

**Articles on Tabu Traditional Shell Currency
Compiled by Stephen DeMeulenaere**

1995

Source:

4 October 1995. Sustainable Development and International Economic Cooperation: United Nations Initiative on Opportunity and Participation. <http://www.un.org/documents/ga/docs/50/plenary/a50-501.htm>

United Nations General Assembly
4 October 1995
Fiftieth session
Agenda item 95 (j)

**SUSTAINABLE DEVELOPMENT AND INTERNATIONAL ECONOMIC
COOPERATION: UNITED NATIONS INITIATIVE ON OPPORTUNITY AND
PARTICIPATION**

Box 3. Mobilizing Capital among the Tolai people of Papua New Guinea: incorporating customary practices in the modern economy a/

Coconuts and traditional shell-money have been used to raise capital by a community-based business engaged in development on behalf of the Tolai people, who live on the Gazelle Peninsula of Papua New Guinea's East New Britain Province. The experience of the New Guinea Development Corporation shows how traditional values, institutions and ideas may be used to mobilize capital in order to create and take advantage of opportunities for economic participation in developing countries.

The Corporation was set up in the early 1970s, when traditional agricultural subsistence was either giving way to wage-employment (primarily for men), mainly in semi-skilled and unskilled occupations – or was being supplemented by small-scale production of copra and cocoa for export, trade stores or trucking. Government-sponsored cooperatives, which were the largest locally owned concerns, were competing with (mainly foreign) entrepreneurs. Widespread opposition to local government reforms, which would have had the effect of increasing foreign influence in a Tolai-owned and operated cocoa-processing project, led to the formation of the Mataungan Association - and to its economic offshoot, the New Guinea Development Corporation. According to the founder of the Corporation, John Kaputin, the political circumstances that developed in the area "meant a rejection of the foreign system" by a substantial proportion of the Tolai people, who then numbered well over 60,000 and created important preconditions for establishing the Corporation.

The New Guinea Development Corporation was launched in May 1970, was registered in August 1972 and began operations in November 1972. It developed from a long series of informal discussions, held in villages throughout the Gazelle Peninsula, at which the current situation in the area - and alternatives - were raised; followed by formal meetings, deliberately confined to small numbers in order to facilitate communication and timed to fit in with particular villages' employment and subsistence commitments; and, finally, by actual capital raising.

Contrary to the requirements of introduced law, the Corporation did not begin with a board of directors but with a group of village leaders. Concepts were deliberately explained in familiar, cultural terms, with "corporation", for example, being equated with the traditional, Tolai landowning group (or clan), the wunatarai. Consistent with the commitment of the founders of the Mataungan Association and the New Guinea Development Corporation to self-reliance, customary practices and explaining abstract ideas in familiar terms, contributions were initially not sought in cash but in the form of coconuts (three per adult and one per child) and traditional Tolai shell-money, tabu. The coconuts were sold, thereby demonstrating "the creation of capital from ... available natural resources". The Corporation became "the only modern institution in Papua New Guinea to be involved in two currencies - the Kina (the official money currency) and tabu".

The K100,000-plus raised from communal effort and selling of shares eventually involved some 10,000 people. Following Tolai custom, in which contributions to communal enterprises were stored until further transactions occurred and tangible assets were acquired, none of the income was used (and no one was paid) until the Corporation had acquired its first properties.

The Corporation's early investments included a store, a cocoa fermentary, a copra drier, and plantations. Other properties have since been acquired for investment purposes in other parts of the country.

Source: Based on John Kaputin, "The New Guinea Development Corporation", in F. S. Stevens and Edward P. Wolfers, eds., *Racism: The Australian Experience. A Study of Race Prejudice in Australia*, 2nd ed., vol. 3; Colonialism and After (Sydney, Australia and New Zealand Book Co., 1977), pp. 398-413.

1998

Source:

7 December 1998. [PNG Shell Money Equivalent to Kina](http://166.122.164.43/archive/1998/December/12-07-18.htm). Pacific Islands Report.
<http://166.122.164.43/archive/1998/December/12-07-18.htm>

PNG SHELL MONEY EQUIVALENT TO KINA

PORT MORESBY, Papua New Guinea (December 3, 1998 - Post-Courier)---The founder of a traditional shell money bank, Henry Tokubak, has called on the Tolai people to take stock of their shell money as it may become useful if the country's economy continues to suffer.

The Universal Bank or Kastom Benk is involved in the trading of shell money for the kina as well as other traditional forms of currencies such as New Ireland Mis, Pomio Kakal and Manus dog teeth.

East New Britain Province, in particular the Gazelle Peninsula, which is home of the Tolai people, is probably the only society in the country which operates successfully on a dual currency system, with the shell money having strong value against the kina.

It can sometimes be even higher if shell money is in short supply.

Mr. Tokubak said as the country continues to experience a downturn, the Tolai Tabu could one day be the only means of survival for the Tolai people.

"I urge the Tolai people to take stock of their shell money now and record how much they have, for they may one day rely entirely on this traditional form of wealth to live," he said.

"The way things are going, our kina may mean not a cent one day so we need to be prepared."

Years ago, a fathom of shell money was exchangeable for two kina. Today, the value of two kina has risen to K 3.50 in some places and K 5 in other places. Even today, in Tolai societies, payments for brides, land and warporong in shell money is considered more fitting and carries authority.

Mr. Tokubak said shell money was valuable to the Tolai society and formed the basis of many of the Tolai customs.

Under the bank's trading policies, which are promoted in the province, a customer can buy any item from any shop on the Gazelle Peninsula using shell money.

A store owner who accepts shell money in exchange for goods can do two things: he can either take the shell money to the Universal Bank and exchange it back into kina or, if he is a Tolai and wants to build up his Tabu wealth, he can keep the shell money.

"This should always be happening, although many store owners, especially foreigners, do not accept it because they do not understand it," Mr. Tokubak said.

"There is a need to have more publicity and awareness of the Universal Bank's policies," he said.

Mr. Tokubak estimated that currently there are around four million fathoms of shell money on the Gazelle Peninsula, which should have a value of around K 8 million.

Out of that, he estimates that only one per cent, worth around K 400,000, was being circulated around the peninsula, mostly through buying and selling. The Tabu shell is valuable to the Tolais because it is not found in East New Britain. Most of it comes from West New Britain, Manus, Madang and New Ireland province.

In former years, the Tabu shell was traded for other goods from those provinces, mostly West New Britain.

(NOTE US\$ 1 = K 2.12765 on December 4, 1998.)

1999

Source:

20 January 1999. Other Traditional Money: The Tabu Money of East New Britain. <http://www.altnews.com.au/jetsunstudios/travelcam/currency.htm>

Other Traditional Money: The Tabu money of East New Britain

The Gazelle Peninsula, home of the Kuanua speaking Tolai people (Rabaul area, East New Britain), is the only place in the country which has a reputable dual currency system. The Tolai's use shell money called TABU in bride price, payments for land, pigs and certain items in the markets.

Overseas tourists visiting East New Britain Province will be able to purchase certain items and souvenirs using the traditional shell money. This was revealed recently by the Chief Executive of the Universal Traditional Bank of PNG, or ToKuBank, Henry ToKuBak and will come into effect by the year 2000.

Mr ToKuBak pioneered the shell money or tabu bank concept in the province and was instrumental in setting up the ToKuBank in 1994.

The shell money would be convertible into Kina and Toea by a set formula or through the existing practice of 10 fathoms of shell money equal to K30.00 (dependent on the current value of the Kina).

Source:

16 November 1999. East New Britain Province May Approve Traditional Shell Money as Legal Tender. Pacific Islands Report.

<http://166.122.164.43/archive/1999/November/11-17-11.htm>

East New Britain Province May Approve Traditional Shell Money as Legal Tender

EAST NEW BRITAIN, Papua New Guinea (November 16, 1999 – Post-Courier)--
-East New Britain (ENB) may soon start using traditional shell money, tabu, alongside the kina as legal tender in the province.

The East New Britain Provincial Assembly recently approved a government submission to carry out extensive research into the uses of tabu and the possibility of standardizing and mobilizing the currency as legal tender.

Deputy Governor and Commerce and Industry and Primary Industry Chairman Leo Dion, who presented the paper, told the assembly that the ENB people should be allowed to use their traditional money for trading purposes due to the rapid drop in the value of the kina.

He said in the paper that the use of tabu in the last century has expanded to include many more categories of expense and is accepted tender in churches, local level governments, village courts, local markets and Tolai trade stores. Mr. Dion said the widespread use of tabu in the province, therefore, should warrant the introduction of a dual currency.

He said the province should adopt the use of tabu as its second currency. Mr. Dion also told the assembly that there is an estimated K 6 million (US\$ 2.2 million) worth of tabu available among the Tolais.

He said the value is expected to increase with every purchase of tabu from outside and brought into the province.

Mr. Dion also said that only one quarter of the K 6 million worth of tabu is in circulation while the other three quarters of it is stored away in rolls or wheels by the elder clansman in their storage houses.

He said the administration would conduct a proper study of tabu, particularly the spacing between the tabu shells, plus the length of a fathom.

He said the study would also research the possibility of setting up a customary wealth bank, which would help to mobilize and control the tabu currency.

He said the central bank must also be consulted to recognize the tabu as legal tender in the province to allow it to be used more freely.

The Deputy Governor said part of the study would be done by a delegation of four to five officials from the province.

He said they will have to travel to Malaita province in the Solomon Islands to see the operational structure and policies of the customary wealth banks there.

He said the officials are also expected to visit Port Vila, the capital of Vanuatu, to study how the credit union league is mobilizing the customary wealth economy. The assembly, which approved the paper, called on Mr. Dion to ensure that his division carries out the study urgently.

Source:

29 November 1999. Traditional Tolai Tabu.
<http://www.michie.net/pnginfo/monitabu.html>

The East New Britain Provincial Executive Council has recently endorsed a paper titled "Promotion and mobilisation of Customs Wealth" presented by the chairman of commerce, industry and tourism.

Traditionally Tabu was measured in fathoms, which is roughly from the nose of the person measuring to the outstretched palm. There is also a question of the spacing of shells in the fathom. It would seem that the normal practice was to allow about 5 millimeter between each shell, which means that there would be two shells to a centimeter.

As of Nov. 29, 1999, one fathom = 2 to 3.50K

2000

Source:

January 2000. Shelling out: Official currency is challenged in Papua New Guinea
New Internationalist issue 320 - January-February 2000 Update.
<http://www.newint.org/issue320/update.htm>

Shelling out: Official currency is challenged in Papua New Guinea

When a volcano erupted in the East New Britain province of Papua New Guinea in 1994 it killed no-one but destroyed Rabaul – a once-thriving town with a colourful market. One of the volcano's casualties was a unique bank trading in Tabu – traditional shell money made from tiny white shells pierced and threaded on to long strips of rattan. But the disaster has not stalled the drive of the bank's founder, local politician Henry Tokubak, to give Tabu the same status as kina, Papua New Guinea's official currency.

The Tabu Exchange Centre changed traditional money for hard currency and provided a service for those who no longer have the time or the traditional skills to create tabu. For many of those who have left the village and gone to live in Port Moresby or other urban centers, it is extremely important that they are able to access traditional wealth when returning home to participate in ceremonies.

A fathom (approximately two meters [1.83m-6 feet]) of tabu contains around 300-400 shells depending on the shell size and would have an approximate value of 3.50 kina (\$0.95). Part of Tokubak's motivation to formalize this currency by creating a shell-money bank is that Tabu will gain greater exchange value in people's daily lives. For example, on the wall of his Tabu Exchange Centre he established the first shell-money public telephone.

Today the building stands in ruins. Abandoned belongings – a typewriter, a sandal, a discarded handbag – lie coated in volcanic dust and surrounded by weeds. In the midst of the aftermath of the volcanic eruption, looters ran off with the tabu left in the bank. But Tokubak has continued to push for formal recognition of tabu within the local economic system. In June last year the local council voted to establish a formal Shell-Money Bank. During the discussion before the local vote, several councilors contrasted the rapid decline in the value of the kina to tabu, which has retained its value. In the eyes of the community, tabu is a far more secure form of wealth than the kina. Sir Ronald ToVue, a former East New Britain premier, also advocates the use of shell money. The Nation newspaper reports: 'He told a gathering at Navuneram village near here that the country is facing a serious financial crisis and the only way for the locals to survive is by using traditional money.'

Encouraged by the local support for tabu, Tokubak talked to Ezekiel Bangin. Although Bangin is from East New Britain and grew up using Tabu, he now works for the World Bank in Washington. But Bangin was not so sure the idea would gain international recognition. He has told Tokubak he finds it difficult to see how a Shell Money Bank might work and 'can't imagine what the World Bank or the IMF would make of it'.

Liz Thompson/Pacific Islands Monthly'

Source:

25 July 2000. East New Britain Shell Money to Be Legalized. Pacific Islands Report. <http://166.122.164.43/archive/2000/July/07-25-17.htm>

EAST NEW BRITAIN, Papua New Guinea (July 20, 2000 - The Independent)--- Traditional Tolai shell money, or 'tabu' as it is commonly known, may be used in East New Britain alongside modern currency.

The terms of reference for a study into ways of standardizing and mobilizing the shell currency has already been approved by the provincial assembly.

Deputy Governor and Chairman for DPI and Commerce, Leo Dion, said due to rising costs, the provincial government wants to explore the possible use of traditional currency by people who do not have modern currency. He said the rising costs made it difficult for the people to raise enough money to buy things, and people should be allowed to use their traditional currency to buy things in the province.

Mr. Dion said the provincial government plans to legalize the use of tabu shells and will do the same for 'kakal' and the 'mas,' which are traditional currencies of the Mengen and Baining respectively, at a later date.

He said this would give the option to people to use either modern currency or the traditional 'tabu' shells to buy things in the province.

The division of Commerce and Industry is to carry out the study into the matter. Newly elected Member of Parliament for Gazelle, Sinai Brown, who imports 'tabu' shells from the Solomon Islands, expressed satisfaction over the proposition, adding that its approval and use in the province will help to maintain the cultural identity of the province.

2001

Source:

14 August 2001. "Shell money 'may' save LLG. Islands Post. <http://www.postcourier.com.pg/20010828/ispost01.htm>

President John ToPeono has instructed his administration and the people of Balanataman LLG to start using the tolai shell-money (tabu) to pay court fines, head taxes, compensation, and even PMV and trade licences.

The shell-money would then be converted to cash and fund the local-level government operations.

So far the LLG has collected more than K10,000 worth of shell-money. In Tolai calculation, it is equivalent to two tabu wheels, which is the size of two tractor wheels.

John Topeono, President of Balantaman LLG:

He suggested that as a fallback system, all LLGs and the provincial administration should start implementing a government policy, which was passed in 1995, to recognize and use the values of the traditional currency.

He said the policy was already in place and should be implemented, but it appeared the administration had not seen its importance and therefore not attempted to implement it.

Balanataman started collecting shell-money for head tax, court fines and compensation fees from taxpayers in 1996, but the system was not fully implemented until last year and the first six months of this year.

“Instead of allowing our LLG to close down, we had to raise money somehow to keep our administration in operation. The ‘tabu’ then becomes our only means of survival,” Mr. ToPeono said.

Source:

19 November 2001. Jack Metta Looks at Traditional Money or Tabu in East New Britain. Post-Courier Online. <http://www.art-pacific.com/artifacts/nugueina/solomons/tafuliae.htm>

All relatives are required to get up at the bride price ceremony and make a contribution of several fathoms of shell money to the young wife's parents. At birth, marriage or death and any event in between such as the opening of a new house, shell money or tabu as it is popularly known among the Tolais, plays a big part. Tabu, kakal and mis are commonly used by the Tolais, Mengens (Pomio) and Bainings respectively.

The East New Britain government has noted that:

- PNG is facing a major economical and financial crisis, which will continue to have negative impact on the lives of the people for sometime; and,
- the devaluation of the kina has been having a severe impact on the ordinary villager. The government believes the promotion and mobilization of customary wealth would give shell money more value among the people and raise their purchasing power while preserving the culture.

- Three private tabu traders in the province trade tabu for cash or vice versa at reasonable exchange rates. Other traditional currencies in the province have a very limited purchasing power and are used mainly for traditional activities.

On that note, if you're a "Waira" in East New Britain and your local friends invite you along to a big function at the village, make it a point to go prepared with some shell money. Take it from me, first impressions always count.

2002

Source:

13 February 2002. First Tolai Shell Money Exchange Launched.
The National Online. <http://www.thenational.com.pg/0213/businessnews4.htm>

Balanataman Tabu Exchange, opened by ENB Governor Leo Dion

Established by Balanataman LLG President John Topeono

ENB Government legislated use of the traditional currency in the formal sector, recognizes a dual currency system in the province

Balantaman Exchange, and others in the future, will be "buying shell money to convert into PNG currency or money vice versa"

One fathom equal to K4.

Speaking at the launch on Friday, Matikotop Enterprises proprietor Michael Kava said his family business has been supportive of the Balanataman LLG in its endeavour to assist local people. He said by establishing the first tabu exchange he hopes to assist people to transform their traditional wealth into modern PNG currency. Conversely, he would also be providing a ready exchange point for Tolais who need shell money for their customary obligations or settling disputes. Mr Kava said if their tradition money is taken into consideration Tolai families were relatively well off.

Money supply estimated at 6 - 8 million Kina. (Oz and US conversions?) (note: K1 = approx. \$.35 US Dollar at the time)

Hosea Turbarat, Provincial Administrator, started the work that led to adoption of Tabu as the second currency.

Henry ToKubak started the first Tabu Bank but without government recognition.

Source:

14 February 2002. Simet Applauds Tabu Recognition. The National Online.
<http://www.thenational.com.pg/0214/nation15.htm>

Simet Applauds Tabu Recognition

EXECUTIVE director of the National Cultural Commission Dr Jacob Simet has congratulated the East New Britain government and the people of the Balanataman for the launching of the Tolai tabu exchange facility.

Dr Simet said for almost 25 years the Tolais had expressed the need for some kind of formal recognition of tabu due to its importance in their life, culture and traditional economy.

Dr Simet did his doctoral thesis on the tabu at the Australian National University in Canberra.

He did research for this thesis in Rabaul and also through library research. In this process, Dr Simet compared tabu to other mediums of exchange in Africa, South-East Asia and the Pacific.

He found that the tabu was one of a few indigenous mediums of exchange which had survived.

Of the different mediums of exchange in these three regions, the tabu was the only one that had characteristics which were similar to those of modern currencies, such as divisibility.

Dr Simet said the one important factor which made the tabu stand apart from all other traditional medium of exchange was that it had not devalued after the introduction of modern currencies.

Source:

20 February 2002. Wall Street It Ain't. Lonely Planet:
<http://www.lonelyplanet.com/scoop/archive.cfm?DPID=495®ion=pacific.htm>

Papua New Guinea's first legal shell money exchange has opened in the Rabaul district, with locals now able to convert shell money into PNG currency and vice versa. Under present rates of exchange, one fathom - a measurement of stringed shell money stretching about an arm's length - is worth four Kina (US\$1.08). The exchange is the first since the East New Britain government legislated approval of the use of traditional money. Court fines, council taxes and school fees can

now be paid with shell money. At the exchange, shells can be traded for hard cash by those who require it, and those who are in need of shell money to fulfill their customary obligations or settle disputes can buy it with Kina. The new 'shell money bank' will allow people to transform their traditional wealth into modern currency. It is estimated that there is well over US\$2 million worth of shell money sitting in family homes throughout the Gazelle Peninsula - and that's a lot of shells at US\$1.08 per arm's length.

Source:

27 February 2002. Counting Shells at a New Bank in Papua New Guinea. Radio Australia. Pacific Beat. Melbourne, Australia.
<http://166.122.164.43/archive/2002/March/03-01-09.htm>

There are fears in PNG that a new bank for traditional shell money could undermine cultural traditions.

The East New Britain provincial government has plans to have shell money function as a parallel system to the country's official currency, the kina.

But as Pacific Beat's Sonya De Masi reports, there are some concerns about the implications for an important part of the region's heritage.

