

Doing business in coup-prone fiji

[Economics](#), [Macroeconomics](#)



Slide one - Good afternoon everyone, my name is Ebrahim. This is my group mate Azam & Matelito, today we'll be presenting the information about DOING BUSINESS IN COUP-PRONE FIJI. Slide two — as you may all know Fiji is an island country & officially called " republic of Fiji". There were four coups during the past two centuries and Fiji becomes known as " a coup-coup land" . It is one of the most developed economies in the pacific island countries. & the main economy income are from tourism and sugar export. Slide Three — Fiji is a republic & military government country. There is no democracy, unlike Australia, in Fiji there is no freedom for people to speak, act or make decision for themselves. There are two types of political dimensions, Collectivism & Socialism, in Fiji the government practice collectivism where they believe individual's sacrifices are rational for common goods. Power is monopolized by military Commander Bainimarama, he currently is holding three of the most politically powerful positions in Fiji — (1) the head of military, (2) the head of government and (3) the head of supreme body of the indigenous community. And there are tensions between indigenous Fijian and the ethnic Indians. Slide 4 — Gounder (2002) said that the environment lack of political and civil liberty as well as economic freedom can seriously limit economic growth. To prove this statement is true, we can see from the impacts on the economic environment that Fijian political instability created. 2000 coup alone has created 10% decline in economy growth, productivity and competitiveness declined. Slide 5 — now lets see the factors that are preventing Fiji from achieving macroeconomic stability (as u can see from the slide, just read them all by looking at the slide) Slide 6 — when a county has no macroeconomic stability, what will happen? What can political

instability do to the economy? Here are the answers — (read all the list in the slides) Slide 7 — Foreign Direct Investment (FDI) contributed to economic growth of Fiji by adding domestic savings and reduced the resources gaps, set up export-related activities by developing resources, employment creation and skills development. However since the coup in 1987, the country started to experience instability in both politically and economically. Prasad (2012) stated that the country economic continues to slide downwards, reflected in poor economic growth in 2010 & 2011. As a result, Fijian government should continue the current proactive policies to attract FDI inflows, as well as maintaining appropriate environment including political & economical stability. So this the brief summary of political & economic environment in Fiji, now I'll pass the presentation to my group mate Azam, he will be presenting the political risks.