PORTFOLIO

Nauru: A Cautionary Tale

PHOTOS AND ESSAY BY VLAD SOKHIN

An aerial view of the island of Nauru.
NAURU—The tiny island nation of Nauru, an 8-square-mile dot of land in the middle of the Pacific Ocean, is a cautionary tale of what happens when the music stops. Or, more to the point, what happens when the single commodity on which an economy rests runs out.

Lavish phosphate deposits were discovered by the first Western vessel that landed on the island in the waning days of the 19th century. By 1908, Nauru had become a German protectorate, and in that initial year of mining, some 11,000 pounds of the valuable mineral were shipped to Germany. After World War I, the Treaty of Versailles removed Nauru as a protectorate of Germany, and placed it under British rule, jointly administered by Great Britain and the Commonwealth nations of Australia and New Zealand. It was then that mining production gained momentum. At its peak, nearly $100 million a year worth of phosphates were mined and shipped, largely to Australia, where they were used as fertilizers.

Unfortunately, the proceeds were either squandered or pilfered. Prior to independence in 1968, the entire mining operation and proceeds were managed by the marginally transparent British Phosphate Commission, which Nauruans claim cheated them out of vast amounts of money. An equally obscure...
A palm tree stands on the road to the phosphate mine and the Australian detention center. Since the discovery of phosphates in Nauru at the end of the 19th century, 80 percent of the island has been strip-mined, leading to extreme environmental degradation and economic collapse.

Old mining structures in central Nauru sit abandoned.

trust fund that was established for the inevitable moment when the phosphates ran out also yielded little income.

So by the time the reserves were exhausted at the turn of the 21st century, there was little left to show

Many cars have been left along Nauru’s roads and in backyards. With an unemployment rate of around 90 percent, much of the population is dependent on government handouts, which are increasingly unaffordable with the decline of the phosphate industry.
for it—no replacement industries and no improvements in local education. The miners packed up and went home, leaving behind vast rusting hulks of mining and processing equipment.

Moreover, the depletion of phosphate reserves was accompanied by the devastation of the island’s environment through wholesale strip mining of its surface. As The Economist observed in 2001, when the devastation was nearly complete: “Seen from the air, Nauru resembles an enormous moth-eaten fedora: a ghastly grey mound of rock surrounded by a narrow green brim of vegetation. On the ground, this unlovely impression is confirmed. Strip-mining has turned Nauru into a barren, jagged wasteland. The once-dense tropical vegetation has been cleared. The exposed rock reflects the heat of the equatorial sun and drives away rain.”

Once among the wealthiest per capita people on earth in the 1970s, today Nauruans are impoverished. After the phosphates were gone, Nauru returned to its role as a poor, remote South Pacific island.

Nauru is not the only nation that could suffer such a fate. The United Arab Emirates, one of the wealthiest countries per capita in the Middle East, may have as few as 20 years left in its oil reserves. Yet it has become

People play bingo in an abandoned tea shop in Anijien District. Bingo is one of the most popular betting games in the country, and many Nauruans people spend their evenings and weekends playing and trying to make some money.
A family prepares to travel in the back of a truck in the Location Block. After the closure of the mine in the early 2000s, most of the miners left Nauru, and the Location Block became a squatters settlement.

Pikato, 58, plays bingo in an abandoned building. A couple dances near their house while their kids watch in the Location Block. Location Block was a residential area for foreign miners who came to Nauru to work.

A family prepares to travel in the back of a truck in the Location Block. After the closure of the mine in the early 2000s, most of the miners left Nauru, and the Location Block became a squatters settlement.

a major financial center, with many of the world’s leading banking institutions as well as a host of other companies maintaining regional headquarters there.

For a few years, Nauru tried to sell itself as a tax haven, which led to accusations of rampant, illegal money laundering. It was also involved in the sale of passports and diplomatic favors, such as the recognition of Abkhazia’s and South Ossetia’s independence in exchange for $50 million in aid from Russia in 2008 following Russia’s war with Georgia. Now, it’s tinkering with its role as a parking station for Australia’s unwanted immigrants—with mixed results for law and order and its international image.
Rafiq, a refugee from Afghanistan, works in the storage facility of Capelle & Partner, the only department store in Nauru. He was recently released into the community from the detention center and is one of a few refugees who has managed to find a job in a country.

Kids play in the Location Block.

People watch the arrival of an Our Airline plane from Brisbane, Australia, at Nauru International Airport. Our Airline is the only air company that connects Nauru with the rest of the world, it’s an official carrier of the asylum seekers that are detained in the detention center on the island.

Tewira, 19, left, and Lusia, 14, right, sit on the stairs in front of their family house in the Location Block. Their parents came to Nauru from Tarawa, Kiribati, looking for work and a better future for their children. Soon after Nauru started having economic problems in the early 2000s, they and many others lost their jobs.
In 2001, Nauru became Australia’s de-facto off-shore detention center. The center, initially intended for around 800 people, has now been operating for over 13 years and has housed up to 1,000 inmates, including families. Over the years, Nauru’s detention center has been mired in controversy, with frequent cases of self-harm, suicide attempts, and hunger strikes. People kept in the center for months after arrival are often live in tents, which have no air-conditioning and get unbearably hot in the tropical climate. Even pregnant women and children are housed in these conditions, and there are only eight toilets for the 400 people currently housed in the center.

Sadly, Nauru squandered its major resource and is en route to squandering what remains of its good name as well.