sup>-largest country (after Kazakhstan) in terms of surface. Occupied by Spain from the 16<sup>th</sup> century CE, they were sold to Germany (1899) and were then occupied by Japan (1914). Post-WWII, they have been administered by the US. The example of Micronesia illustrates the region's many paradoxes and its often-contested nature. The Pacific region is also characterized by far-reaching linkages and diversity. For example, the Northern Mariana Islands and American Samoa represent the western and southern extremes of the US. The islands of Wallis and Futuna are part of France, while Tokelau is the northernmost part of New Zealand.

Whereas the Indian and Atlantic Oceans became industrialization and globalization superhighways between the 15<sup>th</sup> and 20<sup>th</sup> centuries, we view the Pacific Ocean as a location of the future, where economic, political, and security interests are confronted by the wicked problems of climate

<sup>1</sup> This editorial draws heavily on Damon Salesa's keynote speech at the 2020 AIB-Oceania research symposium. Tom Osegowitsch, Matevz (Matt) Raskovic, and Elizabeth L. Rose served as Guest Editors for the special issue.



#### Figure 1: Map of Oceania

Source: https://mapcruzin.com/free-world-maps/oceania1182x819.jpg

### change and sustainability (Winchester, 2015).

Oceania - the subject of this Special Issue - is part of the vast Pacific region, and includes 14 countries: Australia, Federated States of Micronesia, Fiji, Kiribati, Marshall Islands, Nauru, New Zealand, Palau, Papua New Guinea, Samoa, Solomon Islands, Tonga, Tuvalu, and Vanuatu (see Figure 1). The name "Oceania" is attributed to Danish cartographer Conrad Malte-Brun (1755-1826), who referred to a supercontinent in the southern Pacific that included Australia and the South Pacific islands. For many in the global West, though, Oceania connotes something more than geography. It has long been viewed as a kind of a paradise; Harrington (1656) described "Oceana" as a utopian constitutional republic in the South Pacific. While Oceania is often characterized as having a common South Pacific identity, this particular externally-defined identity is not shared by the region's many peoples and nations (Wood, 2003). The South Pacific is a place of remarkable cultural and linguistic diversity, comprising indigenous Polynesian, Melanesian, and Micronesian cultures, along with various colonial and more recent influences. For example, there are more than 800 different languages spoken in Papua New Guinea alone, with a population of fewer than nine million.

This complexity means that studying Oceania involves navigating a sea of contextualized knowledge and competing world views (e.g., Wood, 2003). Doing this effectively demands that researchers be aware of, and acknowledge, their own epistemological and methodological embeddedness (Bhambra, 2017). Understanding the myriad of paradoxes and tensions in the South Pacific, as well as respecting indigenous cultures, necessitates the decolonization of methodologies (Tuhiwai Smith, 2012).

## A MATTER OF PERSPECTIVE

The region represents contradictions of scale. While the Pacific is the planet's largest entity, accounting for nearly one third of the Earth's surface, most of the countries in the region are island states that are tiny in terms of both size and population. Yet, many of the region's inhabitants take a different view. They do not see themselves as citizens of small island nations but as custodians of vast ocean environments. Kiribati, for instance, with a population of less than 120,000, has an Exclusive Economic Zone (EEZ) measuring 3.4 million km<sup>2</sup>, similar to the size of India's land surface and close to 15 times that of the United Kingdom. Kiribati's ocean area is larger than the land surface of all but six countries in the world. The Kiribati view highlights the ocean rather than land mass, and Kiribatians see themselves in charge of caring for a very substantial part of the planet.

This is a view that is now very common across the Pacific. Referring to the region as "the Blue Pacific" – effectively, an ocean continent – emphasizes a shared identity among Pacific people, built on their connection with the ocean, the environment, and culture. Such a shift in language (re)claims size and significance for the region, and represents a dramatic change in perspective. Thinking of the region as an ocean continent affirms Pacific peoples' connections with the ocean, the environment, culture, and resources.

This offers a powerful way of viewing the region. For example, one of the key IB-related questions that we might ask is: Where does the Pacific fit in a globalizing and dynamic world of business, trade, and engagement in global relationships? Thinking of the region as an ocean continent, rather than a collection of small and marginal nationstates allows us to place the Pacific at the center of some important issues that are likely to define many aspects of the 21<sup>st</sup> century.

