

GRADE 12

HISTORY

UNIT MODULE 12.3

PAPUA NEW GUINEA AS A NATION

SUB UNIT 1: SYSTEM OF GOVERNMENT

SUB UNIT 2: BOUGAINVILLE CONFLICT AND RESOLUTION

ACKNOWLEDGEMENTS

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DIANA TEIT AKIS

PRINCIPAL



Flexible Open and Distance Education
Papua New Guinea

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Papua New Guinea

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SECRETARY'S MESSAGE

Achieving a better future by individual students and their families, communities or the nation as a whole, depends on the kind of curriculum and the way it is delivered.

This course is a part of the new Flexible, Open and Distance Education curriculum. The learning outcomes are student-centred and allows for them to be demonstrated and assessed.

It maintains the rationale, goals, aims and principles of the national curriculum and identifies the knowledge, skills, attitudes and values that students should achieve.

This is a provision by Flexible, Open and Distance Education as an alternative pathway of formal education.

The course promotes Papua New Guinea values and beliefs which are found in our Constitution, Government Policies and Reports. It is developed in line with the National Education Plan (2005 -2014) and addresses an increase in the number of school leavers affected by the lack of access into secondary and higher educational institutions.

Flexible, Open and Distance Education curriculum is guided by the Department of Education's Mission which is fivefold:

- To facilitate and promote the integral development of every individual
- To develop and encourage an education system satisfies the requirements of Papua New Guinea and its people
- To establish, preserve and improve standards of education throughout Papua New Guinea
- To make the benefits of such education available as widely as possible to all of the people
- To make the education accessible to the poor and physically, mentally and socially handicapped as well as to those who are educationally disadvantaged.

The college is enhanced to provide alternative and comparable pathways for students and adults to complete their education through a one system, many pathways and same outcomes.

It is our vision that Papua New Guineans' harness all appropriate and affordable technologies to pursue this program.

I commend all those teachers, curriculum writers, university lecturers and many others who have contributed in developing this course.



UKE KOMBRA, PhD

Secretary for Education

STUDY GUIDE

Below are the steps to guide you in your course study.

- Step 1: Carefully read through each module. In most cases, reading through a lesson once is not enough. It helps to read something over several times until you understand it.
- Step 2: There is an instruction below each activity that tells you to check your answers. Turn to the marking guide found at the end of each module, and mark your own written answers against those listed under the **Answers to Activities**. Do each activity and mark your answers before moving on to the next part of the module.
- Step 3: After reading the summary of the unit module, start doing the Practice Exercise. Refer to the module notes. You must do only one practice exercise at a time.
- Step 4: Below each Practice Exercise, there is an instruction that says:

CHECK YOUR WORK. ANSWERS ARE AT THE END OF THE SUB UNIT.

Turn to the marking guide at the end of the topic, and mark your own written answers against those listed under the Answers to Practice Exercises.

- Step 5: When you have completed a practice exercise and marked your answers, go back to the module and correct any mistakes you may have made, before moving on to the next module.
- Step 6: Study the entire module following Steps 1, 2, 3, 4 and 5.

Here is a sample Study Timetable for you to use as a guide. Refer to it as a reminder of your study times.

Time	Monday	Tuesday	Wednesday	Thursday	Friday
8:00-10:00	FODE STUDY TIME				
10:00-11:00					
1:00-2:00					
2:00-4:00					
6:00-7:00					
7:00-9:00	Listen to or watch current affairs programmes. Write your diary, read a book.				

A timetable will help you to remember when you should be doing your FODE studies each day.



Time Frame

This unit should be completed within 10 weeks.

If you set an average of 3 hours per day, you should be able to complete the unit comfortably by the end of the assigned week.

Try to do all the learning activities and compare your answers with the ones provided at the end of the unit. If you do not get a particular exercise right in the first attempt, you should not get discouraged but instead, go back and attempt it again. If you still do not get it right after several attempts then you should seek help from a friend or your tutor. Do not pass any question without solving it first.

Sub unit 12.3: Papua New Guinea as a Nation

Module 3 Introduction

Like all the other nations of the world that had undergone colonialism and struggled to later become independent Papua New Guinea is no different. However, in many ways PNG was a lot more fortunate compared to many of these other countries.

In Unit 12.3 – ‘Papua New Guinea as a Nation’ you will go on to look at the political system of government that the country had adopted since becoming independent on the 16th of September, 1975. In addition, you will also study the “Home-grown Constitution” that PNG had taken on board that acts as the guide to govern this country. Not to mention the challenges that she encountered so far through her journey as a sovereign nation and how she managed these different situations.



Learning Outcomes

The students will be able to:

1. Identify and understand events, issues and forces that have shaped their cultural, social, political and economic heritage
2. Demonstrated an understanding of historical concepts and ideologies
3. Describe and explain the origin, development and impact of change on societies and nations
4. Analyse the role and impacts of significant historical themes, events and individuals within their societies and the world at large
7. Apply the historical skills of inquiry, observation, classification, recording and interpreting

Learning Indicators:

- Analyse the Preamble and selected sections of the National Constitution to develop an understanding of rights, responsibilities and obligations
- Ask relevant questions in relation to Papua New Guinea today
- Account for and assess differing historical and political interpretations of national issues
- Communicate an understanding, issues and aspects of governance, using appropriate and well-structured oral or written or multimedia forms
- Use key concepts to explain the development and course of the Bougainville Crisis
- Present research findings on the impact of globalisation, using historical conventions such as quotations, footnotes, bibliography
- Communicate an understanding of relevant concepts, features and issues using appropriate and well-structured oral, written and/or multimedia forms
- Debate aspects of good governance, using current examples sourced from the media
- Contrast two views about international aid: a modernisation view and a neo-colonialist or dependency view.

Abbreviation

AVA	Australian Veterinary Association
BIG	Bougainville Interim Government
BCL	Bougainville Copper Limited
BPA	Bougainville Peace Agreement
BSPC	Bougainville Special Political Committee
BTG	Bougainville Transitional Government
COE	Council of Elders
CRA	Conzinc Riotinto of Australia
CUSO	Canadian University Services Overseas
HMNZS Endeavour	Her Majesty's New Zealand Ship
JICA	Japan International Cooperation Agency
JSB	Joint Supervisory Body Meeting
LEDC	Less Economically Developed Countries
LLG SIP	Local Level Government Service Improvement Programmes
OLIPPAC	Integrity of Political Parties and Candidates Commission
OPEC	Organisation of the Petroleum Exporting Countries
PMG	Peace Monitoring Group
RMTLTF	Road Mine Tailings Lease Trust Fund
UNOMB	UN Observer Mission Bougainville
UNDP	United Nations Development Programme
UNPOB	UN Political Office in Bougainville
VSO	Volunteer Serving Overseas
WDA	Weapons Disposal Agreement

Sub topic 12.3.1.1: Democratic Constitution

In this sub topic we will discuss how Papua New Guinea has come a long way since gaining Independence on the 16th of September, 1975. Our government adopted the Westminster political model of government from one of our former colonisers-Great Britain.

As such we have a *Democratic Constitution* and so in this unit you will further learn more about it.

By the end of this sub topic, the students should be able to:

- define Democracy, Constitution, Commonwealth, sovereignty
- confidently describe the path used by Papua New Guinea to Identify and understand events, issues and forces that have shaped their cultural, social, political and economic heritage.
- describe and explain the origin, development and impact of change on societies and nations.
- discuss and explain what a parliamentary democracy, the National Goals and Directive Principals are.

Democracy

Democracy is a system of government in which people choose their own representatives through elections. It is a government by the whole population or all the eligible citizens of a state, through elected representatives. It can also be referred to as a parliamentary democracy.

At the most basic level, democracy is a type of government or political system ruled by citizens, people who are members of a society. In a democracy, citizens hold some level of power and authority, and they participate actively in the political, or decision-making, process of their government.

There are different types of democracies practiced in the world today. For instance, the government of Papua New Guinea follows the Westminster System based on the form of parliamentary democracy established in the United Kingdom.

There are two types of democracy: direct and representative levels of stability. Presidential democracies have lower levels of representation and higher levels of stability. There are more parliamentary democracies in the world than presidential. The USA, for instance, is the biggest presidential democracy in the world. They are not part of the Commonwealth. The prime minister is called the President.

Constitution

A Constitution is a nation's basic set of laws. Most nations with constitutions have them in written forms, such as the United States Constitution. The constitution of Britain, by contrast is an informal set of traditions based on several different laws.

Constitutional democracy

A system of government based on popular sovereignty in which the structures, powers, and limits of government are set forth in a constitution.

Countries that follow a constitutional democracy tend to have stable political systems. In addition the U.S., Great Britain, Ireland, Canada, Australia and New Zealand are all constitutional democracies.

Another main objective of a constitution or similar legal agreement is to offer an inclusive political system. Checks and balances are in place to ensure that the different branches of government remain as independent as possible from each other, while the opposition helps to keep the ruling party honest. In addition, citizens play an important role in a constitutional democracy as they have the power to elect and remove governments by the will of the majority. Elected politicians become representatives of the people in a given constituency. These include those people who voted for him and also those who did not vote for him. The elected leaders have to be accountable for their actions.

Now, read the Preamble. The Preamble is an introduction to the Papua New Guinea Constitution, and it states how we as a people are guided by law; and the directing principles we should follow to reach both our individual and national goals.

PREAMBLE

Adoption of Constitution

WE, THE PEOPLE OF PAPUA NEW GUINEA—

- united in one nation
- pay homage to the memory of our ancestors—the source of our strength and origin of our combined heritage
- acknowledge the worthy customs and traditional wisdoms of our people—which have been handed down to us from generation to generation
- pledge ourselves to guard and pass on to those who come after us our noble traditions and the Christian principles that are ours now.

By authority of our inherent right as ancient, free and independent peoples

WE, THE PEOPLE, do now establish this sovereign nation and declare ourselves, under the guiding hand of God, to be the Independent State of Papua New Guinea.

AND WE ASSERT, by virtue of that authority that all power belongs to the people—acting through their duly elected representatives.

- that respect for the dignity of the individual and community interdependence are basic principles of our society
- that we guard with our lives our national identity, integrity and self-respect
- that we reject violence and seek consensus as a means of solving our common problems that our national wealth, won by honest, hard work be equitably shared by all.

WE DO NOW THEREFORE DECLARE

that we, having resolved to enact a Constitution for the Independent State of Papua New Guinea

AND ACTING through our Constituent Assembly on 15 August 1975

HEREBY ESTABLISH, ADOPT and GIVE TO OURSELVES this Constitution to come into effect on

Independence Day, that is 16 September 1975.

IN SO DOING WE, THE PEOPLE OF PAPUA NEW GUINEA, SET BEFORE OURSELVES THESE NATIONAL GOALS AND DIRECTIVE PRINCIPLES THAT UNDERLIE OUR CONSTITUTION:–

National Goals and Directive Principles

WE HEREBY PROCLAIM the following aims as our National Goals, and direct all persons and bodies, corporate and unincorporate, to be guided by these our declared Directives in pursuing and achieving our aims:–

1. Integral human development

We declare our first goal to be for every person to be dynamically involved in the process of freeing himself or herself from every form of domination or oppression so that each man or woman will have the opportunity to develop as a whole person in relationship with others.

WE ACCORDINGLY CALL FOR–

- (1) everyone to be involved in our endeavours to achieve integral human development of the whole person for every person and to seek fulfilment through his or her contribution to the common good; and
- (2) education to be based on mutual respect and dialogue, and to promote awareness of our human potential and motivation to achieve our National Goals through self-reliant effort; and
- (3) all forms of beneficial creativity, including sciences and cultures, to be actively encouraged; and
- (4) improvement in the level of nutrition and the standard of public health to enable our people to attain self-fulfilment; and
- (5) the family unit to be recognized as the fundamental basis of our society, and for every step to be taken to promote the moral, cultural, economic and social standing of the Melanesian family; and
- (6) development to take place primarily through the use of Papua New Guinean forms of social and political organisation.

2. Equality and participation

We declare our second goal to be for all citizens to have an equal opportunity to participate in, and benefit from, the development of our country.

WE ACCORDINGLY CALL FOR–

- (1) an equal opportunity for every citizen to take part in the political, economic, social, religious and cultural life of the country; and
- (2) the creation of political structures that will enable effective, meaningful participation by our people in that life, and in view of the rich cultural and ethnic diversity of our people for those structures to provide for substantial decentralization of all forms of government activity; and

(3) every effort to be made to achieve an equitable distribution of incomes and other benefits of development among individuals and throughout the various parts of the country; and

(4) equalisation of services in all parts of the country, and for every citizen to have equal access to legal processes and all services, governmental and otherwise, that are required for the fulfilment of his or her real needs and aspirations; and

(5) equal participation by women citizens in all political, economic, social and religious activities; and

(6) the maximisation of the number of citizens participating in every aspect of development; and

(7) active steps to be taken to facilitate the organisation and legal recognition of all groups engaging in development activities; and

(8) means to be provided to ensure that any citizen can exercise his personal creativity and enterprise in pursuit of fulfilment that is consistent with the common good, and for no citizen to be deprived of this opportunity because of the predominant position of another; and

(9) every citizen to be able to participate, either directly or through a representative, in the consideration of any matter affecting his interests or the interests of his community; and

(10) all persons and governmental bodies of Papua New Guinea to ensure that, as far as possible, political and official bodies are so composed as to be broadly representative of citizens from the various areas of the country; and

(11) all persons and governmental bodies to endeavour to achieve universal literacy in Pisin, HiriMotu or English, and in “tokples” or “ita eda tano gado”; and

(12) recognition of the principles that a complete relationship in marriage rests on equality of rights and duties of the partners, and that responsible parenthood is based on that equality.

3. National sovereignty and self-reliance

We declare our third goal to be for Papua New Guinea to be politically and economically independent, and our economy basically self-reliant.

WE ACCORDINGLY CALL FOR—

(1) our leaders to be committed to these National Goals and Directive Principles, to ensure that their freedom to make decisions is not restricted by obligations to or relationship with others, and to make all of their decisions in the national interest; and

(2) all governmental bodies to base their planning for political, economic and social development on these Goals and Principles; and

(3) internal interdependence and solidarity among citizens, and between provinces, to be actively promoted; and

(4) citizens and governmental bodies to have control of the bulk of economic enterprise and production; and

(5) strict control of foreign investment capital and wise assessment of foreign ideas and values so that these will be subordinate to the goal of national sovereignty and self-reliance, and in particular for the entry of foreign capital to be geared to internal social and economic policies and to the integrity of the Nation and the People; and

(6) the State to take effective measures to control and actively participate in the national economy, and in particular to control major enterprises engaged in the exploitation of natural resources; and

(7) economic development to take place primarily by the use of skills and resources available in the country either from citizens or the State and not in dependence on imported skills and resources; and

(8) the constant recognition of our sovereignty, which must not be undermined by dependence on foreign assistance of any sort, and in particular for no investment, military or foreign-aid agreement or understanding to be entered into that imperils our self-reliance and self-respect, or our commitment to these National Goals and Directive Principles, or that may lead to substantial dependence upon or influence by any country, investor, lender or donor.

4. Natural resources and environment

We declare our fourth goal to be for Papua New Guinea's natural resources and environment to be conserved and used for the collective benefit of us all, and be replenished for the benefit of future generations.

WE ACCORDINGLY CALL FOR—

(1) wise use to be made of our natural resources and the environment in and on the land or seabed, in the sea, under the land, and in the air, in the interests of our development and in trust for future generations; and

(2) the conservation and replenishment, for the benefit of ourselves and posterity, of the environment and its sacred, scenic, and historical qualities; and

(3) all necessary steps to be taken to give adequate protection to our valued birds, animals, fish, insects, plants and trees.

5. Papua New Guinean ways

We declare our fifth goal to be to achieve development primarily through the use of Papua New Guinean forms of social, political and economic organisation.

WE ACCORDINGLY CALL FOR—

(1) a fundamental re-orientation of our attitudes and the institutions of government, commerce, education and religion towards Papua New Guinean forms of participation, consultation, and consensus, and a continuous renewal of the responsiveness of these institutions to the needs and attitudes of the People; and

(2) particular emphasis in our economic development to be placed on small-scale artisan, service and business activity; and

(3) recognition that the cultural, commercial and ethnic diversity of our people is a positive strength, and for the fostering of a respect for, and appreciation of, traditional ways of life and culture, including language, in all their richness and variety, as well as for a willingness to apply these ways dynamically and creatively for the tasks of development; and

(4) traditional villages and communities to remain as viable units of Papua New Guinean society, and for active steps to be taken to improve their cultural, social, economic and ethical quality.

Basic Rights

WE HEREBY ACKNOWLEDGE that, subject to any restrictions imposed by law on non-citizens, all persons in our country are entitled to the fundamental rights and freedoms of the individual, that is to say, the right, whatever their race, tribe, places of origin, political opinion, colour, creed or sex, but subject to respect for the rights and freedoms of others and for the legitimate public interest, to each of the following:–

- a. life, liberty, security of the person and the protection of the law; and
- b. the right to take part in political activities; and
- c. freedom from inhuman treatment and forced labour; and
- d. freedom of conscience, of expression, of information and of assembly and association; and
- e. freedom of employment and freedom of movement; and
- f. protection for the privacy of their homes and other property and from unjust deprivation of property,
- g. and have accordingly included in this Constitution provisions designed to afford protection to those rights and freedoms, subject to such limitations on that protection as are contained in those provisions, being limitations primarily designed to ensure that the enjoyment of the acknowledged rights and freedoms by an individual does not prejudice the rights and freedoms of others or the legitimate public interest.

Basic Social Obligations

WE HEREBY DECLARE that all persons in our country have the following basic obligations to themselves and their descendants, to each other, and to the Nation:–

- (a) to respect, and to act in the spirit of, this Constitution; and
- (b) to recognise that they can fully develop their capabilities and advance their true interests only by active participation in the development of the national community as a whole; and
- (c) to exercise the rights guaranteed or conferred by this Constitution, and to use the opportunities made available to them under it to participate fully in the government of the Nation; and
- (d) to protect Papua New Guinea and to safeguard the national wealth, resources and environment in the interests not only of the present generation but also of future generations;

and

(e) to work according to their talents in socially useful employment, and if necessary to create for themselves legitimate opportunities for such employment; and

(f) to respect the rights and freedoms of others, and to co-operate fully with others in the interests of interdependence and solidarity; and

(g) to contribute, as required by law, according to their means to the revenues required for the advancement of the Nation and the purposes of Papua New Guinea; and

(h) in the case of parents, to support, assist and educate their children (whether born in or out of wedlock), and in particular to give them a true understanding of their basic rights and obligations and of the National Goals and Directive Principles; and

(i) in the case of the children, to respect their parents.

IN ADDITION, WE HEREBY DECLARE that all citizens have an obligation to themselves and their descendants, to each other and to the Nation to use profits from economic activities in the advancement of our country and our people, and that the law may impose a similar obligation on non-citizens carrying on economic activities in or from our country.

Papua New Guinea:

Constitution

Status: Monarchy under Queen Elizabeth II

Legislature: National Parliament of Papua New Guinea

Independence: 16 September 1975

Papua New Guinea is a constitutional monarchy recognising Queen Elizabeth II as head of state, represented by a Governor-General who is nominated by parliament and serves for a term of six years. Government is by parliamentary democracy, with a unicameral National Parliament of 111 members (increased from 109 before the 2012 general election). Elections are held every five years, with universal adult suffrage. After a general election parliament elects a Prime Minister who heads the national government. Parliament can only hold votes of no confidence in the Prime Minister when more than 18 months has elapsed since an election and there are at least 12 months before a new election is due.

PNG Constitution Home-Grown

Somare introduced the issue of the development of a Constitution, saying:

It is important that the fullest consideration be given to the type of future government we shall have. It is for our people that a constitution will be made. It is our people who shall have to live under the system of government that is established. We must ensure, therefore, that the constitution is suited to the needs and circumstances of Papua New Guinea and is not imposed from outside. In short it should be a home-grown constitution.

(Baing, 2014, pp. 232)

In 1972 the House established a Constitutional Planning Committee (CPC) to assist in writing the constitution. Michael Somare was the chairman and Fr. John Momis his deputy.

In August the committee visited provincial centres to gauge the views of the people. In a number of areas there were people who sought a measure of local autonomy in the form of associations as independence drew near. The most important of these groups were in Bougainville, East New Britain, Central District, and Milne Bay Provinces. Some people in Bougainville had violently opposed the exploitation of their resources since 1964 and threatened to secede from the rest of Papua and New Guinea. From 1950 onwards Tolais rejected a multi-racial council which was set up by the coloniser. They established the Mataungan Association and broadened their opposition to include restoration of their land that had been alienated to establish European owned plantations. These conflicts died down after Independence. Papua Besena was a separatist's movement for Papuans who wanted to protect their own identity. In the Trobriand Islands the Kabisawali Association opposed the local government council which led to rivalry amongst the clans. Both the Kabisawali and Besena movements faded from the political scene as Papua New Guinea approached independence.

While most women in Papua New Guinea played little part in Western political affairs, there were influential women in three of these separatist movements. In Bougainville women were heavily involved in violent protests against mining activities; in East New Britain some Tolai women were vocal in their support for independence for the region; and the Papua Besena movement was led by Josephine Abaijah, who organised strong local support, and in 1972 became the first woman to be elected to the House of Assembly.

Somare hastened the process of self-government and independence by engaging in negotiations with the Australian Prime Minister, Gough Whitlam, which pre-empted the final recommendations. In spite of the strength of the CPC, Somare showed that he was capable of taking decisive action and had emerged as a young and articulate leader.

In 1973 the House of Assembly approved the transfer of power from the Commonwealth of Australia to the self-governing nation of Papua New Guinea.

Read below an interview by Serah Aupong on EM TV on the 16 of September 2015.

PNG Constitution Home-Grown, Strong

Three Papua New Guinean politicians have described the Constitution of Papua New Guinea as a pillar of strength for the country.

The three were interviewed by EMTV production for its 40th Independence anniversary special.

Two of them were members of the Constitutional Planning committee, they all say the strength of the Constitution lies in the fact that it was home grown.

Sir John Kaputin

Sir John Kaputin was one of the 15 people who were given the task of putting together the constitution of Papua New Guinea.

He described the wide consultation of "some 400 meetings throughout the country" as a blessing that contributed to the report of the CPC which formed the foundation of PNG's

National Constitution.

Kaputin spoke with pride about a document that was produced by Papua New Guineans, which was drafted to guide the progress of a new nation.

“I think it’s unique in that sense it was not written for us by Australia or like in Africa the constitution was written in London, no,” Sir John Kaputin said.

The strength of this constitution has been put to the test on various occasions as PNG struggles with the challenges of developing towards a modern society.

Sir Julius Chan

One of those times was the ‘Sandline Crisis’ which occurred during the height of the Bougainville Conflict.

It was 1997; when the conflict on Bougainville was running into its tenth year. Sir Julius Chan was then Prime Minister.

His government’s decision to hire mercenaries to assist the PNG Defence Force in this conflict created a controversy.

Sir Julius said he made a decision as the Chief Executive Officer (CEO) of PNG and he faced the consequences of that decision.

“Sandline was something I think that the authority of the government, the constitution prevailed. The sovereignty of the Constitution prevailed,” Sir Julius Chan said of that time.

Dame Carol Kidu

Fourteen years later the Constitution would once again be put to the test on another political matter.

Dame Carol Kidu was part of the government at the time of the 2011 political impasse.

“The thing I was screaming at the floor of parliament was, respect the Constitution. I didn’t necessarily think I was part of a brilliant government, all governments have good and bad but I was saying respect the Constitution, it’s what holds us together,” Dame Carol said.

Dame Carol says PNG has a lot to celebrate at its 40th Independence anniversary and the Constitution is something that should be celebrated.

The Westminster System of Parliamentary Government

The Westminster System is a democratic political system of government modelled after that of the United Kingdom, as used in the Westminster Palace, the location of the UK parliament. The system is a series of conventions and procedures for operating a legislature (governing body). It is used, or was once also used, in most Commonwealth and ex-Commonwealth nations. There are other parliamentary systems, for example those of various European countries, whose procedures differ greatly from the Westminster system.

Aspects of the Westminster system include:

- i. a head of state, who is different from the head of government, and who may possess reserve powers, which are not normally exercised, and whose role is largely ceremonial. In most countries, this is either a monarch or a representative of the monarch (e.g. Governor General), or a president;

- ii. a head of government (usually called the Prime Minister or Premier or First Minister) who is appointed by the head of state, but who, by agreement, must have the support of the majority of the Members of Parliament;
- iii. an executive branch, usually called the Cabinet, made up of Members of the legislature and led by the head of government;
- iv. the presence of opposition parties;
- v. an elected legislature, or a system in which one house is elected and the other appointed, although in some countries with **bicameral** systems, both Houses are elected;
- vi. the confidence convention, by which the lower House can dismiss a government by either withholding Supply (not passing the budget) or via a vote of non-confidence (either by passing a motion of non-confidence or defeating some other measure which was deemed a matter of confidence);
- vii. parliamentary privilege, which allows the legislature to discuss any issue deemed by itself to be relevant, without fear.
- viii. a parliament which can be dissolved and elections called at any time, even when there exists fixed election dates.

Most of the procedures of the Westminster system originated with the conventions, practices and standards of the UK parliament, which are a part of what is known as the British constitution. Unlike the UK, most countries which use the Westminster system have **codified** the system in a written constitution. However, convention, practices and standards continue to play a significant role in these countries, as many constitutions do not specify important elements of procedure: for example, older constitutions using the Westminster system (e.g. Canada's) may not even mention the existence of a head of government or Prime Minister.

Operation

The pattern of executive functions within a Westminster System is complex. The head of state exercises a largely ceremonial role, even though they are the **de jure** source of executive power. The head of state does not normally exercise their executive powers; rather, these powers are exercised in their name by the head of government (Prime Minister), the Cabinet and other junior ministers. For example, in the UK, the Queen ideally holds executive authority, even though the Prime Minister and the Cabinet effectively implement executive powers. In a parliamentary republic like India, the President is the **de jure** executive, even though executive powers are basically brought about by the PM and his Council of Ministers.

In a Westminster system, some members of parliament are elected by popular vote, while others may be appointed. The head of government is usually chosen by being invited to form a government by the head of state or the representative of the head of state (e.g. the Governor General), not by parliamentary vote.

The head of government, usually called the Prime Minister, must be able to either control a majority of seats within the **lower house**, or to ensure the existence of no **absolute majority** against his or her government. If the parliament passes a motion of no confidence or if the government fails to pass a major bill such as the budget, then the government must either resign, so that a different government can be appointed, or seek a parliamentary **dissolution** so that new elections may be held in order to re-confirm or deny their **mandate**. In bicameral rules, government is formed in the lower house alone. Although the dissolution of the

legislature and the call for new elections is formally done by the head of state, by agreement the head of state acts according to the wishes of the head of government.

Cabinet Government

Members of the Cabinet are collectively seen as responsible for government policy. All Cabinet decisions are normally made by **consensus**. All ministers, whether senior and in the Cabinet, or junior ministers, must support the policy of the government publicly regardless of any private doubts. A cabinet member may be forced to resign, or may choose to resign, if they oppose one aspect of a government's agenda. The power to appoint ministers to the Cabinet – and to dismiss them – is perhaps the single most powerful constitutional power which a Prime Minister has in the political control of the Government in the Westminster system.

Linked to Cabinet government is the idea, that ministers are responsible for the actions of their departments. It is no longer considered to be an issue of resignation if the actions of members of their department, over whom the minister has no direct control, make mistakes or formulate procedures which are not in accordance with agreed policy decisions. One of the major powers of the Prime Minister under the Westminster system is to be the arbitrator of when a fellow minister is accountable for the actions of his or her department.

The Official Opposition and other major political parties not in the Government will mirror the governmental organisation with their own Shadow Cabinet made up of Shadow Ministers.

Consequences

The Westminster system is characterised by the presence of well-disciplined legislative parties in which it is highly unusual for a legislator to vote against their own party, whether they are part of the governing party or an opposition party, and in which no-confidence votes are very rare occurrences, usually occurring only during times of minority government. Also, Westminster systems tend to have strong cabinets. Conversely, legislative committees in Westminster systems tend to be weak, though they often have the ability to force a government to reveal certain pieces of information.

Ceremonies and Traditions

Parliaments using the Westminster system are greatly influenced by, and continue to follow many very ancient British customs. A Westminster-style parliament is usually a long, rectangular room, with rows of seats or desks on either side. The chairs are positioned so that the two sides are facing each other. The intended purpose of this arrangement is to create a visual representation of the adversarial nature of parliamentary government. Traditionally, the opposition parties sit on the side to the left of the Speaker, and the government party will sit to the Speaker's right.

At one end of the room sits a large chair, for the Speaker of the House. The Speaker usually wears a black robe, and in many countries, a wig. Robed parliamentary clerks often sit at narrow tables between the two rows of seats.

Other ceremonies sometimes associated with the Westminster system include an annual Speech from the Throne (or equivalent) in which the Head of State gives a special address (written by the government) to parliament about what kind of policies to expect in the coming year, and lengthy State Opening of Parliament ceremonies that often involve the presentation of a large ceremonial mace carried by the Sergeant-at-Arms.

Now read the summary.

Summary

- There are different types of democracies practiced in the world today.
- The government of Papua New Guinea is a Constitutional Parliamentary democracy and a commonwealth member of the Commonwealth of Nations.
- Democracy is a government by the people for the people.
- Democratic Governance can be understood as the capacity of a society to define and establish policies and resolve their conflicts peacefully within the existing legal order.
- A Constitution is nation’s fundamental set of laws.
- Constitutional democracy is a system of government based on popular sovereignty in which the structures, powers, and limits of government are set forth in a Constitution.
- The Westminster is a democratic system of government modelled after that of the United Kingdom. The system is a series of conventions and procedures for operating a legislature.

Now do Activity.



Activity 12.3.1.1

1. Explain how and why Papua New Guinea’s Constitution is home-grown.

2. Explain in your own words the term democracy.

3. What makes PNG a democratic country?

4. (a) Outline the aspects of the Westminster political model.

(b) Compare and contrast Papua New Guinea’s system of government to the Westminster political system.

Check your answers at the end of subunit 12.3.1

Sub topic 12.3.1.2: Political Party System

In the last sub topic we studied the Democratic Constitution that Papua New Guinea had adopted since becoming independent. Now you will go on to look at the Political Party System that we have within Papua New Guinea.

By the end of this sub topic, the students should be able to:

- Define political party, party system, OLIPPAC
 - Discuss and describe the different types of political parties that exist
 - Identify and list these different political parties and their leaders
 - Explain the importance of the office of OLIPPAC
-

Political party is basically a group of persons organised to acquire and exercise political power. Political parties originated in their modern form in Europe and the United States in the 19th century, along with the electoral and parliamentary systems, whose development reflects the evolution of parties. The term *party* has since come to be applied to all organised groups seeking political power, whether by democratic elections or by revolution.

A **party system** is a concept relative to political science concerning the system of government by political parties in a democratic country.

There are different types of party systems:

- **One Party system** – is a government/parliament that is made up of a single usually powerful political party. This is common in countries that have a dictator. For example Germany prior to WWII when the Nazis Party was in control with Hitler as their leader. Any and all other political party opponents were crushed.
- **Two –party system** – is a government that is made up of a coalition between two political parties whose members combined make up the numbers required being in power. For example in PNG back in the early days had formed the government with a coalition between Pangu Pati and the Peoples Progress Party (PPP)
- **Multi-party system** – this is when the government/parliament is formed by three or more political parties whose candidates win elections. For example, the O’Neill – Dion government Of 2012 – 2017.
- **Dominant-party system** – this is when the government/parliament is formed by the leading party most of whose members win the election and thus, dominate the forming of government. The leader of the dominant party usually becomes the Prime Minister. For example, the PNC was dominant in the 2012 National Elections as a result Peter. O’Neil being the party leader became the Prime Minister.

PNG Political Parties

Politics in Papua New Guinea is a very complicated issue and most times very costly as well. In the last decade since PNG gained independence, politics has evolved and developed around a framework of a parliamentary representative democracy multi-party system, whereby the Prime Minister is the head of government.

In Papua New Guinea there are well over 30 political parties. In the 2012 elections, around 32 parties contested the National Elections out from these, 13 political parties formed the government. Papua New Guinea has a multi-party system with numerous political parties. As a result since independence no one party has ever had the chance of dominating power and gaining the absolute majority after elections to form government. Thus, members of these different political parties must work with each other to form **coalition** governments.

Given below are six examples of PNG political parties during the 2012 National Elections.



1. Mama Papa Graun Pati – Peter Donigi (21 candidates)
2. People’s National Congress Party – Peter O’Neill (89 candidates)
3. PANGU Pati – Sam Basil (60 candidates)
4. New Generation Party – Bart Philemon (26 candidates)

Importance of the OLIPPAC

The OLIPPAC was amended in 2003. It has three general sections which are aimed at institutional strengthening. First, an attempt was made to regulate the existence and activities of political parties and oversee the relationship between parties and Members of Parliament (MPs). Political parties were to be registered with the Office of the Registrar of Political Parties, subsequently renamed the Integrity of Political Parties and Candidates Commission (OLIPPAC). Each party was required to have registered members and elected officials to perform specified duties. Provisions in the OLIPPAC enabled parties to merge and MPs who were elected as independents to join parties.

Secondly, the OLIPPAC attempted to regulate MPs’ relationships with political parties. Constant changes in MPs’ party affiliations had been a problem affecting the cohesion of parties and continuity of governments. From independence in 1975 until the 2002–2007 parliaments, no prime minister had served out a full five-year term. Perhaps the most important provision in the law was that it stipulated was that an MP’s vote on the choice of a prime minister after an election was legally binding for the duration of that parliamentary term. MPs endorsed by political parties were obliged to vote for the prime ministerial candidate chosen by their

respective party. However, Independent MPs were required to maintain their support to the candidate for whom they voted unless they had joined a party, in which case the party's choice now took precedence over the individual's choice. The legal commitment to a prime minister in a vote of no confidence extended to other important issues, including supporting the prime minister in a vote on the budget or a constitutional amendment.

Thirdly, there were provisions in the OLIPPAC to regulate funding of political parties. Annual budgetary allocations were to be made by the government as well as contributions from the public, both citizens and non-citizens. Incentives were also included to encourage parties to sponsor female candidates, provided they received at least 10 per cent of the total ballots cast.

Developments under the OLIPPAC: 2001–2010

Evidence to date suggests that the impact of the OLIPPAC was mixed. Some of the outcomes from the organic law were contrary to those anticipated. Two developments are notable. First, there was an element of predictability with regard to choosing the party that was given the first opportunity to form a coalition government after the 2002 and 2007 national elections. The effect of Section 63 of the OLIPPAC was that the National Alliance, with the largest number of endorsed candidates elected in both the 2002 and 2007 national elections, was invited by the Governor-General to form the government. This was in contrast to government formation in the past, where coalition governments were formed according to parties that were most successful in wheeling and dealing.

The principal factors deciding the composition of governments by 1997 were the use of threats, bribery, and activities such as locking up newly elected MPs in hotels and houses under armed guards. The Papua New Guinea and Australian public saw on television what was believed to have happened behind closed doors when a surveillance tape surfaced showing Skate and a cabinet colleague discussing pay-offs soon after the formation of his government. The National Alliance and Michael Somare had meetings with potential coalition parties after the 2002 and 2007 elections. These were not the typical post-election meetings seen before the OLIPPAC was introduced. Somare as the party leader of the National Alliance was at centre stage. He had no rivals outside his own party (in 2002 some members of the National Alliance were urging Somare to step aside and allow a new party leader to take over).

However, Section 63(1) of the OLIPPAC, which refers to the invitation of the party with the most elected endorsed candidates to form a government, has been questioned. The argument is that the leader of the biggest party (i.e. the likely prime minister) may not necessarily be the best person for the post of prime minister. The pre-independence (1972) election of Michael Somare as chief minister was a case in which a party (Pangu Pati) with fewer seats in parliament than the conservative United Party offered a leader capable to lead the country. It is hard to imagine, however, that the feat of Somare in the early 1970s could be repeated today when money politics has become entrenched.

Secondly, the Somare government that was formed in 2002 became the first in Papua New Guinea's post-independence history to serve a full five year parliamentary term. Serious instability was demonstrated, proving that the OLIPPAC was disregarded for one reason or another. During much of 2003 Somare tried in vain to extend the grace period from 18 to 36 months. Some of Somare's key allies in the government were bitterly opposed to the extension of the grace period, an act that required an amendment to the National Constitution. They were at the same time engaged in dialogue with members of the Opposition to topple the Prime Minister in a vote of no confidence. After failing to acquire a large coalition from both

sides of the House, Somare sacked a coalition party and several ministers for disloyalty. What followed was confusing movements of parties and individual MPs between the government and the Opposition, leading to some ministers who were initially sacked were reinstated. Subsequently, Somare resorted to adjourning parliamentary sittings and cabinet reshuffles, to remain a step ahead of his opponents. It was strongly rumoured that cash and kind were used to induce support for the government. In all, the ruthless tactics of survival that governments used before the OLIPPAC were still being invoked when necessary.

Continuity or Change

Political Parties and Independent members under the OLIPPAC have pointed out that there were early encouraging signs from the implementation of the OLIPPAC. One set of data used to suggest a positive development was what appeared to be a reduction in the number of political parties during the 2002–2007 parliamentary terms. In relation to both the OLIPPAC and the limited preferential voting system (LPV), political stability has increased significantly following the introduction of the new laws. It is difficult to ascertain whether any element of political stability between 2002 and 2007 was the result of the two laws. In fact, results from the 2007 national elections do not give a clear demonstration that the OLIPPAC and the limited preferential voting system have made any significant difference (for a general observation of the 2007 national elections, see May 2008). The number of parties and independent members, (as discussed below), showed continuity with the past.

More generally, it is difficult to substantiate claims that political stability and the achievement of a first five-year term government resulted from the OLIPPAC. Other factors were in play.

The use of money to purchase political support, for instance, could have ensured continuity of a government for five years. Between 2002 and 2007, there were five deputy prime ministers, several cabinet reshuffles, ministers were sacked and parties were divided. This was hardly a sign of political stability.

Political Parties

It was expected that, over time, the OLIPPAC would reduce the number of political parties. In analysing trends, it is important that two factors are kept in mind. First, it may well be too soon to expect tangible results from a law that is expected to change the behaviour of elected representatives. To some degree of success has been claimed. The reduction of political parties 'from 42 in 2001 to 15 in 2004' demonstrates the intended impact of the OLIPPAC. Secondly, a distinction has to be made between the number of registered parties and the number of parties that win seats at the polls.

In 2002, 43 political parties were registered and contested the national elections; 21 of these registered parties won at least one seat in the 109-member parliament. Section 52 of the OLIPPAC allows for the merge of political parties, which can reduce the number of parties. Initially some major parties rose to prominence after the 1968 national elections, either in support of immediate independence for Papua New Guinea or to delay the process to allow 'adequate development' in the interior parts of mainland New Guinea. The number of parties remained steady until there was a spurt in the growth of parties by the late 1980s. Some of the smaller parties originally contested national elections while others rose from the floor of parliament.

A smaller party was easier to manoeuvre to join different parliamentary factions. With smaller parties switching between bigger parties, in the manner of loose independent MPs, it was

difficult to identify their belief and what they stood for. There was an increase of small parties in the lead up to the 2002 national elections. The cycle repeated itself when 34 political parties registered to contest the 2007 national elections. At the end of counting, 21 parties had won parliamentary seats, six of them as single-member parties and another three parties with two members each. As of November 2010 only two parties have disappeared from parliament, bringing the total number down from 21 to 19, including six one-member and three two-member parties.

Political parties had to merge to comply with the OLIPPAC. The creation and disappearance of political parties on the floor of parliament in the 1980s and 1990s, is no different from today because the existence of parties is guided by other factors. They can be motivated by money, values they stand by, a desire to be independent from big parties, the fear of association with maligned parties and MPs, or other reasons.

Another aspect of merging is what can be seen in the growth in membership of the National Alliance, the main party in the 2007–2011 coalition government, which had 39 MPs towards the end of 2010, 28 members more than the United Resources Party. What is known as ‘money politics,’ or the use of money to persuade favourable outcomes, has a large impact in Papua New Guinea, especially before general elections.

Independents

It was thought that the OLIPPAC offered incentives that would reduce the number of independent candidates and independent MPs. Apart from candidates who run under party labels solely for financial reasons; there is little incentive for individuals to value party membership at the electorate level. People’s ballot choices still depend on factors other than parties, such as candidates’ personality, local identification or ethnicity, Melanesian ‘big-man’ status, or even promises of projects and outright payments for votes. These factors were still definite in the by-elections that took place after the 2002 national election, that were held under the newly introduced limited preferential voting system.

Some independent candidates had specific reasons to elicit goods and services for their respective electorates therefore remaining as independent. Being an Independent candidate she/he became less popular than the candidates belonging to a political party after the late 1980s and early 1990s. The drop in the number of independent candidates in 2002 is also intriguing in that it happened in the year when the total number of candidates was the highest ever for the country — 2,878, which were 507 more than 1997 and 118 more than 2007. More candidates were willing to run for political parties in 2002, the last first-past-the-post election.

This electoral system saw the effective use of ‘dummy’ candidates, secretly supported by candidates in the strongholds of their main rivals in the hope of luring votes away from their rivals. Such dummy candidates often ran as independents. Article 54 of the OLIPPAC prevents parties from multiple endorsements of candidates in a single electorate. It may be that many of the candidates who would have contested under parties in the past saw a need to register their own political parties, and that some candidates who contested as independents were actually aligned with a party but could not reveal their association for fear of flouting the OLIPPAC, or for other reasons.

Contesting elections in more recent times has become an expensive exercise for many candidates and political parties. Another reason could be that many candidates were not sure

what their status would be under the OLIPPAC as independent candidates. The law was introduced with much fanfare and it generated a lot of discussion as well as confusion. To be on the safe side, it was best for candidates to avoid independent candidacy and either join existing political parties or register under newly created parties.

Another aspect of being an independent candidate has to do with the drop in the number of independent MPs in parliament as they decide to join political parties. Referring to the 2002–2007 parliamentary term, 17 independents members won seats in 2002 but were then reduced in number to 2 candidates by 2005 as the other 15 joined political parties. Twenty-one successful independent candidates entered parliament in August 2007. This figure had dropped to 9 in November 2010 according to the Office of the Registrar of Political Parties and Candidates. A few MPs remain independent because they choose not to be swayed by the attractions that come with ministries or government assignments.

National Capital District Governor Powes Parkop stated after his 2007 election victory that a decision to join a political party would depend on the quality of a party's leadership. He is one of nine independent MPs as of November 2010. Secondly, it has long been common for successful independent candidates to join political parties after they enter parliament.

Vote of No Confidence

Votes of no confidence, in theory, constitute the 'safety valve' that releases political pressure during crises instead of other practices that may compromise the spirit and practice of parliamentary democracy and the ethos of good governance. Papua New Guinea governments have often been affected by threats of no confidence motions as well as actual votes. A grace period exists during which a current government's leadership cannot be challenged. Initially after independence, the grace period was six months after an election; this was extended in 1991 to 18 months. Prime Minister Somare tried unsuccessfully to push for a further extension to 36 months after his coalition got into power in 2002.

The Papua New Guinea system of government allows for a change of government and leadership through a vote of no confidence, without having an election. This was used for the first time in 1980. It means that a majority of members vote to show they no longer have confidence in the leader of government and want to change leaders.

There have been cases where an actual or threatened vote of no confidence was instrumental in changing governments as was the case when Bill Skate resigned from the prime ministership in 1999 rather than face certain defeat on the floor of parliament the following day. A way had to be found to minimise the use and abuse of the vote of no confidence after the grace periods. The OLIPPAC in that regard was designed to 'fight fire with fire'.

The adoption of the OLIPPAC in 2001 looked at how best to address the issue of no confidence motions. Part I of the OLIPPAC (see Appendix 1) refers to the vote of no confidence which covered the grounds for MPs voting and abstaining. The MPs had to devise how they would behave within the confines of the OLIPPAC.

In observation, it would have been better for the OLIPPAC not to restrict the use of the vote of no confidence. It was better to have regular changes of government for whatever reasons than to face the prospect of having unpopular governments in power for extended periods of time. A

better option would have been to consider alternative approaches to the vote of no confidence outside the OLIPPAC.

Tyranny

As a consequence of abusing the powers within the OLIPPAC, there is a possibility of one political party becoming greedy and violating the by-laws setup to monitor and guide political parties. Such actions will lead to the country being run by a dictator who could process an unrestrained exercise of power such as tyranny.

There were two trends that were very visible at the time the OLIPPAC was drafted:

- (1) The heavy dominance of the executive arm over the legislature, and
- (2) the ever-increasing intrusion of money politics.

A UNDP study conducted in 2003 identified a number of areas of parliament that required urgent reform so that parliamentary business could be conducted with purpose and vibrancy. One of the areas identified was the dilemma of a weakened opposition and the need to improve the role of the legislature. Parliament at that time was considered a rubber stamp, used to usher in policies and directives by the government of the day.

There have been 109 seats in the unicameral parliament since the first post-independence election took place in 1977. The national population has doubled since then, from about three million to over seven million, and the demands placed on elected representatives have increased. The election of the Speaker is the first item on the agenda for the new parliament and whoever secures the support of at least 55 members (a simple majority) out of the remaining 109 MPs seem to control the government. This was already the case during the drafting of the OLIPPAC. Rather than having the prime minister seek and renew his leadership mandate on the floor of parliament, the OLIPPAC virtually accorded him a five-year lease of the post. The situation is further intricate if the Speaker of Parliament fails to maintain fairness, especially if he is supported by the government.

Money Politics

Financial incentive, for the personal use of MPs or for projects in constituencies, was rife in Papua New Guinea well before the OLIPPAC. A vote for the prime minister was seen to have a price tag on it. Other government changes in the late 1980s and 1990s involved exchanges in huge amounts of money, and governments have been sustained by money.

If money politics existed before the OLIPPAC, there was a danger that restriction on the movement of MPs could further establish problems of corruption, nepotism and general maladministration of public institutions. The former Treasury Minister Bart Philemon when dismissed from the Somare government in 2006 stated that his removal was due to his refusal to implement a Somare instruction to issue \$200 million worth of bonds and release the 'slush funds' given to government MPs that were needed to build support ahead of the July 2007 general elections. A similar situation occurred in 2010 when the secretary of the Department of Planning and Monitoring was suspended. Then he later ordered the government to release PGK112 million to coalition members 'to honour certain government commitments.' This was to ward off an expected no confidence motion against Somare in November 2010.

Implementing OLIPPAC has facilitated the power of the executive arm by one political party. The process leading to dominance starts with OLIPPAC, which invites the party that wins the highest number of seats in an election to form government. Independent MPs and small parties

are tempted into joining the government by promises of cash, projects and similar benefits. It is a worrying scenario when one or two political parties become too dominant. What will become of the smaller parties if the bigger parties and their coalition partners use state resources to buy their way through to the next national elections? It would not be the first time that state institutions have been used and resources plundered in this manner. The National Alliance was re-elected in this way in 2007, creating a precedent. However, if the other parties have the capacity and see the need to band together that would help to minimise the influence of the largest party.

It is worth re-claiming what is left of the organic law to ensure a way forward to strengthen political parties and facilitate parliamentary stability. The creation of the Integrity of Political Parties and Candidates Commission is one positive provision since it serves as the main speaker between parties and other relevant government agencies and a facilitator of party building and strengthening activities. It is also the most appropriate office to liaise with donor agencies and institutions that want to assist in processes of strengthening the country's political party system.

Much of the concern relating to poor governance and administrative problems in Papua New Guinea is about behavioural issues. Behaviour in this regard may reflect standards and pressures that derive from innate characteristics of culture. OLIPPAC is as good as the users who abide by it and are serious about political stability and the common good. The Papua New Guinea Electoral Commission and police can only go so far in terms of taking preventive measures. The goals of strengthening political parties and stabilising parliamentary politics are not dependent alone on laws such as the OLIPPAC.

Voting Methods

The first national elections in 1977 used a preferential voting system, but this was abandoned as it was too difficult, and in 2007 the First-Past-the-Post system of voting was used. Voters could select only one candidate, even if they also liked some others. This system resulted in some members winning a seat by very small numbers as the votes were spread very widely among candidates. In some cases this was less than 20% or even 10% of the total votes cast, meaning that most people did not support the candidate representing them as a member of parliament.

The Morauta government (1999-2002) changed the law on voting methods through 'The Organic Law on Electoral System and Administration' to bring back preferential voting. At first it was proposed that the voters would have to list candidates in order of preference, but this was complicated because of the large number of candidates and could result in many informal votes, so preference was limited to three choices.

The Limited Preferential Voting (LPV) system is more democratic than the First-Past-The-Post because it gives each voter a choice of three candidates. Under the LPV system a candidate can be called the outright winner when he or she gains 50% of the formal votes cast plus one extra vote. For example, if 1000 formal votes are cast, the absolute majority is 501. If an absolute majority of first choice votes is not reached by any candidate a process of redistribution begins. The candidate with the lowest number of first preference votes is eliminated and that candidate's votes are distributed according to the candidate's second and third choice preferences. This process of elimination and redistribution is repeated until someone reaches the total of 50 percent plus one vote.

A ballot paper is called 'exhausted' if there are no longer preferences on it that can be distributed to continuing candidates. Exhausted ballot papers mean that the absolute majority has to be recalculated. As more and more voting papers become exhausted, the 'live' formal votes remaining decrease. The 50% + 1 winning margin is applied to the remaining 'live' votes, which means the required absolute majority becomes smaller and smaller.

Before the 2012 elections, the Electoral Commission embarked on an extensive education campaign to encourage voters to make wise choices and vote correctly. Despite this, many people still found the LPV system difficult and resulted in informal votes that were not counted. An informal vote usually means that a mark such as a tick or cross has been put in one or all of the boxes instead of candidate numbers or names and sometimes they did not indicate anything at all.



Awareness' poster designed by the Electoral Commission to educate people about the LPV voting System.

Limited Preferential Voting
Is the new way to vote in the
National Elections
You are now required to vote
For your 1st, 2nd and 3rd choice

Limited Preferential Voting system

Advantages

- The elected candidate is the one preferred by most voters
- The voters are given more than one choice
- The elector's votes can have more value
- It requires candidates to have broader community support
- It encourages more female candidates
- It promotes unity among candidates, parties, clans and tribal groups
- It encourages candidates to work personally for their votes

Disadvantages

- It increases exhausted votes
- Declaration may be delayed because of the long term counting process

Now read the summary.

Summary

- A political party is a group of persons organised to acquire and exercise political power.
- Political parties originated in their modern form in Europe and the United States in the 19th century, along with the electoral and parliamentary systems, whose development reflects the evolution of parties.
- A party system is a concept relative to political science about the system of government by political parties in a democratic country.
- There are various types of political parties systems.
- OLIPPAC was formed to strengthen the registration of political parties and behaviour of Parliamentarians.

Now do Activity.



Activity 12.3.1.2

Read an interview by Dr Alphonse Gelu on OLIPPAC and answer Question 1.

A public forum was held by the Registry of Political Parties in Port Moresby today to discuss the Revised Organic Law, on the Integrity of Political Parties and Candidates.

The revised version is set to address challenges PNG is currently facing, which includes the educating of persons concerned, on the roles of members of political parties.

According to the Political Parties Registrar, Dr. Alphonse Gelu, many of the political parties and candidates do not know the relevant laws and regulations to form a political party.

A party should have a membership of 500, and must have enough budgets to operate the party to be considered a political party.

However, in PNG, there are 45 registered parties, and many of them do not have any members at all.

Dr. Gelu says that 99.9 per cent of the parties are poor, as they don't have enough financial support.

The focus of the revised Organic Law is to strengthen political parties in PNG, nurture political stability, and to strengthen weak areas of the Organic Law.

The review started in 2010 after the Supreme Court ruled that a number of provisions were unconstitutional, as they affected the ability of MP's to perform their public functions and duties.

The revised Law has a few changes.

Among the new provisions, parties must nominate and endorse candidates in at least 10 per cent of the total number of seats in the national parliament. And from these endorsements, there must be a female candidate.

MP's who win under a registered political party will attract K20 000 funding from the central fund.

If there is a vacancy in the office of the prime minister, an MP who is a member of a registered party with the highest declared candidates shall be the next PM.

The first reading will be in the next parliament sitting, and then a set committee will

distribute documents to obtain the public's opinions.

1.

(a) What does the OLIPPAC stand for?

(b) Who was the Registrar of the Political Parties at the time?

(c) What was the reason for revisiting the revised Organic Law?

(d) According to the interview, how many candidates should make up one political party?

2. Briefly explain the reason behind the creation of the OLLIPAC?

3. Why does an elected member join a political party?

4. Briefly compare the First-past-the post to the Limited Preferential Voting systems.

Check your answers at the end of subunit 12.3.1

12.3.1.3: National Goals and Directive Principals

In the last sub topic, you looked at Political Party Systems that we have here in PNG. Now in this sub topic, you study in detail the National Goals and Directive Principals as enshrined within the constitution of the country.

By the end of this sub topic, students should be able to:

- Confidently state the National Goals and Directive Principals and explain what each is about
 - Define integral, sovereignty, Urbanism, stratification
 - Discuss and explain what each of these National Goals and Directive Principals talks about
 - Compare and contrast the concept of 'Gender Role and Statuses' between pre-colonialism and post colonialism
-

Our National Goals and Directive Principles

We, the people of Papua New Guinea, set before ourselves these national goals and directive principles that underlie our constitution:

We hereby proclaim the following aims as our National Goals, and direct all persons and bodies, corporate and unincorporated, to be guided by these our declared Directives in pursuing and achieving our aims:

1. Integral human development

We declare our first goal to be for every person to be dynamically involved in the process of freeing himself or herself from every form of domination or oppression so that each man or woman will have the opportunity to develop as a whole person in relationship with others.

1. Everyone should be involved in our endeavours to achieve integral human development of the whole person for every person and to seek fulfilment through his or her contribution to the common good; and
2. Education to be based on mutual respect and dialogue, and to promote awareness of our human potential and motivation to achieve our National Goals through self-reliant effort; and
3. All forms of beneficial creativity, including sciences and cultures, to be actively encouraged; and
4. Improvement in the level of nutrition and the standard of public health to enable our people to attain self-fulfilment; and
5. The family unit to be recognized as the fundamental basis of our society, and for every step to be taken to promote the moral, cultural, economic and social standing of the Melanesian family; and
6. Development to take place primarily through the use of Papua New Guinean forms of social and political organisation.

2. *Equality and participation*

We declare our second goal to be for all citizens to have an equal opportunity to participate in, and benefit from, the development of our country.

1. An equal opportunity for every citizen to take part in the political, economic, social, religious and cultural life of the country; and
2. The creation of political structures that will enable effective, meaningful participation by our people in that life, and in view of the rich cultural and ethnic diversity of our people for those structures to provide for substantial decentralization of all forms of government activity; and
3. Every effort to be made to achieve an equitable distribution of incomes and other benefits of development among individuals and throughout the various parts of the country; and
4. Equalisation of services in all parts of the country, and for every citizen to have equal access to legal processes and all services, governmental and otherwise, that are required for the fulfilment of his or her real needs and aspirations; and
5. Equal participation by women citizens in all political, economic, social and religious activities; and
6. The maximization of the number of citizens participating in every aspect of development; and
7. Active steps to be taken to facilitate the organisation and legal recognition of all groups engaging in development activities; and
8. Means to be provided to ensure that any citizen can exercise his personal creativity and enterprise in pursuit of fulfilment that is consistent with the common good, and for no citizen to be deprived of this opportunity because of the predominant position of another; and
9. Every citizen to be able to participate, either directly or through a representative, in the consideration of any matter affecting his interests or the interests of his community; and
10. All persons and governmental bodies of Papua New Guinea to ensure that, as far as possible, political and official bodies are so composed as to be broadly representative of citizens from the various areas of the country; and
11. All persons and governmental bodies to endeavour to achieve universal literacy in Pisin, Hiri Motu or English, and in "tokples" or "ita eda tano gado"; and
12. Recognition of the principles that a complete relationship in marriage rests on equality of rights and duties of the partners, and that responsible parenthood is based on that equality.

3. *National sovereignty and self-reliance*

We declare our third goal to be for Papua New Guinea to be politically and economically independent and our economy basically self-reliant.

1. Our leaders to be committed to these National Goals and Directive Principles, to ensure that their freedom to make decisions is not restricted by obligations to or relationship with others, and to make all of their decisions in the national interest; and

2. All governmental bodies to base their planning for political, economic and social development on these Goals and Principles; and
3. Internal interdependence and solidarity among citizens, and between provinces, to be actively promoted; and
4. Citizens and governmental bodies to have control of the bulk of economic enterprise and production; and
5. Strict control of foreign investment capital and wise assessment of foreign ideas and values so that these will be subordinate to the goal of national sovereignty and self-reliance, and in particular for the entry of foreign capital to be geared to internal social and economic policies and to the integrity of the Nation and the People; and
6. The State to take effective measures to control and actively participate in the national economy, and in particular to control major enterprises engaged in the exploitation of natural resources; and
7. Economic development to take place primarily by the use of skills and resources available in the country either from citizens or the State and not in dependence on imported skills and resources; and
8. The constant recognition of our sovereignty, which must not be undermined by dependence on foreign assistance of any sort, and in particular for no investment, military or foreign-aid agreement or understanding to be entered into that imperils our self-reliance and self-respect, or our commitment to these National Goals and Directive Principles, or that may lead to substantial dependence upon or influence by any country, investor, lender or donor.

4. *Natural resources and environment*

We declare our fourth goal to be for Papua New Guinea's natural resources and environment to be conserved and used for the collective benefit of us all, and be replenished for the benefit of future generations.

- Wise use to be made of our natural resources and the environment in and on the land or seabed, in the sea, under the land, and in the air, in the interests of our development and in trust for future generations; and
- The conservation and replenishment, for the benefit of ourselves and prosperity, of the environment and its sacred, scenic, and historical qualities; and
- All necessary steps to be taken to give adequate protection to our valued birds, animals, fish, insects, plants and trees.

5. *Papua New Guinean ways*

We declare our fifth goal to be to achieve development primarily through the use of Papua New Guinean forms of social, political and economic organisation.

- A fundamental re-orientation of our attitudes and the institutions of government, commerce, education and religion towards Papua New Guinean forms of participation, consultation, and consensus, and a continuous renewal of the responsiveness of these institutions to the needs and attitudes of the People; and
- Particular emphasis in our economic development to be placed on small-scale artisan, service and business activity; and

- Recognition that the cultural, commercial and ethnic diversity of our people is a positive strength, and for the fostering of a respect for, and appreciation of, traditional ways of life and culture, including language, in all their richness and variety, as well as for a willingness to apply these ways dynamically and creatively for the tasks of development; and
- Traditional villages and communities to remain as viable units of Papua New Guinean society, and for active steps to be taken to improve their cultural, social, economic and ethical quality.

In 1975, Papua New Guinea's Constitutional planning committee foresaw the problems of the western form of economic development.

Integral Human Development and Its Application in PNG context

National Identity

In the 1960s, Australia moved toward liberating Papua New Guinea by establishing self-government and a House of Assembly and building institutions of higher learning to train an educated elite to serve the country.

The focus on higher education was matched by efforts to foster closeness and national pride among the students that would cut across ties with *wantoks* (those in the same language group) and flow outward to the rest of the country. Students were taught to express their experiences in poetry, music, stories, and art that dealt with the "beauty of village life," the opposite sex, pride in their cultures, and the question of how they could lead the country into the modern world without becoming selfish. Regardless of this soul-searching, different classes are emerging as educated parents with good jobs provide for their children's future, and the increase in intermarriages between persons of different cultural background who mingle in school and at work. Thus, communicating in English or Tok Pisin, many parents fail to pass on their mother tongues to their children, alienating their village kin.

Urbanism, Architecture, and the Use of Space

Before European settlement, there were no towns. Thousands of villages and hamlets were connected by narrow paths, customs, and networks of marriage and trade partners. Bush material houses were temporary as people moved with their new gardens and as alliances dissolved and re-formed. Men spent their nights with other men and boys in elaborate men's houses, while their wives and female relatives slept and ate in smaller women's houses. Most villages were home to more than one kin group. With colonisation, dispersed settlements were combined into larger villages for easier administration and for the provision of education and health care.

The first towns grew up around mission and administrative centers, near airstrips, or on hillsides overlooking good harbours. Towns were small, and homes and non-residential structures were simple one-story buildings. The first Papua New Guineans to live in towns were men. Many workers were chosen from nearby villages to whom were expected to return at night, whilst some lived in servants' quarters (*boihaus*) or company barracks.

The exclusion of New Guineans from areas of European settlement was maintained almost up until independence. After World War II, there was an expansion of economic opportunities for both colonisers and local peoples, resulting in the rapid growth of towns and an increase in

urban migration as many people began to seek opportunities for employment, education, and excitement in towns. The Australians tried to control the influx by building company housing for workers and their families and denying residency rights to other migrants. However, that policy was only partly successful. "Squatter" settlements became stepping-stones for migrants who came to test the waters in town and migrants who wanted to save money to invest in their villages. They have become islands of safety in crime-filled towns as wantoks band together, apart from other groups.

In preparing for independence, colonial and Papua New Guinean officials built institutions such as the National Arts School, where students and other artists and architects used traditional and modern elements in designing buildings in the capital city and elsewhere. Papua New Guineans continue to be ambivalent about the expense and violence of town life. Markets, parks, and shopping centers draw thousands of visitors every day, most of whom are interested in observing the spectacle and meeting up with wantoks to gossip or plan group events. Airports are crowded with travellers' friends and families, onlookers, and unemployed youths observing the movements of people from around the world.

ECONOMY

Basic Economy

Villagers produce most of their own food, and the surplus of these fruits and vegetables are sold at the open-air markets to the urban population using the *kina (local)* currency. Urban supermarkets import an array of expensive foods and other items. Most residents rely on small trade stores for rice, sugar, tea, and tinned fish, as well as soap, clothing, blankets, kerosene lanterns, and matches.

Land Tenure and Property

Most land is vested in kin groups and allocated according to need. Individual land ownership is not common; individuals may own a grove of banana trees but not the land they grow on. While land normally passes from father or mother's brother to children or nieces and nephews, the intended recipients provide much assistance and gifts to the "owners" before the land passes to their care. Migrants who fail to participate in village exchanges risk being "dispossessed" in favour of people who have supported local landowners.

Commercial Activities

Commerce is centered in the towns. Papua New Guinea developed its own television station in the late 1980s. Radio news and entertainment shows reach most villages. Tourism brings forty thousand visitors a year, mostly to the Sepik River and Trobriands. The road system is limited. Port Moresby is cut off from the rest of the country except by air and ship. With most places being difficult to reach, there are many undeveloped areas and labour migration is high.

Division of Labour

Outside the cities there is little specialisation. The village division of labour is by age and gender, with men and women cooperating to feed their families from gardening and other subsistence activities and children and older persons assisting in a variety of ways. Cash crops generally are owned by men, but men and women tend and harvest them. Urban specialisation is served by local schools, and few residents are educated abroad.

SOCIAL STRATIFICATION

Classes and Castes

There are no castes however, until recently; there is evidence of a slow emergence of classes. Economic inequality, however, cuts across ethnic and cultural boundaries. The common perception is of a country divided into "elites" and "grassroots," with the grassroots including most villagers and low-income earners in town and the elites being educated, higher-income earners, "coffee millionaires," and other entrepreneurs. Social interaction is intense as elites attend clan affairs and are expected to open their homes to wantoks at any hour.

There is evidence of growing disparities in the lifestyles and opportunities of elites versus grassroots and of the rise of a middle class. Most villagers are not poor. Daily life is simple with few of the expenses of urban life. Villagers invest their cash income and traditional wealth in the social and political relations that maintain their place in village society. The elites and the middle class, however, must balance the expenses of living in town with investments in larger kin groups. While the demands of wantoks can act as a powerful leveling force, higher-income families are investing in productive businesses and ensuring that their children have the same class privileges they do.

Symbols of Social Stratification

There are many expensive restaurants and night spots in Port Moresby and other big cities, and the highways are packed with imported cars. While some elites dress down for work and social occasions in clothes bought at second-hand stores or wear the grassroots fashion for women, the *laplap* and the *meri* blouse. Many buy their clothes from fashionable boutiques and department stores or overseas. Wealthy citizens have invested in properties outside the country in anticipation of retirement or a people's revolution.

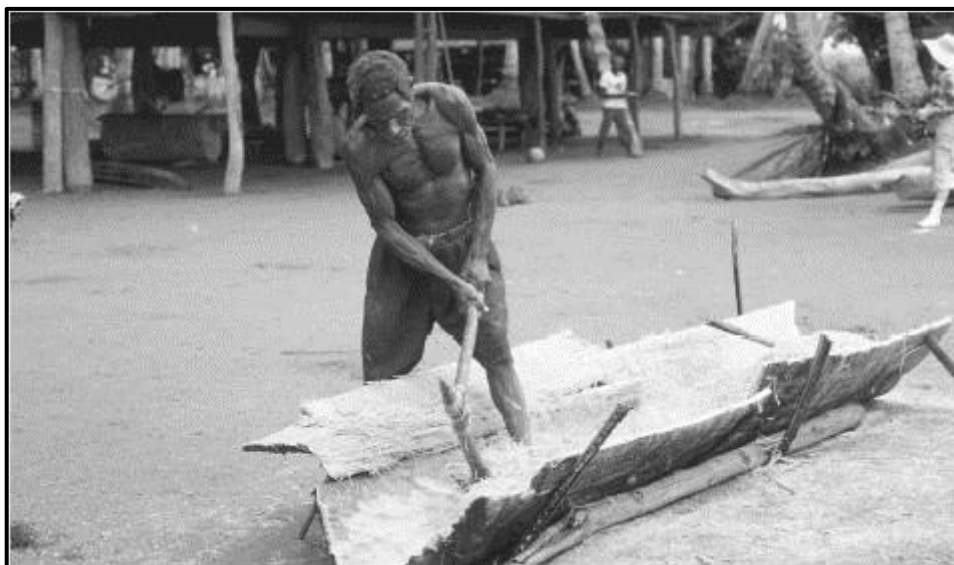


Illustration 12.3.1.3a: A man splitting a sago palm trunk using traditional tools, East Sepik Province

Social Welfare and Change Programs

There is little support for social welfare and change programs. There is no social security system, few institutions to help the mentally ill or handicapped, and no welfare programs or food stamps. Part of the problem is the government's need to spend money on roads, schools, and basic infrastructure for a population thinly spread over a rugged countryside. Another

problem is the belief that the extended family or village will always care for its own. Nonetheless, Papua New Guinea has supported offensives against several social problems, including domestic violence and the rise in AIDS and other sexually transmitted diseases (STDs).

Non-governmental Organisations (NGOs) and Other Associations

NGOs and voluntary associations help residents confront rapid social and economic changes. Organisations with multiple aid programs include the Australian International Development Assistance Bureau (AIDAB), the United Nations Development Programme (UNDP), and the International Red Cross. AIDAB's Women in Development Fund targets women as beneficiaries of financial and educational support, teaching business and management training, give women start-up funds, and encouraging family planning and women's political involvement. The UNDP office in Port Moresby officially opened in 1975.

Voluntary organisations include Canadian University Services Overseas (CUSO), Japan International Cooperation Agency (JICA), the U.S. Peace Corps, and British Voluntary Service Overseas (VSO). Community Aid Abroad (Australia) and Ecological Enterprises support or enhance the work of the *Papua New Guinea Integral Human Development Trust*, a literacy and awareness resource group with twenty-three member organization that is involved in programs for progressive social change. It has trained over two thousand young men and women as village literacy teachers and runs an AIDS awareness program and the Cross-Cultural Awareness Program for immigrant workers and volunteers.

GENDER ROLE AND STATUSES

Division of Labour by Gender

In Village subsistence centers on horticulture, with men clearing forests and bush so that their wives can plant gardens and tend pigs. Some crops, such as bananas, sugarcane, and cash crops (such as coffee and cocoa) are planted and tended by men. While women often help pick cash crops, most of the income goes to men. Men build houses and fences, while women make grass skirts and net bags (bilums). Women do the daily cooking, while men butcher pigs for feasts. Both men and women look after small children, with a father tending his infant while the mother weeds her gardens. In towns, most women do domestic chores and child care while their husbands are at work. Women with jobs employ extended kin to do the house-hold chores. In both towns and villages, men who do women's work are stigmatized as "rubbish men." Working women do not experience the same stigma, although they suffer prejudice and sexual harassment if they appear too independent and assertive.

The Relative Status of Women and Men

Hardworking women are a man's most valuable asset, and husbands who do not consider their wives' interests risk losing them to other men. Women's procreative power induces men to go to great lengths in initiation and other rituals to strengthen themselves for contact with women and achieve a balance or edge in gender relations. However, in towns, men and women are redefining their relations. With less education and fewer job opportunities, women do not contribute much income to urban



A decorative wood carving on a village hut in Kaminabit Village, near the Sepik River

households and as a consequence suffer the infidelities and physical abuses of men who feel burdened by the demands of family and the high expectations extended kin place on employed men, especially those who earn high salaries. Village women help pay back their own bride-prices and assist men in raising cash crops. Some rural women earn money by selling vegetables in urban markets.

Higher Education

Higher education is a goal of many parents, especially for their sons. Many parents worry about the physical dangers urban life holds for women. The urban job market is very competitive, and some parents are not impressed with the value of a high school or college education, knowing that education does not guarantee a job. Many school leavers and unemployed graduates cause troubles in towns and villages. Parents spend their education dollars on only the brightest, most socially responsible children.

RELIGION

Religious Beliefs

The first mission in eastern New Guinea was the London Missionary Society, in 1871. They set up a mission school with teachers from the Loyalty Islands and on islands adjacent to and on the Papuan mainland. Some New Guineans resisted the changes missionaries represented, while others accepted opportunities for new forms of wealth, power, age and gender relations. Working for the mission sometimes provided young men with an income that allowed them to support and choose brides. Schooled in Christian ethics, young women often refused to have bride-prices paid for them. Today, indigenised forms of Christianity seek to control the human condition in a period of insistent and significant change.

Medicine and Health Care

Urban areas have adequate medical staffing in hospitals and clinics. In contrast, rural areas were serviced by a thinly spread system of aid posts and small health centers and health care focused on first aid and treating chronic diseases such as malaria and pneumonia. Aid post workers have only the barest knowledge of first aid. Some village women are trained in midwifery and community-based family-planning services. Trained nurses and paramedics are rare, and doctors even more so. In 1992, there was one doctor for every six thousand persons.

THE ARTS AND HUMANITIES

Support for the Arts

In 1972, the government established the Creative Arts Centre (CAC) to train and support individuals, stage exhibitions, and commission work for national and private projects. In 1976, the CAC became the National Arts School. After Independence, the government supported the arts to promote a national culture. The completion of the parliament building in 1984 marked the apex of national artistic culture.

Literature

After the 1960s, historians and others took a greater interest in oral history and folklore. Oral traditions relating to clan genealogies, initiation and mortuary chants, magic and sorcery, and the teaching of children about their cultures were collected and analysed, and some were published. In the 1960s and 1970s, there was also an interest in modern Papua New Guinea writing in English. Publishing outlets include the journals *Bikmaus*, *Ondobondo*, and *The PNG*

Writer. Autobiographies have been published by overseas companies and by the National Research Institute.

Graphic Arts

The National Arts School offers courses in graphic design, textile design, fine arts, and music. Students are encouraged to generate contacts and income for themselves and the school. In addition to helping with large-scale projects such as the National Parliament, the National Museum, and the Papua New Guinea Banking Corporation building in Port Moresby, students have been involved in designing publicity for the Port Moresby Show, and making murals, carved screens, and sculptures for shopping centers. Pottery is enjoying a renaissance as potters combine modern techniques with traditional designs. Tourists buy replicas or actual artefacts in local markets and several shops in Port Moresby. Tourism and the international art market fuel cottage industry production of wood carvings. Colourful string bags are produced and sold by women.

Performance Arts

In 1975, the National Cultural Council funded the *RaunRaun Theatre*, a popular theatre movement that attempts to transpose traditional cultural forms into contemporary theatres and address the concerns of rural society.

The State of the Physical and Social Sciences

With the development of institutions such as the University of Papua New Guinea (UPNG), the National Research Institute (formerly the Institute of Applied Social and Economic Research) or NRI, and the PNG Institute of Medical Research (IMR), in the 1960s and 1970s, Papua New Guinea has become a place where local and foreign scientists and academics engage in long-term inter-disciplinary research. Perhaps the social science that has gained the most has been anthropology. Other subjects taught at UPNG include biology, business and economics, education, law, and medicine.

In recent years, the UPNG's law faculty, the Law Reform Commission, NRI, and other national bodies and visiting researchers have focused on a number of pressing law and order issues. Such as;

- rioting and political corruption,
- the resurgence of tribal fighting, gangs, and
- conflicts over compensation for resource development.

The Papua New Guinea Institute of Medical Research in Goroka and Madang sponsors research on a range of topics, including sexuality, STDs, nutrition, growth and development, infant mortality, and the epidemiology of health and disease.

Now read the summary.

Topic Summary

- The Constitution of Papua New Guinea states its National Goals and Directive Principles as follows:
 1. Integral Human Development
 2. Equality and Participation
 3. National Sovereignty and Self-Reliance

- 4. Natural Resources
- 5. Papua New Guinean Ways

Now do Activity.



Activity 12.3.1.3

1. Outline the five National Goals of Papua New Guinea and give an example of personal experience of each goal.

2. How was national identity addressed in the 1970s?

3. How did urbanism change the way of life of individuals and family life?

4. How was division of labour organised at the village level?

5. How did religion modernise the thinking of young men and women missionaries?

6. Briefly explain the importance of arts in integral human development?

Check your answers at the end of subunit 12.3.1.

Sub topic 12.3.1.4: Decentralisation

In the last sub topic you looked at the National Goals and the Directive Principles and how these have become the pillars of our democratic constitution. In this sub topic you go on and study what Decentralisation is and understand why it plays a vital part within any Democracy.

By the end of this sub topic, students should be able to:

- Define decentralisation, consultation, secession, corruption and incompetence
 - Explain the importance of decentralisation within the government
 - Identify the main reasons for the initial cause of the Bougainville Crisis
 - Discuss and explain why there had to be a reform in the provincial government system
-

Decentralisation is the handing down of powers to the provincial and local level governments. These governments would have the mandate to control their own affairs in their own districts and local electorates.

The provincial government system was introduced with much thought and consultation by our leaders. The concept of decentralisation, which gave birth to provincial governments, was introduced as early as the 1960s by the administration. It was not because of political pressure, but it came about out of necessity because it seemed to be the best way to plan and implement development strategies throughout the country. Right from the start the administration experienced difficulties as it tried to decentralise functions. It tried various ways to ensure that the decentralisation of functions worked and as will be seen, many of the current government development strategies such as the Rural Development Office (RDO) have links that go back to the 1960s.

History

In the past the Papua New Guinea society was a fragmented collection of small groups of people living in clans or tribes. These were scattered throughout the country, divided by harsh terrains and speaking distinct languages and dialects. Within these groups of people leadership was provided by clan elders through means of consultation and consensus. The social, political and economic relationships in these communities were well defined. Generally, leadership positions were not hereditary, and no one leader ever had a significant influence over a large number of people or area.

Australian administration

This early experience of being administered by a centralised system of government was new to Papua New Guineans. In this instance, decisions that affected their lives were being made in faraway places such as *Konedobu* and Canberra. A new form of authority was imposed by the *kiaps* and *luluais* that totally undermined the traditional leadership roles. Many of the *luluais* appointed were not necessarily the village elders, but people chosen by *kiaps* mostly because they were supportive of the administration and were judged to be the best man regardless of what the villagers thought. The missions, traders, and colonisers also brought Papua New Guineans into contact with things like employment, cash cropping, local enterprise, and wage earning.

The relationship between the natives and the colonisers was best described as exploitive with the traditional villagers on the periphery of colonial society. They could not bridge the gap between their own situation and that enjoyed by the colonial masters. This created a sense of deprivation and frustration and encouraged the birth of local movements basically to remove blockages to the people's enjoyment of material wealth and power.

The administration regarded these movements as 'cargo cults' and was suspicious and hostile towards. They repressed them under various regulations prescribed for illegal cults, illegal *singsings*, and spreading of false reports. Some of these movements were Napidakoe Navitu, the Bougainville Secessionists, and Matangunen Association. They became influential in convincing both the Australian Administration and the founding fathers of PNG to opt for decentralisation after independence.

There are three spheres of government in Papua New Guinea: national, provincial and local, as provided for by the constitution. Local government is provided for by the Organic Law on Provincial governments and Local Level Governments 1995; and the Local Level Governments Administration Act 1997. The Minister of Provincial and Local Level Government Affairs is responsible for district and local government.

In 1973 Bougainville became the first province to establish an interim provincial government for districts to have more control over their affairs. A *Provincial Government Act* was passed in 1974, and in 1977 the Organic Law on Provincial Government was passed. Nineteen provinces were established, each with a constitution and an elected Provincial Assembly. Unfortunately The Provincial Government system was not successful because:

- 90 percent of funding came from the national government
- There was duplication of government services
- Corruption and incompetence led to a number of governments being suspended

By 1995 the system was abolished. There was conflict in Bougainville, which had led to the closing of the copper mine in 1989, and Bougainville was demanding independence from Papua New Guinea. The Bougainville dispute exposed the weakness of the provincial government system. There was much debate about the way in which central government should relate to the people in different parts of the country.

Present provincial government reform system

On July 19, 1995, the reforms were certified and took full effect on October 16, 1997. The reforms were introduced in order to improve the delivery of services to the rural areas and to increase participation in Government at community and local levels. The reforms have done away with the old system of provincial government. The new provincial governments under the Organic Law on Provincial Governments (OLPGs) and Local Level Governments (LLGs) constitutes a provincial assembly which is made up of Members of Parliament, the Regional Member who automatically becomes the Governor, the head of LLGs, a women's representative and other appointed members. The reforms have increased the powers of LLGs. The newly elected LLGs will receive guaranteed funding each year and will have powers to raise funds and can pass a variety of laws. They must make sure basic services - especially health, education and infrastructure are provided to the people in their respective LLG area. They are also responsible for developing a five-year plan and annual budget. There are other reforms that are also being slowly implemented in many of the provinces. While it is too early to

measure the overall success of the reform system, there are many problems that have been encountered. There are being closely monitored by the Ministry of Planning and Implementation and its associated monitoring bodies such as the National Monitoring Authority.

Watch dogs for the Reforms

In 1995 the National Monitoring Authority was established to see that the reforms were implemented properly. Secondly, a Provincial Inspectorate was established to set minimum standards in staffing and resources for services such as health, education and infrastructure in the villages. A third body that was established was the National Economic and Fiscal Commission. Its tusk was to see that both provincial governments and local councils got a fair share of the nation's resources.

Political and Administrative Changes

The New Organic Law introduced significant changes. Each member of the National Parliament elected to represent a province became the governor of the province, and the chairman of the provincial assembly and the provincial executive council. In addition the member elected is to represent the province, the provincial assembly included members for the Open electorates, presidents of both urban and rural local council and people appointed to represent particular interest groups such as youth, women, business, churches and trade unions.

New Responsibilities in the provinces and districts

The Organic Law on Provincial and Local Governments created Joint Provincial and District Planning and Budget Priority Committees. Each province was to have an administrator and a treasurer. He/she is to report directly to the national government's Treasury National Finance Minister. There was also a provincial auditor who was to report directly to the national auditor.

Each district was to have an administrator who was the executive officer of the Joint District Planning and Budget Priority Committee. This committee was expected to recommend projects and budgets to the provincial and national governments and advise local councils on how they should raise and spend their money. The members of the committee were to be the Open member of the national parliament, the presidents of the local councils and three appointed members to represent interest groups such as non-government organisations and churches.

The provincial governments can also levy taxes and are responsible for local education, industry and business development. The local-level governments also have revenue-raising powers, and collect local taxes and fees, receiving transfers from the national government to cover salaries of its employees and development projects. They are also responsible for water supply and, jointly with provincial governments. They cater for health and environmental protection, waste disposal, roads and economic promotion.

New Responsibilities for local governments

Local governments consist of local councils and, within the local council areas and wards. The local council's role was to raise and spend local taxes. The local council membership included the president as chairman, elected ward councillors and appointed members to represent interest groups such as women and youth.

Each ward was to have a development Committee with the elected councillor for the ward as chairman and two females and three males. The Development Committee was to plan and set

priorities for basic needs at the village level. In urban areas wards were to be based on settlements. The number of wards differed from one local council to another.

Progress of Reform

These reforms were meant to give more responsibility to provincial, district and local level government. By the end of 2000, the basic framework of these reforms had been established. However, these transfers were being done with limited resources. The result was that more structural problems were being created than solved. Basic services did not reach the rural majority. Little funding or technical assistance were available to the villages. There was no effective coordination of communication between the district and provincial levels. By December 2000, the reforms were not shown to have been a success.

Now read the summary.

Summary

- Decentralisation is the giving of powers to the provincial and local level governments so they control their own affairs.
- The concept of decentralisation was introduced in the 1960s because it seemed to be the best way to plan and implement development strategies throughout the country.
- There are three spheres of government in Papua New Guinea: national, provincial and local, as provided for by the constitution.
- In 1973 Bougainville established the first an interim provincial government. A *Provincial Government Act* was passed in 1974, and in 1977 the Organic Law on Provincial Government was passed. This system was abolished in 1995 and new reforms introduced.
- The provincial system government reforms were certified and took full effect on October 16, 1997. The reforms were introduced to improve the delivery of services to the rural areas and to increase participation in Government at community and local levels.
- The reforms have done away with the old system of provincial governments and the new provincial governments under the Organic Law on Provincial Governments (OLPG); and LLGs constitutes a provincial assembly which is made up of Members of the National Parliament, including the Regional Member as Governor, the head of LLGs, women's representative and other appointed members.
- The reforms have increased the powers of LLGs.
- The newly elected LLGs receive funding each year and have powers to raise funds and can pass a variety of laws.
- In 1995 the National Monitoring Authority was established to see that the reforms were implemented properly. A Provincial Inspectorate was established to set minimum standards in staffing and resources for basic services and infrastructure.
- New Organic Law introduced significant changes.
- These reforms gave more responsibility to provincial, district and local level government. By the end of 2000, the basic framework of these reforms had been established.

Now do Activity.

**Activity 12.3.1.4**

1. What is decentralisation?

2. How was the provincial system of government not successful?

3. What was the aim of establishing the Local Level Government?

4. How did the LLG look after each ward? Explain.

Check your answers at the end of subunit 12.3.1

Sub topic 12.3.1.5: Governance

In the last sub topic you looked Decentralisation and the importance it plays within our government system. Now you go on to look at Governance and how the different branches of the government work independently of each other. Yet, at the same time ensuring that they each perform their respective functions harmoniously to make sure nothing goes wrong.

By the end of this sub topic, students should be able to:

- define governance, and explain what it is.
 - list down the main characteristics of Good Governance.
 - explain the importance of ensuring that Good Governance does prevail within our government
-

What is Governance?

The old English word 'governance' most simply was a descriptive term for how things are managed *what governments do, and how they do it*. The word goes further back to the Latin *gabañare*, the person who steers a boat. The United Nations Development Program in 1997 gave a modern definition of governance as:

"The exercise of politics, economic and administrative authority to manage a nation's affairs. It is the complex mechanisms, processes and institutions through which citizens and groups articulate their interests, exercise their legal rights and obligations and mediate their differences."
(UN Development Program, 1997).

The terms governance and good governance are increasingly being used in development literature. Governance describes the process of decision-making and the process by which decisions are implemented (or not implemented). Hereby, public institutions conduct public affairs, manage public resources, and guarantee the realisation of human rights. Good governance accomplishes this in a manner essentially free of abuse and corruption, and with due regard for the (rule of law) increasingly basing their aid and loans on the condition that reforms ensuring good governance are undertaken.

Democratic Governance

This can be understood as the capacity of a society to define and establish policies and resolve their conflicts peacefully within the existing legal order. This is a necessary condition for the rule of law along with the separation of powers and a legal system that ensures the enjoyment of individual freedoms and rights -civil, social, political and cultural. This requires institutions based on the principles of equity, freedom, participation in decision making, accountability, and promoting the inclusion of the most vulnerable sectors of society.

Good Governance

Good governance is about the processes for making and implementing decisions. It is not about making 'correct' decisions, but about the best possible process for making those decisions. Good decision-making processes, and therefore good governance, share several characteristics. All have a positive effect on various aspects of local government including consultation policies

and practices, meeting procedures, service quality protocols, councillor and officer conduct, role clarification and good working relationships.

Main Characteristics of Good Governance

Management and Governance

Good governance has 8 major characteristics. These are; participatory, consensus oriented, accountable, transparent, responsive, effective and efficient, equitable and inclusive and follows the rule of law. It assures that corruption is minimised, the views of minorities are taken into account and that the voices of the most vulnerable in society are heard in the decision-making. It is also responsive to the present and future needs of society.

1. Participation

Participation by both men and women is a key cornerstone of good governance. Participation could be either direct or through legitimate intermediate institutions or representatives. It is important to point out that representative democracy does not necessarily mean that the concerns of the most vulnerable in society would be taken into consideration in decision making. Participation needs to be informed and organised. This means freedom of association and expression on the one hand and an organised civil society on the other hand.

2. Rule of law

Good governance requires fair legal frameworks that are enforced impartially. It also requires full protection of human rights, particularly those of minorities. Impartial enforcement of laws requires an independent judiciary and an impartial and incorruptible police force.

3. Transparency

Transparency means that decisions taken and their enforcement are done in a manner that follows rules and regulations. It also means that information is freely available and directly accessible to those who will be affected by such decisions and their enforcement. It also means that enough information is provided and that it is provided in easily understandable forms and media.

4. Responsiveness

Good governance requires that institutions and processes try to serve all stakeholders within a reasonable timeframe.

5. Consensus oriented

There are several participants and as many viewpoints in a given society. Good governance requires mediation of the different interests in society to reach a broad consensus in society on what is in the best interest of the whole community and how this can be achieved. It also requires a broad and long-term perspective on what is needed for sustainable human development and how to achieve the goals of such development. This can only result from an understanding of the historical, cultural and social contexts of a given society or community.

6. Equity and inclusiveness

A society's wellbeing depends on ensuring that all its members feel that they have a stake in it and do not feel excluded from the mainstream of society. This requires all groups, but particularly the most vulnerable, to have opportunities to improve or maintain their wellbeing.

7. Effectiveness and efficiency

Good governance means that processes and institutions produce results that meet the needs of society while making the best use of resources at their disposal. The concept of efficiency in the context of good governance also covers the sustainable use of natural resources and the protection of the environment.

8. Accountability

Accountability is a key requirement of good governance. Not only governmental institutions but also the private sector and civil society organisations must be accountable to the public and to their institutional stakeholders. Who is accountable to whom varies depending on whether decisions or actions taken are internal or external to an organisation or institution. In general an organisation or an institution is accountable to those who will be affected by its decisions or actions. Accountability cannot be enforced without transparency and the rule of law.

To ensure sustainable human development, actions must be taken to work towards this ideal with the aim of making it a reality. Good governance assures corruption is minimised, views of the minorities are taken into account and that the voices of the most vulnerable in society are heard in decision-making. Transparency International found that one in four people worldwide paid a bribe to an institution or service in 2010.

Overview of corruption in Papua New Guinea

Papua New Guinea's current governance situation and state of corruption are deeply rooted in the country's recent history and geography as well as in its economic and political situation. Politics in Papua New Guinea are characterised by high levels of corruption and instability. As of 2012, only one government completed the whole mandate for which it was elected. Political parties are very weak and fragmented. Elected officials rely on a very narrow base of support, and party discipline is non-existent. Historically, members of Parliament have easily changed political alliances after being elected or resigned from their party, significantly destabilising government coalitions.

History and traditional practices

A number of Papua New Guinea's traditional cultural practices made their way into the country's modern bureaucracy and political system, creating opportunities for corruption. The National Research Institute points specifically to the concepts of the "big man mentality" gift-giving and the "wantok" system. These practices, applied to a modern state structure can lead to bribery, undue influence and nepotism, and politicians accused of corruption often defend themselves using the "traditional" argument. The distinction between traditional gift-giving and bribery is an issue regularly addressed by many courts in the Pacific region, especially in the context of elections. Public and political positions give access to significant amounts of wealth, from natural resources revenue and Aid, which can be redistributed to a leader's kin and constituency to maintain power and influence. Likewise, cronies benefit from being assigned to jobs and strategic positions. During the 2012 elections, a proliferation of "money politics" was observed; huge amounts of money and gifts were distributed, especially in campaign houses and men's houses. Vote buying was reported in all electorates through gifts in form of money, food, pigs, boats, trucks, and many more.

Good Governance is vital for Papua New Guinea

PNG's problems this decade are rooted deep in the society and the country's recent history, but their current scale is unprecedented, as Sir John Kaputin, said:

As we struggle to restore national confidence and international acceptance, we should keep in mind that we are being constantly judged for political transparency, accountability and good governance.

Diagnoses of poor governance differ in emphasis, like the concept itself. Hence there is a need to examine what people mean by the term and what causes difficulties in each case, and never expect to find one single cause. The political instability which contributes to poor governance in PNG appears to come from regional, ethnic and kinship fragmentation.

Local divisions contribute to the apparently dysfunctional ways in which the political system has evolved in the last three decades. Intense localism combines with poor government performance to strengthen the widespread belief that MPs should themselves handle various government funds in order to benefit their constituents. Such funds now total about half the grants a province would have obtained previously. They rarely go to the provincial government or are rarely spent across the electorate as whole, but usually only benefit an MP's supporters.

The 1995 provincial 'reform' arrangements transferred power from what had been locally elected provincial assemblies and cabinets to the MPs and also put electorate funds effectively under the control of MPs. Money politics starts with general elections, which are an expensive part of PNG's political culture. At the local level, elections are battles for the pride of the group and for access to state resources. In the Highlands, elections often follow the same divisions as tribal warfare and have become increasingly violent. Once elected, MPs want to recover their investment. Those who benefit from the present system would be losers if all slush funds were to cease. Changing such entrenched modes of politics to improve governance will require more than good leadership and luck. Governments will first have to deliver basic services to the citizens and offer realistic hope of advancement.

There are several major administrative and historical factors which will affect moves to regenerate government in PNG. They include:

- the complex system of power and revenue sharing between the national government and the provinces
- the limited tax base and low revenue levels
- insufficiently trained and inexperienced staff, particularly in provinces, and
- the debilitating side effects of the decade long Bougainville crisis.

Governance issues of various types impinge on all people of PNG, not least the 10 000 or so Australian citizens living in the country. Governance affects the daily lives of ordinary people and in towns and villages, as well as public servants and business houses. The people of PNG know that recent governments have failed them. They are barraged with both rumours and reports of corruption and scandal in high places, which, as the Catholic bishops pointed out, provides a ready rationale for property crime and interpersonal violence. In such a context, even dedicated people can lose the sense of public duty. Public cynicism can promote a breakdown of the civility essential in a functioning society. Many public servants appear to be demoralised. Sometimes villagers express their frustration against the state and anger against each other. Parents or friends of children who feel they have been denied schooling or that the school has failed them, may burn the school. People can lose respect for each other. Unsafe sexual practices have been documented, and disease is endemic. As always, just as in the Balkan wars, in PNG's tribal fighting pack-rape is an attempt to assert male solidarity and superiority. The implications for the spread of HIV means rape is also now a health issue. There

have been two recent pack rapes of schoolgirls, in one case by their own classmates. Bougainville has suffered a decade of social trauma and rape in civil war.

Papua New Guinea has abundant natural resources, but poor governance and corruption have prevented ordinary citizens from benefitting from this wealth. The government has failed to safeguard environmental concerns in mining operations, and the continued dumping of mine waste into rivers poses potentially severe health risks.

The government has not taken concrete steps to address pervasive abuses by the police force that are committed with impunity, as documented in a February report by the United Nations special report on torture. Violence against women is widespread, buttressed by limited social services and a weak justice system.

Dysfunctional government institutions continue to paralyse the country. In August Peter O'Neill, the former treasurer, was elected prime minister after opposition leaders persuaded parliament to declare the prime minister's office vacant while sitting Prime Minister Michael Somare received medical treatment overseas. In September the National Court referred Somare's bid to hold his seat in parliament to the Supreme Court. Somare had been the country's dominant political figure for more than 40 years. Some have expressed cautious optimism that new leadership could be the sign of a more transparent and accountable government but that has not been the case with the government of Peter O'Neil.

The government has regularly been embroiled in corruption scandals. In Transparency International's 2010 Corruption Percentage Index, which evaluates and ranks public sector corruption in countries all over the world, Papua New Guinea ranked 154 out of 178 countries surveyed.

After taking office Prime Minister O'Neill called for establishing an independent commission against corruption and initiated a corruption investigation task force. In August the prime minister announced an investigation of the National Planning and Monitoring Department after revelations that \$850 million in development funds had allegedly been inappropriately distributed to companies and individuals. Despite public commitments to tackle the corruption crisis, the new government's rhetoric must be matched by action to address the government's systemic culture of graft.

In 2011 the UN Human Rights Council examined Papua New Guinea's rights record through the Universal Periodic Review process. Addressing the recommendations of states, Papua New Guinea acknowledged a wide range of human rights concerns, but failed to offer clear steps to combat such issues. For instance, in addressing questions about the special rapporteur's report on police abuse and torture, Papua New Guinea offered what is now a familiar response: the recommendations, it said, were "under review."

Political stability and good governance is vital for Papua New Guinea's future growth and prosperity. The government must at all times promote good governance to ensure transparency and accountability in everything it does for its citizens. Parliament must strive towards 'good government and 'clean politics'. It is time we got rid of the special interests that is now corrupting our political system. The evidence is so widespread today but still political leaders pretend ignorance when challenged by media and the public. If we do not stop corruption, it will soon completely destroy our government and society.

The government should start combating corruption using some of these strategies:

- Promote open discussion of the most significant problems facing parliament and develop priorities for reforms needed to make government's operations transparent and accountable.
- Ensure proper oversight of government functions by strengthening internal mechanisms, including investigative and enforcement capacity with respect to acts of corruption and facilitating public access to information necessary for meaningful outside review.
- Establish conflict of interest standards for public employees and effective measures against illicit enrichment, including stiff penalties for those who utilise their public positions to benefit private interests.
- Legislate for governments at all levels to adopt and enforce measures against bribery in all financial or commercial transactions both with the state, and with external actors.

The Government must have the primary responsibility to prioritize development, to respect and protect human rights via its law enforcement agencies, to tackle inequality and root out corruption. Violent conflict such as tribal fights also blights the lives of many people.

Without renewed commitment to co-operation backed by practical action, the Millennium Declaration goals will just be an empty promise. Even so, the Government must consider an adequate policy measure to control the population growth rate as one of the significant variables that affect our human development progress.

Consequently, the escalating growth rate of population will have a significant bearing on the distribution resources. Serious consideration should also be given to a sustainable and environmental friendly development of natural resources. An assessment of these indicators asserts that the lack of good and effective governance does pose a huge constraint to growth in Papua New Guinea. In almost all variables of analysis, PNG has been below the threshold.

Papua New Guinea's economic and social indicators reflect its position on the Human Development Index (HDI) rank where it is on the brink of reaching the low-income development aggregate.

PNG is on a mediocre echelon of the United Nation Development Program's ranking of countries and is gradually depreciating if we do not take heed of this trend by realising the significance of good and effective governance as a pre-condition for improved human development rating.

Now read the summary.

Topic Summary

- The terms governance and good governance are increasingly being used in development literature.
- Governance describes the process of decision-making and the process by which decisions are implemented (or not implemented).
- Good governance has 8 major characteristics. It is participatory, consensus oriented, accountable, transparent, responsive, effective and efficient, equitable and inclusive and follows the rule of law.
- Good governance assures that corruption is minimised, the views of minorities are taken into account and the voices of the most vulnerable in society are heard in decision-making.
- Good governance is also responsive to the present and future needs of society.

- Political stability and good governance is vital for Papua New Guinea's future growth and prosperity.
- The government must at all times promote good governance to ensure transparency and accountability in everything it does for its citizens.
- If corruption is not stopped it will completely destroy our government and society.
- There are four strategies the government should use to combating corruption in Papua New Guinea.

Now do Activity.



Activity 12.3.1.5

-
1. Briefly explain good governance.

2. Explain each characteristic of good governance.

3. What would be the most likely outcome of good governance on corruption?

4. According to your notes, what are four strategies the government should consider to minimise corruption?

Check your answers at the end of subunit 12.3.1

Sub topic 12.3.1.6 Organisations for Good Governance

In the previous sub topic you studied about Governance, what it is and how the government through its various government departments contribute in their own ways to ensuring effective Governance. In this sub topic, we touch on the importance of ensuring that in order for any government to effectively run its affairs there must be '*Organisations for Good Governance*' in place.

By the end of this sub topic, the students should be able to:

- Identify each of these different Organisations
- discuss and explain the purpose and function for each, and
- explain how they contribute to ensuring 'Good Governance'

Papua New Guinea has several institutions in place that aim at good governance, although they may not always be effective in achieving it. They are; Ombudsman Commission, Leadership Tribunals, the Public Prosecutor and the Public Accounts committee, and Transparency International (PNG).

1. Ombudsman Commission

The ombudsman concept mushroomed throughout the world in the 1960s and 70s. Its history is traced back to the appointment of special independent officers in Sweden in the early 1800s. Their job was to investigate complaints about the exercise of powers by the government.

An ombudsman, by tradition, is therefore a person who investigates complaints about administration, with a minimum of fuss and formality. Emphasis is placed on searching for "the truth". An ombudsman determines whether a complaint is justified or not. And if it is justified, recommendations are made to appropriate bodies aimed at correcting injustice.

The Ombudsman Commission of Papua New Guinea was envisaged as the institution that would provide a quick, flexible means of redress for aggrieved citizens suffering from administrative injustice. The Ombudsman Commission was seen as the institution that would assist ordinary people throughout the country who felt aggrieved by actions or inactions of the bureaucracy of any institution of government.

The Ombudsman Commission is an independent institution established directly by the *Constitution*. It forms an integral part of the system of checks and balances that have been put in place by the *Constitution* to regulate the governance of Papua New Guinea.

In general terms, the Commission has been established to: guard against the abuse of power by those in the public sector; assist those exercising public power to do their jobs efficiently and fairly and impose accountability on those who are exercising public power.

There are two special features of the Ombudsman Commission that set it apart from its equivalent institutions in other countries. The Ombudsman Commission performs a range of different functions, which in other countries are dealt with by different institutions. The Commission's independence is guaranteed by the *Constitution*, in a number of different ways. In most other countries, ombudsman institutions do not have this special status.

Another innovative feature of the way the ombudsman concept was developed in PNG is the use of a Commission, rather than a single office-holder, to exercise the constitutional powers. In most other countries, the powers of an ombudsman rest ultimately with a single person.

Our vision

The Ombudsman Commission's vision is to promote good leadership and good governance (*Ombudsman Commission Strategic Plan 2001-2005*).

Our mission

The Ombudsman Commission aspires:

1. to ensure that all governmental bodies are responsive to the needs and aspirations of the People; and
2. to help in the improvement of the work of governmental bodies and the elimination of unfairness and discrimination by them; and
3. to help in the elimination of unfair or otherwise defective legislation and practices affecting or administered by governmental bodies; and
4. to supervise the enforcement of the Leadership Code.

This is the constitutional mandate and the mission of the Ombudsman Commission provided under Section 218 (purposes of the Commission) of the *Constitution* (*Ombudsman Commission Strategic Plan 2001 - 2002*).

Our motivation

The members of the Commission and officers in the Service of the Commission are motivated by the *Constitution* and the National Goals and Directive Principles enshrined in the *Constitution*. These are the goals and objectives that the People of Papua New Guinea, through their elected representatives adopted at Independence on 16 September 1975.

The appointment of Members of the Ombudsman Commission

The 1975 Constitution of Papua New Guinea provides for the establishment of an Ombudsman Commission to promote good leadership and governance. The Chief Ombudsman and two Ombudsmen are appointed by the Governor General upon recommendation from by the Ombudsman Appointments Committee. This Committee comprises of five members, including:

- the Prime Minister as the Chairman
- the Chief Justice;
- the Leader of the Opposition;
- the Chairman of the Permanent Parliamentary Committee on Appointments; and
- the Chairman of the Public Services Commission.

Unfortunately the Ombudsman Commission lacks resources and adequate powers. For instance, it investigates cases of political leaders suspected of having engaged in corruption but its mandate to investigate ends when a politician resigns. Moreover, in 2010 the Parliament decided to amend the Organic Law on the Duties & Responsibilities of Leadership and the Constitution to revoke the Ombudsman Commission's powers to issue directives to public

service leaders that were previously used to prevent the abuse of public funds. The 2011 National Anti-corruption Strategy aims to strengthen its capacity.

2. Leadership Tribunal

The Leadership Tribunal is part and parcel of the National Court registry and is considered as one of the many sections of the registry. It is currently based in Waigani and only main function, is to register, manage and administer tribunal files and documents filed in them. The staff registers files, receive, seal and file documents by parties during the course of the tribunal proceedings. And also it is the main contact point for lawyers and others during the existence of the tribunal.

A Leadership Tribunal is a tribunal which is set up primarily to investigate allegations of misconduct in office of leaders or Constitutional Office Holders, such as, Parliamentarians, judges, department heads and any office bearer of government departments of public statutory bodies in Papua New Guinea. The leadership tribunal is a quasi- judicial inquiry, which consists of a three man panel adjudicators, the chairman, who is usually a judge and two magistrates, as members. The makeup of this panel may vary according to the leader being referred. For example, if the referred leader is Prime Minister or a Chief Justice, foreign Judges may be used as members of the tribunal. For example, in the 2011 case of Prime Minister Grand Chief Sir Michael Somare who went before a tribunal of foreign Judges, to hear the allegations against him of misconduct in office. Tribunals inquire into allegations of breaches of the Organic Law on Duties and Responsibilities of a Leader and Constitution by leader, such decisions are made by the authority appointing the tribunal members. It proceeds like a normal court case with all procedures, but differs in how evidence is presented in court, tribunals practise loose parameters on presentation of evidence. When a tribunal commences a referred leader is automatically suspended from office until the completion or suspension of the tribunal which was set up for the referred leader.

There are three penalties given to those leaders found guilty of misconduct in office:

- Dismissal from the current office, which means a leader is dismissed from his current office, if found guilty and cannot hold a constitutional office for 3 years.
- Suspension from office, for a time of no more than 3 months.
- Fine

The leadership tribunal is part and partial of the National Court registry and is considered as one of the many sections in the registry. It is currently based in Waigani and has only one officer who is tasked with its day to day running.

Process of establishing a tribunal leadership

1. Public lodges their complaints of a leaders conduct in office, to the Ombudsman Commission.
2. Ombudsman Commission investigates allegations of leaders' misconduct in office.
3. If sufficient evidence is found of leader's misconduct in office, Ombudsman Commission decides and refers the leader to the Public Prosecutor.
4. The Public Prosecutor assesses the referred case to see if there is any cause to prosecute.

5. The Public Prosecutor then refers the leader to the Chief Justice of Papua New Guinea to appoint and set up a leadership tribunal to inquire into allegations of misconduct in office.
6. A tribunal is appointed by the Chief Justice and the tribunal commences.

3. Public Prosecutor

Fair, effective and open prosecution is essential to maintaining the rule of law and achieving a just and peaceful society. The purpose of this Policy is to outline the principles upon which decisions are made by this Office in the institution and conduct of prosecutions.

In doing so the Policy aims to assist officers within the Public Prosecutor's Office in the assessment and conduct of individual matters.

In providing a standard set of principles the Policy also intends, at a broader level, to promote consistency and fairness in the exercise of discretion by the Public Prosecutor, and where appropriate his or her officers, in the making of such decisions. Standard principles also promote the timely and efficient resolution of matters.

Furthermore, in accordance with the obligations of transparency and accountability, the publication of this Policy is intended to inform persons affected by decisions made by this Office, including the public generally, of the principles upon which such decisions are made.

4. Transparency International

Transparency International (TI) is a global coalition against corruption. It was established by a former World Bank manager who had observed the devastating effect corruption can have on a nation. It is believed by some people that the best way to root out corruption is to make it known.

TI in PNG was established in 1997 by the late Anthony Siaguru. It was formed by a group of concerned citizens with the aim of fighting against corruption and promoting openness, honesty and accountability in public and private dealings and to raise awareness of the adverse effects of dishonest and corrupt practices. The walks against corruption are an example of this kind of activity.

The causes for corruption in Papua New Guinea are to do with the lack of basic services and how to overcome the barrier to providing basic goods and services. In politics it is a major obstacle to democracy and the rule of law. Offices and institutions lose their legitimacy when they are misused for private advantage. Economically, corruption leads to depletion of national wealth and discourages investment as it undermines people's trust in the political system, institutions and leadership.

Corruption hurts everyone, especially the poor. For example, a sick person goes to the local clinic at Tokarara seeking treatment for malaria only to be told that antimalarial drug is out of stock. The sick person will then have to find money to buy antimalarial at the pharmacy which is costly.

5. The Public Accounts Committee

The Public Accounts Committee a body set up by the government to look into spending by government bodies. It has the right to ask for audits of departments and can command heads of departments to present evidence and ask questions.

Read below an account by Yvonne Ngutlick on Transparency International and its functions as part of the Papua New Guinea system of government. Ms. Ngutlick wrote:

“Transparency International PNG is a member of Transparency International a worldwide global movement. The member country organizations are independent and are called chapters. There are over 100 national chapters around the world. The TI PNG chapter fights against corruption and promotes openness, honesty and accountability both in public and private dealings. TI does not support individual politicians or parties. Instead it tries to strengthen the integrity systems of Papua New Guinea such as the police, the parliament and the judiciary”.

How does TI PNG fight corruption today?

TI (PNG) has many partners with different capacities to assist its members report corrupt practices or issues observed. What does TI (PNG) do?

- The Advocacy and Legal Advice Centre office helps anyone prepare complaints about corruption to be sent to the ombudsman’s office and other agencies (TI PNG do not investigate or prosecute corruption complaints)
- It provides regular comment in the media about corruption issues such as the controls on leaders.
 - provide teaching materials for the education systems on good governance and corruption
 - train youth leaders in governance issues through the Annual Youth Democracy Camp
 - lobby for freedom of information and protection for whistle blowers
 - observe elections and comment when the processes used are not democratic or lawful
- run awareness and advocacy campaigns both in the mass media and through drama in villages on governance and corruption issues
- It supports and works with many partners in the Community Coalition against Corruption such as the *Youth Against Corruption Association*, churches and businesses.
- It implements projects such as the Forest Governance Initiative which helps research and proposes better processes and laws for the management of the natural resources.

The variety of network possibilities makes it easy for TI to help and support the fight against corruption. One such avenue is the organisation *Youth Against Corruption Association (YACA)*. YACA was set up in 2002 by John Glynn at Jubilee Catholic Secondary School. Over the years, it was introduced to other schools. We have started with a group of Grade 6 to Grade 8 pupils in St. Michael Primary School in Alexishafen. Actually it was started as Vocation Club since they are too old to join the Sunday school. However, gradually the members were taught topics other than vocation. As members of YACA, they have to pledge: always to speak the truth, respect other people’s property, to be gentle in actions and words, to pay debts and to keep promises.

There are other ways we as a group can support the fight against corruption through the members and partners of TI PNG:

- Community Coalition against Corruption – 67 groups coming together to fight corruption
- Forests Anti-corruption Solutions and Advocacy – address and prevent corruption as a primary driver of illegal logging and continuous destruction of forests.
- Advocacy and Legal Advice Centre – provides free legal assistance by structuring corruption complaints.
- Sir Anthony Siaguru Walk Against Corruption – among other objectives, the walk provide a peaceful avenue for citizens to express their opposition to corruption.
- Youth Against Corruption Association – a membership based organization that is run by youth who are committed in the fight against corruption in PNG by refusing to practise corruption in oneself and rejecting the attitudes that support it.

Now read the summary.

Summary

- Papua New Guinea has several institutions that aim at good governance which are the Ombudsman Commission, Leadership Tribunals, the Public Prosecutor and Public Accounts committee, and Transparency International (PNG).
- The Ombudsman Commission is an independent institution established directly by the *Constitution*. It forms an integral part of the system of checks and balances that have been out in place by the *Constitution* to regulate the governance of Papua New Guinea.
- The Commission has been established to guard against the abuse of power by those in the public sector; assist those exercising public power to do their jobs efficiently and fairly and impose accountability on those who are exercising public power.
- The Leadership Tribunal is part and parcel of the National Court registry and its main function is to register, manage and administer tribunal files and documents filed in them.
- The purpose of this Policy is to outline the principles upon which decisions are made by this Office in the institution and conduct of prosecutions.
- Transparency International is a global (partner) coalition against corruption.
- The Public Accounts Committee is a body set up by the government to look into spending by government bodies. It has the right to ask for audits of departments and can command heads of departments to present evidence and ask questions.

Now do Activity.



Activity 12.3.1.6

1. What is the purpose of each of these government organisations? Briefly explain.

(a) Ombudsman Commission

(b) Leadership Tribunal

(c) Public Prosecutor

(d) The purpose of Public Accounts Committee

2. Transparency International

3. Why are all these government organisations very important in good governance? Think about it and explain in your own words.

Check your answers at the end of subunit 12.3.1.



Answers for Activities 12.3.1

Activity 12.3.1.1

1. The writing of the Constitution involved only Papua New Guinean leaders who held up to about 400 edit meetings before it was finalised, and became a national document. We say it is a strong Constitution because during such crisis as the Sandline in 1997 the Constitution still prevailed and we as Papua New Guineans and our leaders both present and past held steadfast to what we believe is the Constitution of Papua New Guinea.
2. Democracy is a type of government where there is rule by the people for the people. PNG is a democracy because our local representatives are voted into Parliament in elections. The representatives represent their local constituencies/electorates and are the voice of the people in Parliament to bring development and basic goods and services into these electorates.
3.
 - (a) UK Westminster
 - Head of State
 - Head of government i. e. the Prime Minister
 - an executive branch i. e. the Cabinet
 - opposition parties
 - bicameral systems
 - the Confidence Convention
 - Parliamentary privilege
 - a parliament which can be dissolved and elections called at any time, even when there exists fixed election dates.
 - (b) Key characteristics

Important features of the Westminster system include the following, although not all of the following aspects have been preserved in every Westminster-derived system:

 - A head of state who is the nominal or theoretical holder of executive power, and holds numerous reserve powers, but whose daily duties mainly consist of performing the role of a ceremonial figurehead.
 - A head of government (or head of the executive), known as the Prime Minister, premier or first minister, who is officially appointed by the head of state.
 - A *de facto* executive branch usually made up of members of the legislature with the senior members of the executive in a cabinet led by the head of government.
 - parliamentary opposition (a multiparty system);
 - an elected legislature, often bicameral, in which at least one house is elected, although unicameral systems also exist;
 - A lower house of parliament with an ability to dismiss a government by "withholding Supply" (rejecting a budget), passing a motion of no confidence, or defeating a confidence motion.
 - A parliament which can be dissolved and elections called at any time.

- Parliamentary privilege, which allows the Legislature to discuss any issue deemed by itself to be relevant, without fear of consequences stemming from defamatory statements or records thereof.
- Minutes of meetings, often known as Hansard, including ability for the legislature to strike discussion from these minutes.

Activity 12.3.1.2

- Organic Law on the Integrity of Political Parties and Association Committee
 - Dr. Alphonse Gelu
 - To strengthen political parties in PNG, nurture political stability, and to strengthen weak areas of the Organic Law.
 - 500 members in a political party
- Briefly explain the reason behind the creation of the OLLIPAC?
 - to regulate the existence and activities of political parties and oversee the relationship between parties and MPs
 - to regulate MPs' relationships with political parties
 - there were provisions in the OLIPPAC to regulate funding of political parties
- To make the numbers and strengthen a political party
- In the First-Past-the-Post a candidate with the highest number of votes in the electorate wins. In the LPV there is more credibility to the winning candidate, in that, it is not only the first votes that are counted but the 2nd and 3rd choices as well.

Activity 12.3.1.3

- The five National Goals are:

<ol style="list-style-type: none"> 1.1 Integral Human Development 1.2 Equality and Participation 1.3 National sovereignty and self-reliance 1.4 Natural resources and environment 1.5 Papua New Guinean ways 	}	The answer for each goal differs from student to student.
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- In order to achieve national identity education was used to teach students on how to express their experiences in poetry, music, stories, and art that dealt with the "beauty of village life," the opposite sex, pride in their cultures. They were also taught on how they could lead the country into the modern world without becoming selfish.
- Colonisation changed the way of life of individuals and villages as a whole. Dispersed settlements were combined into larger villages for easier administration and the provision of education and health care. The first towns grew up around mission and administrative centres, near airstrips, or on hillsides overlooking good harbours. Towns were small, and homes and non-residential structures were simple one-story buildings. The first Papua New Guineans to live in towns were men. Many workers were chosen from nearby villages to which they were expected to return at night, but some lived in servants' quarters (*boihaus*) or company barracks.

4. The division of labour in the village was by age and gender. Men and women worked together to feed their families from gardening and other subsistence activities and children and older people assisted in different ways.
5. Mission work provided opportunities for new forms of wealth, power, and age and gender relations. Working for the mission sometimes provided young men with an income that allowed them to support and choose brides. Schooled in Christian ethics, young women often refused to have bride-prices paid for them.
6. The support of arts promoted the national culture and integral human development of students.

Activity 12.3.1.4

1. Decentralisation is the handing down of powers from the national government to the provincial and local level governments so that they have control over their own affairs.
2. The provincial system of government was not successful because of these three reasons:
 - 90 percent of funding came from the national government
 - There was duplication of government services
 - Corruption and incompetence led to governments being suspended
3. The aim was to move the decision-making, closer to the people in rural and urban areas. Under this system the elected president of an LLG represented that LLG in a Provincial Assembly.
4. Each ward has a development Committee with the elected councillor as chairman and two females and three males. The Development Committee planned and set priorities for basic needs at the village level. In urban areas wards were to be based on settlements. The number of wards differed from one local council to another.

Activity 12.3.1.5

1. Good governance is about the processes for making and implementing decisions. It is about good decision-making.
2. Good governance has eight major characteristics. It is participatory, transparent, responsive, consensus-oriented, equitable and inclusive, effective and efficient, accountable, and follows the rule of law.
 - Participation both men and women must take part either directly or through representatives.
 - Rule of Law requires a fair legal framework that is enforced fairly and full protection of human rights.
 - Transparency means that decisions taken and their enforcements follow rules and regulations. It means information is freely available and directly accessible to those affected. The information provided is enough and easy to understand.
 - Responsiveness requires that institutions and processes serve all stakeholders within a reasonable timeframe.
 - Consensus oriented refers to mediation of the different interests in society to reach a broad consensus in society in the best interest of the community.
 - Equity and Inclusiveness all members must feel that they have a role to play and do not feel excluded.

-Effectiveness and efficiency refers to processes and institutions to produce results that meet the needs of society and use natural resources sustainably to protect the environment.

-Accountability both the private and public sectors must be accountable to those who will be affected by its decisions or actions. Accountability is enforced with transparency and the rule of law.

3. Corruption would be minimised.

4. The four strategies are:

- Promote open discussion of the most significant problems facing parliament and develop priorities for reforms needed to make government's operations transparent and accountable.
- Ensure proper oversight of government functions by strengthening internal mechanisms, including investigative and enforcement capacity with respect to acts of corruption and facilitating public access to information necessary for meaningful outside review.
- Establish conflict of interest standards for public employees and effective measures against illicit enrichment, including stiff penalties for those who utilise their public positions to benefit private interests.
- Legislate for governments at all levels to adopt and enforce measures against bribery in all financial or commercial transactions both with the state, and with external actors.

Activity 12.3.1.6

(a) The Commission was established to:

- guard against the abuse of power by those in the public sector;
- assist those exercising public power to do their jobs efficiently and fairly and
- impose accountability on those who are exercising public power.

(b) Leadership Tribunal was set up to register, manage and administer tribunal files and documents filed in them. The staff registers files, receive, seal and file documents by parties during the course of the tribunal proceedings. And also it is the main contact point for lawyers and others during the existence of the tribunal.

(c) Promote consistency and fairness in the exercise of discretion by the Public Prosecutor, and where appropriate his or her officers, in the making of such decisions. Standard principles also promote the timely and efficient resolution of matters.

(d) The Public Accounts Committee a body set up by the government to look into spending by government bodies. It has the right to ask for audits of departments and can command heads of departments to present evidence and ask questions.

(e) Its aim is to fight against corruption and promoting openness, honesty and accountability in public and private dealings and to raise awareness of the adverse effects of dishonest and corrupt practices. The walks against corruption are an example of this kind of activity.

2. These government organisations are very important in good governance because without such policies in place the government would not be effective and efficient. In the absence of these organisations the government would be rife with malpractices in public offices and in general the whole country would be affected and the discontentment in the people could lead to a people's revolt or civil war, or even a coup.

**Sub unit 12.3.2: Bougainville Conflict and Resolution
(Case Study including current development)**

Sub topic 12.3.2.1: 1967 Bougainville Agreement; and Secession

Welcome. You have come to Subunit 12.3.2. This sub topic is a case study on the Bougainville Conflict and Resolution. As you progress through the unit, you will discover for yourselves the root cause of the conflict between the Bougainvilleans and the Papua New Guinea government.

By the end of this sub topic, the students should be able to:

- discuss, and list down the main causes of the Bougainville Crisis
 - draw a timeline showing the main events of the crisis.
 - discuss what the 1976 Bougainville Agreement was about.
-

History

The islands of Bougainville were part of German New Guinea from the 1880s until the end of World War I, when they were annexed by Australia's New Guinea territories. Later, in 1975 at the time of decolonisation, they became part of independent Papua New Guinea.

Bougainvilleans lived largely from subsistence gardening, hunting and fishing, in a matrilineal system where each person was identified by membership of their mother's clan. Bougainvilleans felt separate from Papua New Guinea and saw themselves more aligned – physically, emotionally and culturally – with the Solomon Islands. Secessionist sentiments flourished and threatened the cohesion of the newly independent nation of Papua New Guinea. Missionaries were very influential. In particular the Marists provided much of the education, and many current island leaders were former seminarians.

Discovery of copper deposits in the 1960s led to the development by Conzinc Riotinto Australia (CRA) of the Panguna open cut mine which was at that time the largest in the world. A CRA subsidiary, Bougainville Copper Limited (BCL) began building the infrastructure and facilities for the mine, which included a port, the town of Arawa, and a network of roads.

The company registered various traditional landowners of the Nasioi language group, but excluded women despite their position as traditional custodians of the land under the matrilineal system. The Australian government hoped that mineral wealth would fund future development in Papua New Guinea, and negotiations led to the **Bougainville Copper Agreement** in 1967.

The mine started production in 1972 under the management of Bougainville Copper Ltd with the Papua New Guinea government as a 20% shareholder. It ceased production in 1989.

1967 Bougainville Agreement

The issue of secession

Opposition to mining development at the Bougainville mine in Papua New Guinea's North Solomons Province was a major factor in the emergence of a secessionist movement on Bougainville in the late 1960s. By 1988 the simmering anger of a group of militant landowners ensued in a campaign of sabotage and harassment of mine employees, which led to riots, bloodshed and the introduction of PNGDF personnel to implement law and order.

In March 1990 a ceasefire was negotiated allowing the national government to withdraw its security forces. The government also promised a further transfer of powers to the provincial government.

The Bougainville mine was one of the world's largest gold and copper mines. In its years of production it accounted for around 40 per cent of Papua New Guinea's exports and between 17 and 20 per cent of government revenue. Ever since mining exploration began on Bougainville in the 1960s, the presence of the mining company has been a source of resentment amongst the local people in the Panguna area and for many other Bougainvilleans. Melanesian people have a deep attachment to their land and a complex structure of compensation payments. Therefore, many Bougainvilleans felt that the development of the mine had robbed them of their land, irreversibly changed their way of life, and left them with little of the wealth they believed the mine would have brought. As a prominent member of the Panguna landowner group said in 1989, 'Land is marriage – land is history – land is everything. If our land is ruined our life is finished'.

The development of the Bougainville mine **coincided** with the emergence in Papua New Guinea of;

- a pro-independence nationalism and
- a number of regionally based 'micro-nationalist' movements.

On Bougainville, a broad sense of ethnic separateness, between Bougainvilleans and mainlander 'red skins' and a feeling that Bougainville had been neglected by the mining company administration, encouraged the growth of secessionists' movements from as early as the 1950s. During the late 1960s and early 1970s, sub nationalist sentiments became more widely and more firmly established in Bougainville for autonomy. The development of the Bougainville mine was not the sole cause of this sub nationalist movement but the activities of the mining company and the administration, particularly about land acquisition, the social impact of the mine development, and the huge influx of non-Bougainvillean people.

In 1972, a Bougainville Special Political Committee (BSPC) was created, representative of local government councils, sub-nationalist movements and others in the (then) Bougainville District, considered Bougainville's future political status. The BSPC made a submission to the Constitutional Planning Committee for the establishment of a Bougainville District Government. When the national government rejected these demands there was talk of secession and thinly veiled threats were made about closure of the mine. The Constitutional Planning Committee then recommended the establishment of an interim district government on Bougainville and in 1974 this was done. The following year, the national parliament acted as a constituent assembly and resolved to omit the provincial government provisions from the constitution. Thus this caused Bougainville's political leaders to unilaterally declare the independence of the

Republic of the North Solomons. Bougainville member of the House of Assembly, John Momis (currently national minister for provincial affairs), travelled to New York to press Bougainville's claim to independence before the United Nations Trusteeship Council. Under pressure, the national government resumed negotiations, the interim provincial government was reinstated, and an agreement was signed with Bougainville's leaders in 1976 which provided the basis for an Organic Law on Provincial Government under which a nationwide system of provincial government was established.

With the introduction of provincial government, and following the renegotiation of the Bougainville Copper Agreement in 1974, Bougainville sub nationalism appeared to have declined, though a widespread feeling of separateness remained, along with general antipathy towards BCL.

In early 1989 Francis Ona challenged the authority of the national government and spoke out for Bougainville independence, he struck a sympathetic chord amongst many Bougainvilleans. In April, a meeting of provincial assembly members and community leaders discussed the situation in the province and reports suggested that the mood of the meeting was in favour of secession. Afterwards a committee of the provincial assembly, headed by John Bika, prepared a report on the Bougainville situation. It did not support secession but called for full provincial autonomy in all areas except defence, currency and foreign affairs. (Six weeks later, on the eve of the signing of an agreement between the national and provincial governments and landowner representatives, Bika was murdered by militant landowners.)

Now read the summary.

Summary

- Papua New Guinea became an independent nation in 1975. It was a country divided by many languages and customs.
- The people of the islands of Bougainville felt a greater cultural and geographical connection to the Solomon Islands than they did to mainland Papua New Guinea.
- Secessionist feelings flourished.
- The establishment of a giant copper mine on the main island of Bougainville a few years before independence inflamed secessionist sentiments.
- Bougainvilleans were denied a fair share of mine profits.
- The PNG Independence Constitution stated that land ownership was to own what was just below the surface and that mineral rights belonged to the state.

Now do Activity.



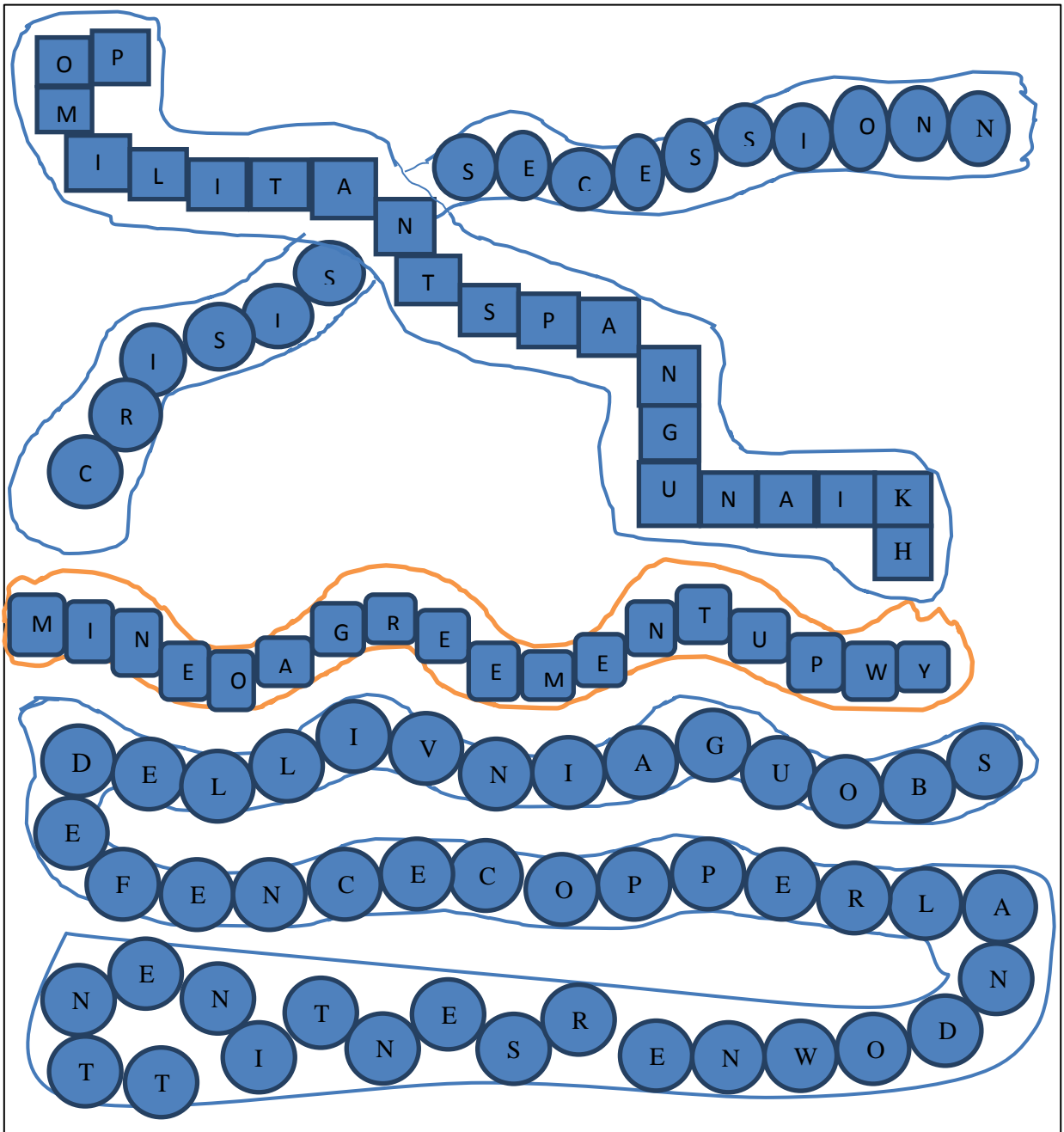
Activity 12.3.2.1

-
1. Explain the importance of the Bougainville Agreement of 1967?

2. Which multinational mining company was responsible for mining gold and copper deposits at Panguna?

3. Use the words given in the box to complete the word worm below.

Bougainville, secession, landowner, copper, agreement, militants, Panguna, crisis, mine, Resistants, defence, sentiments



4. What does to secede mean?

5. Briefly explain how the secession affected the mine and its employees?

Check your answers at the end of subunit 12.3.2

Sub topic 12.3.2.2: Panguna Landowners Association

In the last sub topic, you looked at the Bougainville Conflict. In this sub topic, you look at the Panguna Landowners Association.

By the end of this sub topic, the students should be able to:

- Explain what the Panguna Landowners Association is
- Read a case study on how Bougainvilleans were affected

In 1979, a Panguna Landowners Association (PLA) was formed amongst customary landowners in the roads; mine and tailings lease areas, primarily to press for a review of the compensation arrangements. Following a confrontation between landowners and BCL, this resulted in the following;

- (i) a minor riot and the looting of the Panguna supermarket, an agreement was drawn up in 1980 which incorporated all existing compensation payments,
- (ii) introduced some new forms of compensation and a price indexing formula for recurring payments, and
- (iii) established a Road Mine Tailings Lease Trust Fund (RMTLTF) into which portions of certain payments were to be made.

The intention of the new agreement was to consolidate the various forms of compensation that had developed, discourage new claims, and achieve a greater degree of equity in the distribution of payments. The 1980 agreement, however, did not resolve longstanding dissatisfaction with the level and direction of compensation payments. Moreover, it created another problem. The RMTLTF was created as a fund into which certain payments would be directed with a view to establishing capital for income-generating investments and other benefits for landowners in the lease areas. It comprised of 75 landowner representatives and was administered by an eight-person executive committee. Initially, with a capital of Kina 1.3 million, the fund appears to have run harmoniously, investing in interest-bearing deposits and making loans to its members. There was, however, a substantial write off of bad debts in these early years and when in 1983 the chairmanship of the RMTLTF changed, a non-Bougainvilleans manager was appointed and a stricter financial regime was instituted. Fewer loans were made to members and funds were mainly invested in local businesses, real estate and plantations. But, while the RMTLTF's assets and income increased under this new regime, members themselves received less and soon began to complain that the executive was not using RMTLTF funds for the benefit of the landowners; executive members were accused of mismanaging the fund and taking the money for their own purposes.

This disagreement within the landowner group reflected in part a growing split between an 'old guard' and the younger generation of people who not only resented the presence of BCL but also believed that the older generation had largely acquiesced in BCL's takeover of their land and had diverted what compensation had been received to their own ends. Some, like Francis Ona, had indeed received little from the compensation payments.

It was in this context that a challenge to the leadership of the PLA took place in 1988 and a new phase of landowner militancy began. But the divisions within the landowner group also help

explain the difficulties which the government faced in attempting to negotiate a settlement, and the tensions which became apparent amongst villages in the mine area. (One of the first victims in the armed conflict was a prominent PLA executive member, Mathew Kove, who is believed to have been murdered by his nephew. Other landowners who supported a settlement with the government in 1989 were attacked by the militant landowner group.)

Thus, in a pattern not unfamiliar to students of Melanesian politics, what appears at first to be a straightforward case of a landowner group seeking increased compensation from a mining company turns out to be a multi-layered mass of shifting elements whose motivations range from a broad Bougainville nationalism to internal family fighting.

The move from protest to insurgency

As early as March 1988 a delegation of some 500 landowners, organised by the militant faction of the PLA, marched on BCL with a petition of demands. Not satisfied with the company's response the group organised a number of protests including a sit-in at the mine which caused production to stop for several hours. Explosives were stolen from the BCL magazine in April 1988, and proposed action to shut down the mine was narrowly averted a visit by the national minerals and energy minister.

But things came to a head in November at a public meeting organised to discuss a consultants' report on alleged pollution from the mine. When the report refuted claims by villagers that mine pollution was responsible for the death of fish and the disappearance of flying foxes (popular as food), Ona and others stormed out. A few days later armed men held up the BCL magazine and took a large quantity of explosives. In the following weeks mine installations were subjected to a series of arson and sabotage attacks: power pylons were blown up, a repeater station was damaged, and there was a fire at one of the company's maintenance depots. Workers repairing lines were threatened by armed men. Early observers expressed some surprise at the professionalism of the saboteurs; it was later revealed that one of Ona's fellow militants was a former PNGDF officer and explosives expert, Sam Kauona, a Bougainvillean, but not from the immediate mine area.

In the early phase of confrontation there appeared to have been a good deal of sympathy towards Ona and the militant landowner group. The premier of the North Solomons, Joseph Kabui, himself from the tailings lease area, said in February 1989: 'The people see Ona as some kind of folk hero and champion of the Panguna land rights cause'. Kabui later declared: 'I also support what he was fighting for, but not his terrorist methods'. However, as the conflict escalated, as additional police and later PNGDF reinforcements arrived, and as the inevitable toll in human lives and the destruction of houses and property increased, the extent of support for Ona seemed to become more problematic. It became increasingly less clear who 'the militants' were. Reports suggested that by about March 1989 there were three elements: the original militant faction of the PLA together with a number of sympathetic (mostly younger) villagers in the mine area; members of the anti-government, cultic movement, the 'Fifty Toea Association', led by Damien Damen, from the Kongara area south of the mine, with whom the militants took refuge; and so-called *raskol* elements, gangs of petty criminals, concentrated in south Bougainville, who were ready to take advantage of the general disruption caused by the conflict. Estimates of the number of people involved ranged from a 'hardcore' of 75 to around 1000 (effectively, the adult population of villages in the lease area). Early in 1989 the hardcore militants began referring to themselves as the 'Bougainville Revolutionary Army' (BRA). As with many Melanesian organisations, the BRA appeared to have no formal structure, but its actions

against the security forces and the mine – and specifically its ability to successfully resist the PNGDF for over 12 months – suggested that it had been unusually well organised.

Initially the demands of the militant landowner group was to do with compensation – though their figure of K10 billion was unrealistic, and the demand for 50 per cent of profits, scarcely less so. Failing in this, they called for the closure of the mine, and adopted terrorist activities to secure their objective. As early as February 1989, Ona called for secession and in April he claimed to speak for an independent Bougainville Republic and demanded the withdrawal of troops from ‘our country’. Although the Papua New Guinea government persisted in attempts to negotiate a settlement with the landowners, Ona realised that he was on a one-way track, and in response to calls to surrender he replied that he would only surrender ‘in a coffin’. In June, the national government declared a state of emergency in the North Solomons.

The security forces that were brought in to restore law and order soon became a major part of the problem. As early as April 1989 some 50 police were sent from Bougainville for various breaches of discipline. There were reports of villages being burned and innocent villagers being harassed. The provincial premier, who had already been assaulted by militants, was beaten up by security force personnel, and the deputy premier was partially blinded after being poked in the eye with a rifle barrel. A subsequent Amnesty International report confirmed claims of human rights violations and police and army brutality. More recently it was alleged that in February 1990 several suspected militants, including a United Church pastor, were murdered by security forces and their bodies dropped into the sea from a helicopter. Such reports shocked the whole of Papua New Guinea including long-time observers. Such reports undoubtedly damaged the reputation of the police and the PNGDF. They also raised questions about the extent of government control over the security forces. More specifically, the actions of the security forces served to strengthen secessionist sentiments on Bougainville and reinforce demands for the removal of the security forces from the island.

Hundreds of Bougainvilleans lost their lives because of Colonialism

Posted by Admin on Saturday, August 31, 2013 in News

Former Bougainville Revolutionary Army Commander, Sam Kauona says, the 10-year bloody conflict which claimed the lives of hundreds of Bougainvilleans, Papua New Guineans, as well as Solomon Islanders was the result of colonialism.

And he says current laws on Bougainville must be changed before any mining activities are allowed to take place.

Mr. Kauona, describes Papua New Guinea's current mining laws as 'Stolen Rights Laws' which were adopted from Australia, and must be replaced. He says the loss of lives and bloodshed was in fact sacrifices for indigenous people to buy back all these 'stolen rights'.

Under the Mining Ordinance Act of 1928, which was later amended by the colonial government and called the Bougainville Copper Agreement 1967, stipulates that all minerals six feet underground are crown property.

The amended Bougainville Copper Agreement 1967, allowed Bougainville Copper Limited to extend its prospecting authorities, mining and land leases, as well as equity and shareholdings.

However, no shares were given to landowners on Bougainville. Mr. Kauona says these laws are the 'Stolen Rights Laws' which protected legalised stealing by Australia.

"These laws allowed legalised stealing by Australia at that time. When the Bougainvilleans

resisted against BCL and the government of PNG, we did not know that we were fighting against the laws. Panguna Mine was just the manifestation of these laws. That's why when we fought, we were fighting against colonialism. We thought we were fighting with Papua New Guinea. No! Actually, we were fighting against those colonial laws. If you see the history of Bougainville and Papua New Guinea, we have never been enemies. We were forced into a war that we did not want to fight. But, bloodshed occurred in this war and lives were lost. These sacrifices have now given us the power, strength and courage to get back all these rights today."

Significance of developments on Bougainville

Until 1988 the North Solomons Province was, as well as the richest, one of the more orderly and peaceful provinces in a country beset by problems of law and order. Its slide into militant advocacy, insurgency, and a virtual abdication of governmental authority, raised serious questions about the capacity of the national government, and specifically about its control over the country's security forces.

One of the effects of the unrest which developed in 1988-89 was a massive migration of non-Bougainvilleans from the mine area and from plantations and towns across the province. With this, and especially the deaths of police and army personnel in encounters with the BRA, came antipathy towards Bougainvilleans in other parts of the country. Many Bougainvilleans, fearing retribution, left their jobs on the mainland, and even in places such as the two university campuses in Port Moresby and Lae they were subjected to abuse. Within the North Solomons tensions rose amongst Bougainvilleans. Families were divided over the issue of compensation and the tactics of the BRA; provincial leaders who were killed and beaten; and some Bougainvilleans who have lost homes and property.

The behaviour of the security forces did not only tarnished the reputation of the police and military but had seriously damaged relations between the national government and the people of the province. The withdrawal of the security forces and the granting of increased autonomy to the provincial government may have done something to prevent a further deterioration in national-provincial relations, but it had little for the general law and order situation on the island.

Economically, the closure of the mine and the exodus of non-Bougainvilleans had a devastating effect on business and the plantation economy within the province. Nationally, the impact of the mine's closure was cushioned by the existence of gold and copper reserves and of a Mineral Resources Stabilisation Fund. But, by late 1989, the economic effects of the conflict became apparent, in part through a cut of 25 per cent in national government expenditures. Other major resource projects were about to come on-stream in Papua New Guinea, but the effects of the militant landowners' campaign was not lost in other parts of the country. By then there were renewed demands by landowners in the area of the Ok Tedi mine, and from the premier of Enga, where a major gold and copper prospect at Porgera was currently at that time under development. The premier deliberated that if Engans did not receive a satisfactory settlement they too could bring a prospective mine to a standstill.

Politically, the Namaliu government wisely persisted with a strategy of negotiation with the landowners and the provincial government, while attempting to keep the military on a tight rein. But others around the prime minister were inclined to show less patience, and the failure of the government to quickly resolve the issue did little to build confidence in a coalition government which already looked shaky.

In 1990 there was some optimism about the prospects for maintaining the ceasefire and reopening the mine.

Now, read the timeline on the Bougainville crisis.

Timeline of Bougainville Crisis

Mining, Exploration and Development

1963 CRA Exploration granted authority to prospect over area including Panguna deposit.

1965 Mining Warden rejected objections from local villagers and grants additional prospecting licences to CRA; Diamond drilling began in Panguna area; Confrontations between villagers and geologists continued throughout the year.

1966 *January* - Australian Federal Minister for External Territories made brief visit to Bougainville and told disgruntled villagers a mine is not for their benefit but for the nation as a whole, and villagers would receive compensation but no special benefits; Bougainvilleans at Holy Trinity Seminary, Madang, discussed secession for Bougainville; *July*- villagers around Panguna forced suspension of drilling operations, but drilling later continued under police protection.

1967 *June* - Mining Agreement negotiated between CRA and Administration, including offer of 20% equity to PNG if project proceeded; *August*- terms of Agreement incorporated in the *Mining(Bougainville Copper Agreement) Ordinance*.

1968 *Mungkas* (Telei language for 'black skin') Association founded at meeting of Bougainvilleans in Port Moresby and called for referendum on secession.

1969 *April* - CRA granted Special Mining Lease after it presented final feasibility study to Administration; Arawa plantation acquired compulsorily for town-site for mine and administration *June*- surveyors moved in to work on Arawa land; Bougainville villagers objected to Special Mining Lease taken up by the Public Solicitor in the Australian High Court without success (case dismissed in *August*) *July*- the micro-nationalist *Napidakoe Navitu* movement was formed as part of widespread unrest about land acquisitions for the mine, and 1,500 people attended its first meeting

1970 *Napidakoe Navitu* became more influential, and had supporters from various Bougainvilleans for a referendum on secession; Secretary to *Napidakoe Navitu* conducted an unofficial referendum on secession through the monthly *Bougainville News* which he ran (in *March* claiming to have distributed 16,000 voting papers, with over 11,000 supporting 'a complete break' with PNG);

1971 Construction worker labour force for mine and associated works peaked at over 10,000

1972 *March* - Australian Minister for Foreign Affairs presented demand for secession by *Mungkas* Association members when attending UPNG graduation in Port Moresby

April - commercial production began at Panguna. In *River of Tears*, US environmentalist, Richard West predicted disputes over ownership of the mine that could cause civil war.

1973 *February* - Leo Hannett established Bougainville Special Political Committee (BSPC) which prepared a case for establishing a district government for Bougainville

July the BSPC submitted demand for a District Government to the Constitutional Planning Committee; International copper prices rose to record levels and BSL profitability soared to unexpected \$158 million.

1974 *January* - first meeting of the Bougainville Constituent Assembly held;

July Bougainville Provincial Government formally established, and promised by Somare Government that it would receive the state's 95% of mine royalties; *August to October* - re-negotiation of the 1967 Agreement with CRA/BCL.

1975 *May* - Bougainville Provincial Government voted to secede from PNG and adopted the name 'North Solomons'; *July* - National Constituent Assembly voted to support Somare's motion to remove all provisions on decentralisation from the independence *Constitution*; *August*- Bougainville Provincial Assembly announced decision to declare independence of the Republic of North Solomons as from 1 September; *September 1st* - flag of the North Solomons Republic raised in Arawa market.

The Independence Era, September 1975 to 1987

1975 *September 16th* - PNG attained independence; *October* - Bougainville Provincial Government suspended by Parliament.

1976 *January* - anti-National Government riots on Bougainville; *February*- negotiations began between Bougainville and the National Government; *April*- suspension of Bougainville Provincial Government revoked; *July*- first election held for the Bougainville Provincial Government; *August* - Bougainville Agreement signed between National Government and Bougainville leaders paved way for the *Organic Law on Provincial Government*; *December*- the Parliament passed constitutional amendments providing for decentralisation;

1977 *April 1st* - *Organic Law on Provincial Government* came into effect.

1978 Panguna Landowners' Association (PLA) organised to press BCL for increase in compensation payments.

1980 *July* - PLA representatives signed new land compensation agreement with BCL, and the Road Mining Tailings Leases Trust was established under the terms of that agreement.

1981 Negotiations between North Solomons Provincial Government and National Government preparatory to renegotiation of the 1974 Bougainville Copper Agreement, with the Provincial Government and local leaders demanding transfer of National Government equity, a greater share of tax revenue, an increased rate of royalty and increase in the Non-renewable Resources Fund levy; *September*- landowner roadblock halted BCL production for some days; National Government rejected Provincial Government demands and re-negotiation of the 1974 Agreement never proceeds.

1986 BCL study on tailings disposal options resulted in proposal to construct a pipeline to the west coast. First evidence of the PLA leadership being challenged when a new leadership, including Francis Ona - disclaimed the executive.

Beginnings of the Conflict - 1988

1988 *March* Landowners demonstrated in support of demand that National Government cancel the Mining Agreement with BCL.

April Landowners demanded K10 billion compensation for past damage to land and environment, transfer of 50 percent of BCL profits and/or National Government tax revenues to the Provincial Government and transfer of ownership of BCL itself to Bougainvilleans control within five years.

May 17th - roadblock and sit-in stopped mine operations for six hours; 26th - landowner demands discussed at meeting of Provincial Government and National Government representatives.

August PLA members occupied road Mining Tailings Leases Trust offices claiming mismanagement by old PLA executive. Meeting held with Panguna landowners to discuss report of an environmental impact study on the Panguna mine by Applied Geology Associates - which largely refuted landowner claims of chemical pollution, soil degradation, prevalence of diseases in adjacent areas etc., which led to angry rejection by landowner leaders, Francis Ona calling it a 'whitewash', and storming out of the meeting; October Francis Ona warns that landowner patience is running out; November 22nd - theft of explosives from Panguna Mine magazine following police action to clear landowner roadblock. 25th - 27th, series of attacks on BCL property; December BCL mining operations halted for several periods by explosions. Police riot squads brought to Bougainville from Lae and elsewhere to help contain violence. Raids by riot squads in Panguna area spark claims of brutality.

Expansion of the Conflict – 1989

1989 January Violence escalated, more riot squad police flown in; 15th - 17th, further spate of attacks on BCL property and other targets; 18th - NEC decided to impose all night curfew starting 23rd January;

February Government declared 'cease-fire', but Ona demanded closure of BCL, and received support from community governments.

March Attacks on government and plantation buildings spread out to many areas of province; NEC approved deployment of PNGDF personnel on Bougainville, and first soldiers arrived.

April Exodus of plantation workers and 'squatters' began; Deaths and injuries in clashes between 'militants' and security forces escalated.

May NEC decided on additional powers for security forces; National Government and Provincial Government worked on a special package of benefits for Bougainville (the 'peace package'); Namaliu Peace Agreement (PNG Government, BRA) North Solomons Provincial Government select committee chaired by John Bika issued report proposing high level of autonomy for Bougainville; 25th - BCL mining operations closed indefinitely;

June Deputy Prime Minister Diro issued statement outlawing the BRA; 26th - state of emergency came into effect for Bougainville; July over 600 villagers evacuated from mountains and resettled in "care centres".

September Prime Minister Namaliu announced public ceremony to be held on 12 September where National Government, Provincial Government and landowners leaders ratified agreements relating to the 'peace package'; 11th - Nasioi provincial government member, John Bika, murdered, and Post Courier quoted Francis Ona saying Bika had undermined support for him and for secession (Bika had played a major role in informing people about the 'peace package'); 22nd - Deputy Prime Minister Diro reported to have given instructions based on NEC decision offering K200,000 reward for the capture of Francis Ona and seven named 'deputies'.

October Public meeting of 1,500 people in Arawa in support of peace and reconciliation attended by Prime Minister, provincial premier, National Government ministers, church leaders and traditional leaders; November Ona rejected National Government 'peace package'.

Escalation of Violence, Withdrawal of Security Forces; BRA takes Control – 1990

1990 *January* Amnesty International reported incidents of human rights abuses by security forces; *12th* - state of emergency extended; *14th* - PNGDF launches 'Operation Footloose' as all-out war on the BRA intended to clear the Kongara area of the BRA; Violent clashes and casualty rates increased; Most remaining non-Bougainvilleans left Bougainville;

March 1st - Bougainville Ceasefire Initiative (PNG, BRA, BPG) *13th* - international observers arrived to monitor security force withdrawal and surrender of weapons agreed to by the BRA; *16th* - all security forces personnel withdrawn from Bougainville;

April BRA leaders indicated willingness to negotiate with National Government.

May PNG Government offers greater autonomy to North Solomons and presented other new initiatives for negotiations; National Government imposed selective embargo on supply of goods and services to Bougainville — the “blockade”; *17th* - Unilateral Declaration of Independence of Republic of Bougainville issued under the name of Francis Ona, 'President';

July 29th - talks between National Government and Bougainville delegations begin aboard HMNZS *Endeavour*.

August 5th - the Endeavour Accord signed between PNG and BRA, provided for restoration of services, but deferred decisions on Bougainville's future political status; *29th* -provisional suspension of North Solomons Provincial Government by the NEC;

September 13th - PNGDF redeployed to Bougainville by NEC, restricted to Buka; *October 5th* - Buka leaders signed the Kavieng Agreement, and called on the National Government to re-establish order and services in Buka.

1991 *January 17th to 24th* - talks between National Government and Bougainville delegations in Honiara resulted in Honiara Declaration for restoration of services;

August 1st - Joseph Kabui, former Premier and then minister in Bougainville Government, led Bougainville delegation to hearing of UN Committee on Rights of Minorities and Indigenous Peoples in Geneva, it accused the PNGDF of committing atrocities; *26th* -National Government and BRA/BIG representatives met on MV *Kris* to prepare for talks scheduled for October (which never took place).

1992 *April* Former MP for South Bougainville (and two or three of his supporters) executed by BRA when returning to Siwai with National Government funds intended for use in establishing South Bougainville Interim Authority; *May* PNGDF land at Torokina and Siwai at request of local leaders.

July 17th- Paias Wingti became Prime Minister of PNG; PNGDF personnel moved closer to Arawa; PNG representatives met with BRA/BIG representative, Martin Miriori

1993 *February* PNGDF re-captured Arawa; *April* Pan-Bougainville leaders meeting - the Bougainville Leaders Forum - held in Buka (over 600 Bougainvilleans including about 150 traditional leaders), supported presence of security forces, said secession demands an impediment to peace, established North Solomons Peace Negotiating and Monitoring Committee and called for a further meeting with BRA/BIG;

November Amnesty International Report *under the Barrel of a Gun: Bougainville 1991-1993* released, alleging human rights abuses by both the security forces and the BRA.

1994 *January* Sir Julius Chan became foreign minister;

February Public discussion of government re-taking Panguna and re-opening the BCL mine; *April* Australian Parliamentary delegation visited Bougainville;

June Deputy Prime Minister and Minister for Foreign Affairs, Sir Julius Chan, reported keen to have proposals for multi-national peacekeeping force for Bougainville discussed at Pacific Forum meeting. Meeting between National Government officials and BIG representatives in Honiara agreed on preparatory meeting between BIG and leaders of interim authorities and other Bougainville leaders to prepare for Pan-Bougainville Peace Conference (negotiations later broke down);

July Prime Minister Wingti announced removal of K200, 000 price-tag on Francis Ona; August Operation High Speed 30th - Sir Julius Chan replaced Pias Wingti as Prime Minister; September Talks in Honiara between Sir Julius and Sam Kauona resulted in agreement on a cease-fire, holding of a peace conference in Arawa in October, and provision of security at the conference by a South Pacific Peace-keeping Force.

October Arawa Peace Conference held, but senior BRA/BIG leaders failed to attend. North Nasioi traditional leaders and BRA commanders signed agreement with National Government representatives committing themselves to the peace process.

November Mirigini Charter for a New Bougainville signed between the Prime Minister and Bougainville leaders, which paved the way for establishing of a Bougainville Transitional Government.

1995 March National Executive Council exercised powers of suspended North Solomons Provincial Government to pass amendments to the North Solomons Provincial Constitution necessary to establish the Bougainville transitional Government (BTG); Suspension of North Solomons Provincial Government ended;

April BTG formally established, and Theodore Miriung, North Nasioi leader, elected Premier;

May 18th - Following negotiations between the Prime Minister and the Premier, the Waigani Communiqué set out agreement on amnesty for surrendering BRA and others guilty of criminal wrongdoing in the conflict, future restoration programmes etc.;

September BRA/BIG and BIG representatives meet in Cairns;

November Jerry Singirok appointed commander of PNGDF;

December Further meeting in Cairns, this time under joint chairmanship of representatives of the secretaries-general of the United Nations and the Commonwealth Secretariat, attended by Kauona and Kabui, agreed on further dialogue and access for UNICEF and other health careworkers.

1996 January BRA/BIG delegates returned from Cairns talks, fired on by security forces near Koramira (Central Bougainville);

March First contact between PNG government and Plaza (which led to the contract with Sandline International); 21st - Prime Minister announced lifting of cease-fire first agreed in September 1994;

June Agreement between National Government and BTG to continue exploring various aspects of peace processes, which included future autonomy for Bougainville and an extension of the term of the BTG;

July Operation High-Speed II began;

August Operation High-Speed II ceased, but sporadic clashes between security forces and BRA continued, with casualties on both sides;

September Killing of 10 security force personnel at Kangu Beach, South Bougainville;

October Thomas Miriung assassinated

Francis Ona

Francis Ona was a Bougainville secessionist leader who led an uprising against the Government of Papua New Guinea, motivated at least initially by his concerns over the operation of the Panguna mine by Bougainville Copper Limited (BCL).

Born: 1953

Died: July 24, 2005, Bougainville Island, Solomon Islands



Now read the summary.

Summary

- The Panguna Landowners Association (PLA) was formed in 1979, amongst customary landowners in the roads; mine and tailings lease areas, to review the compensation arrangements.
- Late 1988 marked the beginning of a 9 year conflict with the destruction of power lines and attacks on the mine.
- The Bougainville Revolutionary Army (BRA) was led by Francis Ona and Sam Kauona and joined by members of the Provincial Government, who co-ordinated a campaign against the mine and declared independence for Bougainville.
- The populist ideology of the BRA promoted a kind of agrarian socialism with emphasis on traditional culture. The BRA became an effective paramilitary organisation.
- With the economic blockade imposed by Papua New Guinea, and little information reaching the outside world, anarchy prevailed.
- The Papua New Guinea government failed to resolve the conflict.
- The undisciplined actions of the BRA led to disillusion among villagers, and they responded by forming resistance forces who were in turn were armed by the Papua New Guinea Defence Force.
- The PNGDF reoccupied Buka Island on the northern tip of Bougainville from September 1990.
- After many years of conflict, the population was exhausted by the fighting, the lack of services, and disruption to their lives.
- Following negotiations led by New Zealand, a truce monitoring force came to Bougainville in 1997 to monitor peace.
- By the late 1990s there was a power shift in the BRA from militants like Ona to moderates like Joseph Kabui who had the support of Sam Kauona. Both Kabui and Kauona were willing to participate in peace talks.
- Government services were gradually restored and negotiations carried on creating a more autonomous government for Bougainville, while still remaining a part of the nation of Papua New Guinea.

- In 2001 a ceasefire agreement committed the Island to a referendum on full independence from Papua New Guinea in 10 to 15 years.
- In 2005 a provincial government was elected, led by Joseph Kabui.
- The new Bougainville administration would continue to run the island with greater autonomy, while the central government of Papua New Guinea will control defence and foreign affairs.
- Francis Ona died on 25 July 2005.

Now do Activity.



Activity 12.3.2.2

1. Describe the beginnings of the Bougainville Conflict in 1988?

2.

(a) Who was Francis Ona?

(b) What was the outcome of the conflict for Bougainville today – is it peaceful?

(c) Are there still rebel controlled areas?

(d) Has Francis Ona been replaced by a new rebel commander?

(e) Are there plans to reopen the mine?

3. What does the word *Mungkas* mean in the Telei language of Bougainville?

4. What was the main reason for the formation of the Panguna Landowners Association?

5. Which Prime Minister served at the time of the formation of the PLA?

6. What were the police and PNG Defence Force soldiers accused of during the crisis?

Check your answers at the end of subunit 12.3.2.

Sub topic 12.3.2.3: 1997 Sandline Crisis; PNG Defence Force Rebellion

In the last sub topic, you looked at the Panguna Landowners Association. In this sub topic, you look at the Sandline Crisis and the Papua New Guinea Defence Force Rebellion on Bougainville.

By the end of this sub topic, the students should be able to:

- Explain the importance of the Sandline Crisis
- Discuss and explain the effects of Sandline on the Bougainville people
- Discuss the role of the PNG Defence Force in the Sandline Crisis

1997

In early 1997, the PNG Government contracted a private military consultancy firm, Sandline International, a British-based firm with South African connections, to equip, train and assist the PNGDF to conduct a special military operation designed to defeat the BRA. Many Governments, most notably Australia, expressed strong opposition to the PNG Government's decision to engage mercenaries to seek a military solution to the Bougainville conflict. The introduction of mercenary forces into the South Pacific was considered to be destabilising and a dangerous precedent. Within PNG, Prime Minister Chan sought to portray the mercenary activity as part of an overall strategy to develop the capabilities of the PNGDF and forced the rebels to negotiate an end to the Bougainville conflict before the June 1997 election. Sir Julius' plan included a proposal by the PNG Government to purchase the giant mining company RTZ-CRA's 53% shareholding in Bougainville Copper Ltd (BCL), operators of the abandoned Panguna mine.

The Sandline operation was prematurely terminated due to widespread opposition by the PNGDF and its commander, Brigadier General Singirok and a Commission of Inquiry was set up to look into the mercenary contract. Sir Julius Chan, Mr Haiveta (the Deputy Prime Minister), and Mr Ijape stepped down from their offices for the duration of the inquiry. Justice Andrews, the Commissioner responsible for the Inquiry, handed acting Prime Minister Giheno the report of the Inquiry on 29 May. Giheno said he would release the Commission's findings publicly after he had read the 125-page report. On 2 June, Giheno suspended Head of the Prime Minister's Department Noel Levi for allegedly leaking the report, after former PNGDF Commander Singirok announced that he had been shown excerpts of the report by an Australian businessman (a close associate of Chan).

Timeline of the Sandline Affair**1997**

January 31st - Written contract between Sandline and PNG

February 7th – Mercenaries began arriving in PNG

19th – Downer arrived in PNG

22nd - News Report of Sandline Engagement appeared in *Weekend Australian*

March 2nd – Chan announced intent to purchase control of BCL

9th – PM Howard met with Chan in Sydney

16th – *Operation Rausimkwik* began

17th – Singirok called for Chan’s resignation

18th – Singirok dismissed as Commander

20th – Australian representatives met with Chan; Chan announced suspension of Sandline contract and establishment of a Commission of Inquiry

21st – Sandline personnel (minus Tim Spicer) flew out of PNG.

26th – Chan, Haiveta and Ijape stepped aside.

April 8th – Spicer departed PNG after testifying at Commission of Inquiry.

May 28th – NEC approved Peter Barter’s Bougainville Peace Strategy

June 2nd – Chan officially released Andrew Inquiry report, claiming it cleared him of blame and announced his returning as PM; Chan lost seat in national elections

July 10th – Singirok dismissed from the PNGDF

22nd – Skate elected PM; announced second Commission of Inquiry into Sandline (the Los Inquiry)

July Burnham I (BTG, BRA, BIG)

October Burnham II (PNG, BTG, BRA, BIG)

November Cairns talks (PNG, BTG, BRA, BIG)

Now read the summary.

Topic Summary

- The Sandline International was a private British-based military consultancy that was hired by Sir Julius Chan in 1997 to put an end to BRA opposition on Bougainville.
- Australia expressed strong opposition for the PNG government’s decision to engage mercenaries.
- The Sandline operation was prematurely terminated due to widespread opposition by the PNGDF and its commander, Brigadier General Singirok.
- A Commission of Inquiry was set up to look into the mercenary contract. Sir Julius Chan, Mr Haiveta, and Mr Ijape stepped down from their offices for the duration of the inquiry.
- As a result of the Sandline controversy, Jerry Singirok was dismissed from the PNGDF as Brigadier General, and Sir Julius Chan lost the 1997 national elections. Late Sir Bill Skate became Prime Minister.

Now do Activity.



Activity 12.3.2.3

1. What is Sandline International?

2. (a) Why was the Sandline International hired?

(b) How did Australia and the people feel about it?

(c) Who was responsible for bringing Sandline to Bougainville?

(d) Why was Brigadier General, Jerry Singirok, dismissed from his post?

3. Why was Sandline International terminated?

4. Which senior official was suspended for leaking the report about the findings on Sandline International?

5.

- (a) Which Prime Minister carried out a second Commission of inquiry into the Sandline International?

- (b) What was the second Commission of inquiry called?

Check your answers at the end of subunit 12.3.2

Sub topic 12.3.3.4: UN Observer Mission Bougainville (UNOMB)**Weapons disposal agreement (WDA)****Peace monitoring Group (PMG)****2005 Autonomous Government of Bougainville (ABG)**

In the last sub topic, you looked at the Sandline Crisis and the Papua New Guinea Defence Force Rebellion on Bougainville. In this sub topic, you look at the United Nations Observer Mission to Bougainville and the role it played in the Bougainville Peace process.

By the end of this sub topic, the students should be able to:

- Explain the role of the UN on Bougainville
 - Discuss and explain the importance and effects of this peace process on the Bougainville people and PNG government
-

The UN Observer Mission for Bougainville was established in 1998 as part of the Lincoln Agreement and mandated primarily to monitor the ceasefire. A small mission, it was often caught between government suspicion and the exaggerated expectations of the other side. This topic will particularly discuss the different phases of the mission's role, from the monitoring of the ceasefire to the facilitating of talks that led to the *Loloata Understanding* and a compromise on Bougainville's political status. The mission's role was primarily to manage the talks and to individually pressure the two sides towards a resolution. Subsequently the UN undertook a role in the control and disposal of weapons, although its political role was in encouraging the parties' commitment to peace.

1. Weapons disposal agreement (WDA)

The discussions below were taken from a press conference on Bougainville Mission on the 22 August 2005.

Having successfully completed its mandate, it was "mission accomplished" for the United Nations Observer Mission in Bougainville (UNOMB), the Under-Secretary-General for Political Affairs, Ibrahim Gambari, told correspondents at a Headquarters press conference today.

The elements for the Mission's success included its size and personnel, he continued. At the height of the Mission, which was established in 1998 and concluded in August this year (2005), there was six international staff. Since 2004, there were only four. The Mission had also managed to establish trust and continuity in its activities -- trust within the Mission and between the Mission and the parties to the conflict.

A third element in the Mission's success, he said, was that the Mission had encouraged deliberate speed in the peace process. The Mission's good leadership and cost-effectiveness had also contributed to its success. In specific terms, the Mission was able to promote disarmament and weapons destruction. It had also facilitated international observation of the electoral process.

With the facilitation of the peace agreement between the parties, the Security Council's mandate for the Mission was fulfilled, he said. As a result of its success, politically

motivated violence had ended. The Mission's regional partners -- Australia and the Pacific Islands Forum -- were also pleased with the Mission's outcome.

Starting from scratch in a remote part of the world, the Office had worked to build trust with the parties, Tor Stenbock, the Head of the Observer Mission, said. Building trust was one of the Mission's major issues. The key to the Mission's success was its ability to bridge differences between the parties.

With the signing of the Bougainville Peace Agreement in August 2001, the responsibility of the United Nations Office was to facilitate that agreement, he said. The peace agreement included three main pillars, namely; weapons' disposal, the election of an autonomous government and; a referendum on the future political status of the island.

The Mission facilitated the weapons-disposal plan, supervised the collection and destruction of some 2,000 weapons, he explained. In the lead-up to the elections, the Office pushed the parties to meet deadlines for the drafting of a home-grown Bougainville constitution. It also facilitated the holding of elections. The United Nations contributed vastly to the elections by providing helicopter support and coordinated the international observation team, which concluded that the elections had been free and fair, reflecting the true will of the people of Bougainville.

Responding to a question, he said the Mission provided an example of a mission small enough to be effective and accomplish its mandate. Small political missions, like the one in Bougainville, "had the right to life". Changing with the conditions on the ground, the UNOMB also provided an example of flexibility.

Also responding to the question, Mr. Gambari said the clarity of the Security Council's mandate, namely to facilitate the implementation of the peace agreement between the parties, had contributed to its success. Another "lesson learned" was the need for constant encouragement and consultations with regional partners.

Mr. Stenbock was asked how confident he was that the peace agreement would hold. He responded that he was confident, that it would hold. While it would be difficult for Bougainville to establish a viable economy, both the National Government of Papua New Guinea and the Bougainville parties were committed to the agreement. Some 10 per cent of the total population had been killed as a result of the dispute there. The attitude now was "enough is enough", he said.

2. Peace monitoring Group (PMG)



Illustration 12.3.3.4a: Warring factions gathering for the signing of the peace agreement

Source: UNDP, 2012

In 2001, the Bougainville Peace Agreement (BPA) which was signed between the national Government of Papua New Guinea (GoPNG) and leaders representing the people of Bougainville - ended a 10-year civil conflict during which thousands of men and women lost their lives. The UN Political Office in Bougainville (UNPOB) and the subsequent Observer Mission for Bougainville (UNOMB) facilitated and monitored the peace agreement. As such, the UN was crucial to ensuring the first free and transparent elections of the Autonomous Bougainville Government (ABG) in 2005.

UNDP took over from UNOMB and established offices in the north, central and south, making the UN the only international organisation that had continuous presence across the island. In close collaboration with AusAID, UNDP focused on peace-building and consolidation as well as post-conflict socio-economic recovery - including reintegration, rehabilitation and trauma counseling for ex-combatants and others affected by the conflict.

In 2011, UNDP convened, brokered, advocated and developed the capacity for the most transformative events of the peace-building process since the BPA. Its efforts culminated in a ceasefire agreement between factions in the southern Konnou district. Since 2006, this area had suffered from a conflict between armed groups that had not participated in the BPA. The conflict claimed over 100 lives, displaced hundreds of Bougainvilleans, denied the population access to basic services, including health and education, and represented a major stumbling block for weapons disposal.

UNDP used multiple initiatives and different groups and various levels of stakeholders to create the willingness to put down arms. In December 2010, based on its concept of peace fairs, UNDP supported the 3rd Bougainville Games in southern Buin. The event rebuilt bridges across factional lines, with sports teams, supporters, chiefs and faction leaders from all districts participating with enthusiasm. For the first time, over 200 women from the conflict-affected areas defied the orders of their male counterparts and mobilised themselves to accompany their teams to Buin. The women's initial objective was to cook for their teams, but the presence of their persuasive power turned out to be an essential and powerful measure of appeasement as they met with many of their relatives for the first time after the conflict. These reunifications culminated into a massive public push to break the long silence between the factions. Factional leaders gave into this wave of social harmony and started a dialogue with ABG.

In the absence of a clear ABG stand on peace and weapons disposal, UNDP started utilising the local institutions, including churches, to broker a ceasefire between the factions in Konnou, and to start negotiations towards reconciliation and weapons containment. In parallel, UNDP worked with women and youth as the population groups with an essential impulse for reconciliation and peace. Building on its long-standing work on women's empowerment, UNDP accelerated capacity development for and successfully encouraged women to become active lobbying agents for a ceasefire agreement in the South. Participants used their acquired skills to influence their husbands, fathers and sons to continue their engagement in the peace dialogue.

At the same time, UNDP - in collaboration with the UN's Department for Political Affairs (DPA) - facilitated a stock-taking dialogue on the progress on the BPA agreement. This exchange was followed by the first ever 'Bougainville Walk for Peace', uniting more than 200 members of ABG, civil society and faith-based organisations, youths and school children to commemorate ten years of peace on the island. The five kilometre walk was also the starting leg for a UN team of close to 50 walkers who embarked on a solidarity trek themed 'Empowering youth: village by village'. Youths from all over Bougainville - some of them previously engaged in UNDP-

supported socio-economic recovery activities - organised the walk, accompanied the trekkers and subsequently actively contributed to a UNDP-facilitated Youth Forum on Peace on the 10th anniversary of the BPA itself.

Simultaneously, UNDP established systems for direct negotiations with the fighters and a process for inclusive factional dialogue. The various factions established a platform for negotiating ceasefire, dialogue and weapons collection, agreeing on using customary truce mechanisms as the best way to solve the conflict. UNDP forged strong networks with a variety of church groups – an additional channel for advocacy and negotiation.

Finally, on 29 November, over 10,000 people from the South, ABG leadership and UN representatives, watched as the main factions came together and signed an official cease-fire agreement, opening the path for accelerated peace consolidation, post-conflict recovery and long-term human development.

UNDP, with its neutrality and convening power, was indispensable for ABG to call for and broker, civil society and local population to push for, and factions to agree to the Konnou ceasefire agreement. Through its innovative efforts across stakeholders and sectors, UNDP strengthened local capacities to lead the peace process at almost no monetary cost.

3. 2005 Autonomous Government of Bougainville (ABG)

Drawdown of powers

By Ancitha Semoso

The Directorate of Autonomy Implementation and Monitoring holds one of the core functions which are to facilitate the progress of the drawdown of powers and functions from the National Government to the ABG.

The implementation of Bougainville's autonomy is a key priority of the ABG and is an area surrounded by an atmosphere of urgency, given the need to meet the timeframes for implementation of key features of the autonomy arrangement under the Bougainville Peace Agreement.

Autonomy Implementation and Monitoring was faced with the demanding task of making sure that there was effective coordination and a concerted coalition of efforts from key implementing divisions and agencies within the ABG and the National Government in the execution of the priority actions to implement autonomy.

The success in the Joint Supervisory Body Meeting in February 2015 was indicative of the current effectiveness in intergovernmental relations between the ABG and the Government of Papua New Guinea.

In the emerging environment of relatively good relations with the National Government, emanating from improvements in the understanding and realisation of the National Governments special obligation through the Bougainville Peace Agreement, it had been their aim to continue to improve and maintain the good relations with key partners at the technical officials level and, most importantly, at the political level.

As a joint creation between the PNG Government and the people of Bougainville, each party is obligated to play their part in the implementation of the peace agreement.

The drawdown of powers and functions and their implementation needs to be fast tracked because of the need to fully implement the autonomy arrangement for Bougainville.

The transfer of responsibilities empowers the ABG to manage the affairs of the region without having to rely on the National Government for approval, which can delay the progress on specific matters identified.

Bougainville is just an autonomous government and its still under Papua New Guinea and as stated in the Bougainville Peace Agreement, the government is obligated to provide resourcing to the ABG on any transfers. The transfers should be accommodated with funding and resourcing, either with staffing or expertise.

The directorate is currently faced with the project of monitoring the powers and functions being transferred by departments, the statutes of its implementation in which will give us an insight on how far has the ABG gone in terms of the drawdown of powers and functions.

Our aim is to effectively manage and coordinate the implementation of the priority actions needed to implement the Bougainville Peace Agreement so that the people of Bougainville can realize and enjoy the benefits of peace and security and economic prosperity under the autonomy arrangements.

District level focus

The Autonomous Bougainville Government had said that empowering governance at a district level would be a priority in 2015.

The ABG said that it would strengthen needs based service delivery, infrastructure planning and implementation, in collaboration with Councils of Elders and Village Assemblies.

There would also be an increased role for the community in governance. Councils of Elders would be empowered, as the second tier of government, in planning, management and monitoring for program and service delivery in their local areas.

By March 2015 the roles, functions and resourcing of Community Government would be defined, in preparation for Council of Elders elections in late 2015 or early 2016.

Finance instructions would be developed for the payment of Local Level Government Service Improvement Programmes for all Council of Elders.

The ABG had stated that over the next four years there would be an increase to the allocation of recurrent funding to key service delivery sectors to support education reform, including services to -vulnerable youth and the lost generation; delivery of quality health services, law and justice; and quality transport and infrastructure maintenance.

Now read the summary.

Summary

- The UN Observer Mission for Bougainville was established in 1998 as part of the Lincoln Agreement to monitor the ceasefire.
- The mission's role was mainly to manage the talks and to individually pressure the sides towards a resolution.

- Subsequently the UN undertook a role in the control and disposal of weapons, although its political role was in encouraging the parties' commitment to peace.
- The UNOMB successfully accomplished its mission under Ibrahim Gambari, the Under-Secretary-General for Political Affairs.
- The elements for the Mission's success included its size, personnel and deliberate speed in the peace process. The Mission's good leadership and cost-effectiveness had also contributed to its success.
- In specific terms, the Mission was able to promote disarmament and weapons destruction; and facilitated international observation of the electoral process.
- The signing of the Bougainville Peace Agreement in August 2001 was the responsibility of the United Nations to facilitate.
- In 2001, the BPA which was signed between the National Government of PNG (GoPNG) and leaders representing the people of Bougainville - ended a 10-year civil conflict during which thousands of men and women lost their lives.
- The UNPOB and UNOMB facilitated and monitored the peace agreement.
- The peace agreement included three main pillars, namely; weapons disposal, the election of an autonomous government and; a referendum on the future political status of the island.
- Autonomy Implementation and Monitoring was responsible for effective coordination of efforts from key implementing divisions and agencies within the ABG and the National Government in the execution of the priority actions to implement autonomy.

Now do Activity.



Activity 12.3.2.4

1. Explain the role of the UNOMB.

- (a) The signing of what document marked the end of the 10 year conflict in Bougainville?

- (b) What year was this document signed?

(c) Which parties were involved in this signing?

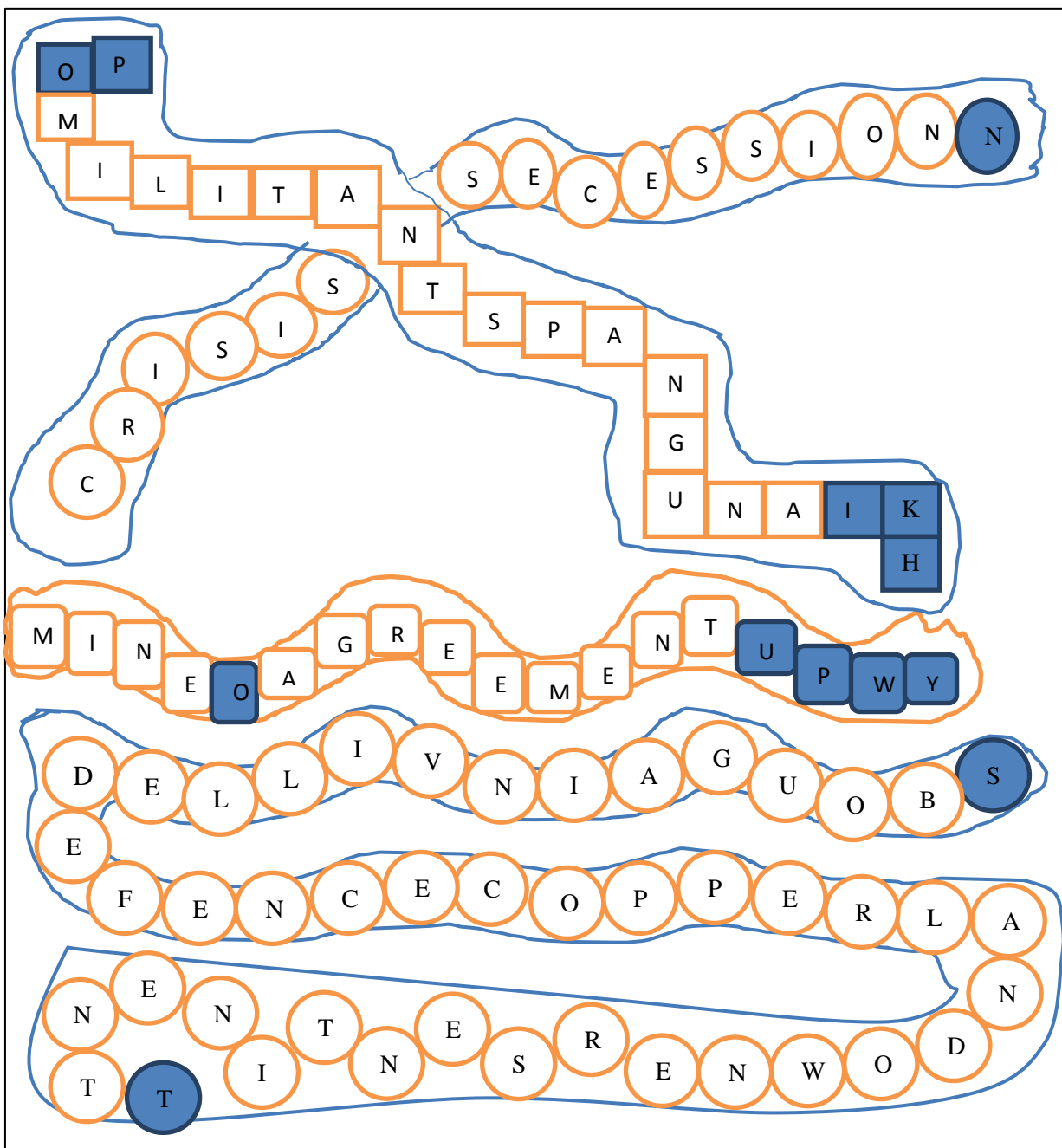
3. What did the BPA involve?

Check your answers at the end of subunit 12.3.2.

Answers to Activities 12.3.2

Activity 12.3.2.1

1. The Bougainville Copper Agreement of 1967 made it possible for BCL to start mining. Although women were traditional custodians of the land they were not acknowledged in the agreement.
2. ConzincRiotinto of Australia (CRA)
3. Completed word worm.



4. Break away from a country or territory
5. Opposition to mining at the Panguna mine was a major factor in the rise of a secessionist movement on Bougainville in the late 1960s. By 1988 a group of angry militant landowners

carried out a campaign to sabotage and harass mine employees, which led to riots, bloodshed and the introduction of PNGDF personnel to implement law and order.

Activity 12.3.2.2

1. The Landowners demanded the National Government cancel the Mining Agreement with the Bougainville Copper Limited (BCL). They demanded firstly, a compensation of K10 billion for damage to land and environment; secondly, transfer of 50% of BCL profits and/or National Government tax revenues to the Provincial Government and thirdly, transfer of ownership of BCL itself to Bougainvillian control within five years.
2.
 - (a) Francis Ona was a Bougainville customary landowner. Francis Ona was a Bougainville secessionist leader who led an uprising against the Government of Papua New Guinea, motivated at least initially by his concerns over the operation of the Panguna mine by Bougainville Copper Limited (BCL).
 - (b) Yes it is more peaceful now in Bougainville. Basic goods and services have been restored and the people are living normal lives again. Bougainville now has an autonomous government.
 - (c) Though Bougainville has reached peace agreements with the PNG Government, there are still a few rebel opportunists' in villages that still threaten village peace and normalcy whenever the chance arises.
 - (d) Francis Ona was replaced by Sam Kaona
 - (e) Yes there are plans to open the Bougainville copper mine in the near future.
3. Mungkas means blackskin.
4. In 1979, a Panguna Landowners Association (PLA) was formed amongst customary landowners in the roads; mine and tailings lease areas, mainly to press for a review of the compensation arrangements.
5. Rabbie Namaliu
6. Violation of human rights on the Bougainville people

Activity 12.3.2.3

- a. Sandline International was a private British-based military consultancy firm.
- b. (a) Fight the BRA
(d) Australia and the people were strongly against it.
(e) Chan Government
- c. The Sandline operation was prematurely terminated due to widespread opposition by the PNGDF and its commander, Brigadier General Singirok and a Commission of Inquiry was set up to look into the mercenary contract. