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Abstract of Diploma Thesis

**Referendum on the independence of New Caledonia
and implications for nickel production**

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Summary:

This thesis deals with the extraction of nickel in New Caledonia. It describes its production history, the current economic situation, but also presents in details the major players on Caledonian market with this raw material. All this is put into context not only from the environmental perspective, but it also demonstrates the indissoluble connection between the mining of nickel and the economic or political perspectives of New Caledonia.

New Caledonia, which is still a French overseas territory with the status sui generis, is just after the referendum on its self-determination. The aim of this work is best evaluation of all available information to predict the possible future economical and political direction of the country after the referendum, which took place in November 2018.

Key words: French overseas territory, Pacific Ocean, nickel mining, referendum of independence, Kanaks

Methodology and Objectives:

Correlation analysis finds a relationship between the market prices of different metals, which have similar uses as nickel. Second correlation analysis shows us dependencies between stocks of these metals.

Regression analysis measures the impact of the referendum on a world nickel price. Regression show us, how much the price was influenced by the result of the referendum. Author uses a quantitate method in his two surveys.

Both surveys were evaluated by a questionnaire. There is a range of four years between two surveys to find the changes of mind in a people thinking. Surveys helped author to make an election poll through the Caledonian population for prediction of possible result of the referendum to confirm or disprove the hypothesis that: *New Caledonia will remain a part of the French overseas territories after the referendum, which will result in a decrease in the price of nickel on world markets*

Results and Discussion

Electoral survey was attended by 139 residents of New Caledonia, of whom 82 were women and 57 men in 2012. Men were voting more for the independence of New

Caledonia (52.6%), on the other hand women were against (59.8%). The total result was 54.7% against the independence.

In 2016 more than 60.9% of men were for independence, it's an increase by 8.3% in comparison with year 2012. Women were still against the independence, but the result was not so strong like in 2012, there was a decline by 4.1% from 59.8% to 55.7%. 61 women and 46 men were participating in the research, the common outcome shows us that 51.4% inhabitants of New Caledonia were for the independence. In 2016 This is big change of thinking across the population, because in 2012 would won followers of remaining within the French overseas territories.

The referendum on the independence took place on 4th November 2018. The New Caledonian electorates were asked a question: Do you want New Caledonia to attain full sovereignty and become independent? The referendum ended with 43.33% for "yes" and 56.67% for "no". Even though a result was clear, the differences in three provinces are enormous.

The nickel has doubtless an irreplaceable role in New Caledonian economy. New Caledonia is one of the biggest nickel producer in the world. What are the impacts of the referendum on the independence on a market price of nickel? Regression analysis answers on this question and finds a dependence between the referendum and nickel price on a world market: Predicted Nickel price = $-21073 + 13.04 * \text{Aluminium price} + 0.37 * \text{Tin price} - 266.03 * \text{Dummy variable}$

Conclusion

The author determined the aim of this Diploma thesis to identify possible further political and economical development of New Caledonia, which is still part of the French overseas territories. The first part of hypothesis, that New Caledonia will remain a part of the French overseas territories after the referendum, has been proved partially. The majority of surveyed people (54.7%) voted against the independence of New Caledonia in a first survey in 2012. Even though there is change in comparison with the second survey, which predicted that the majority of the inhabitants of New Caledonia voted for the independence (51.4%) in 2016. Nowadays we know that 56.67% of electorates voted against the independence.

Inasmuch as the referendum finally ended with option “no”, New Caledonia will remain a French community: the population will retain French citizenship and European citizenship. French state will continue to exercise sovereign powers. The provincial elections to renew the Congress of New Caledonia will be maintained and will be held in May 2019. At the end of these elections, if a third of the members of the Congress so request, a second referendum on the same issue will be organized within eighteen months of this request. In the case of a new vote of “no”, it may be followed by a third referendum.

The second part of hypothesis, that the retention of kaledonia within the overseas territories of France will result in a decrease in the price of nickel on world markets, was proved by regression analysis. Regression analysis showed from the equation that a price of nickel decreases by 266 \$, when we are after the referendum:

The answer to the research question that may happen in New Caledonia totally independent country, is yes. The author believes that although New Caledonia has already done so for the past twenty five years, a major shift towards its independence, will go a long way to become a sovereign country. It is necessary to educate their own political elite that represented New Caledonia both at home and abroad. New Caledonia has political representatives in domestic institutions, institutions in France or in the European Parliament. Even though there is still a lack of qualified political elites, therefore New Caledonia is not ready yet for independence. It remains a fact, that if New Caledonia is not ready now for the independence, won't be ready anytime.

Remaining within the French overseas territories also brings positive aspects. The main benefits are public security and national defense. In this case France is a guarantor of protection Caledonian territory. Another positive aspect is a protection of social security Kanak population and positive discrimination on the labor guaranteed by France. Kanaks are preferred over other nations on the labor market. They have also a precedence over the Frenchmen. On the other hand there is a shortage of skilled labor in fields with high qualifications in New Caledonia, and therefore it is necessary to call in experts from France and other foreign countries.

New Caledonia is in many aspects very unique country, it is therefore only on citizens of New Caledonia, what will be the future direction of the country. Let's hope that New Caledonia will remain prosperous country in all key areas.

Key literature:

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