First, the region is arguably a key arena for the multifaceted contest between China and the US. Physically, what sits between these two global powers is the Pacific. The US has tuned its economic focus more strongly to the Pacific; 50 years ago, the major US commercial ports were on the Atlantic, while, today, five of the nation's busiest 10 ports are on the Pacific. The Suez Canal, which was built to facilitate shipping from the Atlantic to the Pacific, is now seen as the gateway from the Pacific to the Atlantic. The Pacific is also where many of the geopolitical interests of China and the US are thrown into sharp relief. The US base in Guam (the southernmost of the Mariana Islands) has long been referred to as "the tip of the spear", which hardly suggests that it is at the margins. This competition is reshaping the importance of the Pacific region and its countries. Policy terms such as "the Pacific pivot," "the Pacific reset," "Pacific step up," "Pacific uplift," and "free and open Indo-Pacific" indicate that the region is not at the margin, but at the center of global geopolitics. What happens in the ocean continent is likely to help define global business and geopolitics for the 21<sup>st</sup> century.

A second global issue in which the region plays a key role is climate change. The Pacific Ocean serves as an important driver of climate. This is evidenced by weather phenomena such as El Niño and La Niña; their origins are Pacific Ocean temperatures that drive global weather patterns and often result in food shortages and famines. The region is also at the forefront when it comes to the impact of climate change, making it a valuable source of information and learning. For example, several nations in Oceania - including Kiribati, Nauru, and Tuvalu - face severe consequences from rising sea levels, which may make them uninhabitable within the next few decades. Kiribati has arrangements in place to shift its nation to an island that is part of Fiji, should it be necessary for its entire population to become climate refugees. The repercussions of rising sea levels in the Pacific offer insights into how climate change may affect other nations, and how they may adapt to this phenomenon. The ocean continent may be the proverbial canary in the coal mine and thus demands careful attention.

Given the urgency of the climate crisis, the Pacific is taking a leading role in global responses to climate change. Pacific leaders were among those driving the agreement to limit global temperature increases to 1.5% at the 2019 Paris Conference. Fiji co-hosted the 2017 UN Ocean Conference, offering leadership in ocean management. Arguably, the Blue Pacific has become the moral center of the struggle against climate change, and is playing a disproportionately large role in calling for change. It is affecting the responses from global superpowers via the UN and other fora. At a recent APEC meeting, Pacific nations led the criticism of the US, Australia, and New Zealand for doing less than China regarding climate change in the Pacific.

A third aspect to consider – one of growing interest to IB scholars – is that of migration and its impacts. The peoples of the Pacific have a long history of migration within the region, and more recent inter-regional migration has created

a substantial diaspora throughout the world. Many Pacific nations – including the Cook Islands, Niue, Samoa, Tokelau, and Tonga – have more than 50% of their people living away from their homelands. The Pacific region is also home to substantial immigrant-originated communities; more than a third of Fiji's population is of Indian descent, following an influx of indentured laborers during the late 19<sup>th</sup> and early 20<sup>th</sup> centuries, and Australia and New Zealand are both home to large immigrant populations from many countries. The Pacific, especially in light of the real potential for climate-forced migration, can provide deep insights into the impact of diasporas on cross-border business.

## THIS SPECIAL ISSUE

The Pacific region is an area that is not very familiar to most IB researchers, but we believe that learning more about it will add new insights to what is studied in our field. Our hope is that this special issue provides a start. Collectively, the four articles shed light on some of the issues for which Oceania offers an interesting and useful context for IB research.

Sisikula Sisifa and Christina Stringer consider the importance of cultural awareness – and the role of women – in the process of incorporating small-scale farmers from the Pacific into global value chains. Tonga is an important producer of vanilla, and the ability to supply such high-value products to international purchasers is critical to achieving the nation's development goals.

Frank Siedlok, Lisa Jane Callagher, and Ziad Elsahn look into an understudied organizational form that is used in Oceania and elsewhere: the cooperative. New Zealandbased Zespri is the global leader in the sale of kiwifruit; nearly all of Zespri's sales are outside of New Zealand. This article describes how Zespri addresses the challenges of remaining true to its organizational culture, based on cooperative principles, while pursuing an active internationalization strategy, with a focus on the transfer of these principles while navigating competing logics.

Anna Earl, Adam Beck, and Chris Vas address one of the UN Sustainable Development Goals (Goal 11 – Sustainable Cities and Communities) and the globally-applicable wicked problem of waste management. Until China and some other developing nations in southeast Asia stopped purchasing international waste from developed countries (including New Zealand and Australia), there was little incentive for sustainable cities, and the international waste trade flourished. Focusing on the issue of waste management and smart cities in a holistic manner, this paper highlights how international relations and geopolitics connect sustainability and international trade in unexpected ways, in the region and beyond.

Irina Heim and Natalia Ribberink discuss another issue with global applicability: foreign direct investment (FDI) in industries and sectors that are critical – in terms of national security – for the host country. Nations need to strike a balance between the expected benefits associated with inward FDI and the control over critical sectors, such as national resources and healthcare. This article addresses these issues in the context of investment from a global power (China) into Oceania's largest economy (Australia). The paper

suggests a tension-based framework for host-country policymakers seeking to align FDI-supported growth and national security issues, while highlighting the importance of transparency and equal treatment.

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