The Tolai people have traditionally limited the use of shell money or 'tabu', to the fulfillment of traditional obligations and some transactions.

They include payment of bride price and at funerals, some land transactions and as a medium of exchange at village markets.

The provincial government is eager to encourage people to use shell money more often, rather than accumulating large reserves in their homes.

Special Value

But the executive director of the National Cultural Commission, Dr. Jacob Semit, says shell money has strong ceremonial and ritual value, and can't function as an alternative to kina.

"Now there are a lot of things which I see that might be problematic with that because tabu is not an alternative . . . You don't easily come by tabu, it's very difficult to earn tabu, and tabu is something which you don't, which (not) everybody has.

"They seem to think that if people can't get access to the kina then they should turn to tabu, and that's something from the word go, something totally with that. So I would like to be able to make a contribution towards sort of correcting that."

Looking Into The Problems

The East New Britain provincial government has commissioned research to address several challenges to its plans for the widespread use of shell money. The Governor, Leo Dion, acknowledges there are several contentious issues, including the source of the shells, which are currently imported from other islands by private business people.

"Even though we have sources of this from here it is very rarely found in very many parts of the country. As far as we . . . know our source also comes in from the other Pacific islands of the Solomons and Vanuatu. But the significant thing is that it is part and parcel of our culture. It's in the blood of every Tolai community. What we are trying to do is mobilize it so that it is totally recognized now as the legal tender by everyone that comes to East New Britain."

Shell money was traditionally measured in fathoms, roughly from the nose of the person measuring to the outstretched palm, with two shells to a centimeter. Neither this, nor the rate of exchange against the kina, has ever been standardized.

Nevertheless, Trade and Commerce adviser John Orim says shell money is being used on a daily basis by people across the province for a wider range of transactions than ever before.

"That is already happening – school fees at the high school they allow students to pay shell money and later be exchanged by the school for cash, actual cash. So on a daily use now.

"Both subsistence farmers and highly employed workers (use shell money). Even our governor is using it on a daily basis. Even though he has a lot of money, he still uses the shell money. All walks of life."

Mr. Orim concedes regulating shell money has its problems.

"Certainly there are people who have both -- are at a greater advantage -- because they can choose to use kina or the shell money."

Millions In Circulation

It is estimated approximately eight million kina (US\$ 2,147,200) worth of shell money circulates in East New Britain.

The local level government of Balanataman is the first to establish a shell money exchange, but others are being encouraged to follow suit.

While the East New Britain provincial government awaits the results of research, the National Cultural Commission remains wary.

Dr. Jacob Semit hopes the research will also consider whether the cultural value of a centuries old practice will be forever diminished.

"This is what I am saying, that I have my own reservations about that, and I would like to think that this is not the way, that this is not the way they are intending to do this because, like I mentioned, the work that was done by that provincial government they want some work to be done on this. They use the term mobilization and standardization of Papua [sic] right? So this is where my fear is."

Source:

16 May 2002. Shell Money Remains Important in Society.
Post Courier Online. <http://166.122.164.43/archive/2002/May/05-17-23.htm>

SHELL money or tabu has and will remain an important part of the tolai society.

As such a "house of shell money (A Pal na Tabu)" has been established as an exchange venue or market where people would meet to transact the traditional money for modern legal tender.

A Pal na Tabu is an initiative of the Balanataman Local Level Government, which was recently launched to mark a designated place where people would come together to do business.

President of Balanataman Local Level Government, John ToPeono, said the establishment of A Pal na Tabu is a stepping stone in the lives of the people of his LLG and the people of East New Britain as a whole.

"The launching of A Pal na Tabu is a cornerstone in the history of the tolai people. And with the aim to assist and to look after (maravut ma balaure), it will stand to serve that purpose and is open to all in the province."

Mr. ToPeono said it was the LLG's policy to try and set up and develop an initiative like this that could assist the people one way or another especially during this time when people are facing financial difficulties.

Mr. ToPeono said the LLG embarked on the initiative basically to cushion the financial problems the people are facing.

“A Pal na Tabu has been set up to help the needy who are facing financial difficulties, and who might have a short fall of tabu or cash. If they have the tabu they can exchange for cash or if they have the money then they can exchange for tabu,” he said.

Mr. ToPeono said in 1998, the provincial government made a special consideration to mobilise a standard direction for the operation of the tolai shell money in relation to the cash economic crisis that the people were facing.

He said that if this policy was to be implemented effectively, it must be encouraged in the villages to inter-relate with cash in institutions in the province introducing it to flow through minor inlets of our government system.

He said his LLG had a major breakthrough from 1998 - 1999 that proved that this policy worked when it was introduced to pay tax and K11,000 worth of shell money was collected as court fines.

“Our people are looking up to us leaders waiting for something to happen that would guarantee relief of some sorts and that they would benefit from especially when everyone is complaining about cash flow problems.

“It is a case of our people are always waiting because we keep on looking and searching for things to do that are not within our capacity and if our economy cannot provide the kind of services, then the next best thing is establishing something so simple like a pal na tabu,” Mr. ToPono said.

He said the exchange rate is 1 fathom to K4.

Meanwhile, the East New Britain Provincial Government has embarked on a research aimed at mobilising and standardizing shell money.

Commerce Advisor John Orim said the research would recommend how the province could standardize value of shell money against the country’s legal tender as well as setting up an exchange centre.

Invitations for expressions of interest have been sent out, but no responses have yet been received.

SHELL MONEY REMAINS IMPORTANT IN EAST NEW BRITAIN, PNG SOCIETY

SLIGHTLY DIFFERENT TEXT THAN THE ONE ABOVE

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Source:

16 May 2002. Dion Highlights Initiatives and Problems. Post Courier Online. <http://www.postcourier.com.pg/20020516/supplement01.htm>

EAST New Britain Governor Leo Dion believes the province will not advance unless there was a change in the government system to allow the province to make its own decisions and raise its own funds to implement planned programmes.

Mr. Dion delivered his last major statement during the Provincial Assembly sitting in April and highlighted initiatives and problems affecting the province's development.

He said national and international economic recessions were taking toll on the province's economy as well and the province was experiencing a decline in its economic performance.

He said the province's 2002 provincial budget was K67.4 million and the projected cash flow indicated that the province should be getting K10.6 million (excluding staffing and teachers' salaries) in the first quarter.

However, by the end of March, the province only received K5.1 million, a shortfall of K5 million and if the trend continues, services would be severely affected, Mr. Dion said.

"The prices of our traditional cash crops experienced a decline in the last two

years. However, in recent months this has improved, but the negative impact will take some time to be solved as the economic process is expected to continue. "The province's economic base has always been based on agriculture and trade. In recent months the trade sector, that is the retail and wholesale sector had experienced a modest improvement as indicated by the establishment of retail shops around Kokopo as the industrial estate at Takubar continue to take in new businesses. This is expected to continue however, will level off as prices of commodities continue to increase and investment in capital asset such as road infrastructure and public utilities continue to decline."

Mr. Dion said the investment by GRA on restoration projects has offered a stimulus to the construction and related sectors, increasing direct and indirect employment, wage and profit.

But he said the restoration program was now unstable because the national government has refused to provide adequate counterpart funding.

The Governor said the National Government's fiscal policy also contributed to declining economic activities in the province.

He said prior to the introduction of the Value Added Tax, the province maintained an effective internal revenue management mechanism, which ensured that the provincial government created incentive for the business community to propel. The province enjoyed a per cent sale tax regime, which ensured the province maintained capital investment on major infrastructure and institutions, which led to expansion in the business community.

But Mr. Dion said it was now evident that services has not improved in the last four years and much of this could be attributed to the present taxation system, as part of the new fiscal policy.

He said the province has taken the lead in the implementation of the provincial government reforms. Joint District Planning and Budget Priorities Committees were working in the four districts and district administrations were functioning. On the education sector, Mr. Dion said there was a need to re-visit the implementation strategy of the education sector plan.

He said there has been an increase in the number of community schools and an ever increasing enrolment in secondary schools, while at the same time the number of eligible grade eight in primary schools were also increasing.

This, he said, indicated an urgent need to for another secondary school and the administration has started investigations for a second secondary high school. Mr. Dion said the health sector continues to maintain a level of service that guarantees a healthy population.

He said that in the midst of the difficult times being experienced, the people could still make a choice as to which health facility they should get service from. This, he said, was due to the accessibility of health services to the majority of the people.

In the agriculture sector, the province was moving away from its traditional crops of cocoa and copra with emphasis on alternative crop as a way forward. The development of oil palm, expansion of alternate crops such as vanilla, cardamom and other spice products was a means of diversifying the economic base of the province, which should be able to absorb any future economic shocks resulting from international economic trends.

Tourism has also been one area that the provincial government has continued to encourage, adding "I thank the business community for helping us to ensure that growth in this sector is realized for the benefit of all of us."

Mr. Dion said that given the economic scenario and the deteriorating level of services, the provincial government has embarked on an exercise, which was part of the preparation for an alternate system of delivering service.

He said the establishment of the consultative committee on greater autonomy was to gauge the people's views and the committee was required to come up with a report for the provincial government's consideration.

The report should be used as the basis for negotiations with the National Government for an alternate system of delivering services.

"Much has been said on the eve of the national elections on the sincerity of the provincial government due to the time factor in relation to the national election. But I would like to inform this honourable house that whether you and me will continue to be in the government or not, the level of services will continue to deteriorate whether at the current rate or even at a faster rate. Therefore I believe my government has set the pace for the incoming government to continue to pursue for a level of provincial autonomy that will ensure that we dictate the level of services that our people should be enjoying and at the end of the day a destiny that is appropriate for the social, cultural and economic well-being of all of us.

"I believe provincial autonomy is the way forward and I urge all of us to understand its rational and the urgency for this subject to be immediately discussed."

Source:

February 2002. Pal Na Tabu Launched in Rabaul District. ENB in Focus. P.9

People in the Balanataman LLG now have a place where they can converge to trade the traditional currency – tabu and the kina or vice versa.

This follows the official launching of the 'Pal na Tabu' which was initiated by the LLG recently.

Located at the Matikotop Investment Operation Centre at Volavolo Village, the launching attracted villagers from especially around the Balanataman area including important people in the province.

Also present to witness the opening were Governor Leo Dion, former Moderator of the ... and currency member of the Provincial Assembly, Rev. Albert Burua; former member from Gazelle open, Makikus Konga; Kokopo Town Mayor Onias ToMano; Rabaul Town Mayor, Ephraim Jubilee; President of the ENB Council of Women, lady Nerrie Tololo and other important village elders.

Current exchange rates are K50 to purchase 10 fathoms of tabu and where 10 Fathoms can fetch K40.

When speaking during the launching, Kokopo Town Mayor Onias ToMano congratulated the LLG for setting up the facility thus fulfilling the Provincial Executive Councils recognition of tabu as a form of legal tender in the province. Mr. ToMano also commended the Full Council of the LLG for recognizing the basic needs of the people today by setting up the Pal Na Tabu "where our people can go to in times of desperate need for either of the two currencies".

"At this time of economic crisis, our people are very fortunate to have such a place where they can go to purchase whatever currency they need", Mr. ToMano said.

He called on other LLGs in the province to also address this need in the community and to set up such avenues at the door-step of the local people.

Mr. ToMano told the gathering: "We Tolais should be proud as we have a traditional monetary system which is alive and very useful today in exchange for goods and services."

He further stressed that Tolai customs, norms and traditions were always associated with the Tabu and challenged that "the Tabu should not be mis-used so as to lose its importance and significance."

Mr. ToMano cautioned that the Tolai language was slowly losing its fluency as more and more Tolais are opting to speak either Pidgin or English in their daily conversations, or even importing foreign words into the Tolai language.

“We must be careful not to lose our language because if we do, this will also mean that our customs and traditions will also be affected in a big way.

It we are not careful with the way we use our language, our future generations will be big losers.” Mr. ToMano Warned.

Images:

Prominent Tolai leaders who were present to witness the launching of the ‘Pal Na Tabu’

Rolls of shell money worth over K100,000 (A\$25,000 ; USD\$12,000) displayed during the launching of the ‘Pal Na Tabu’

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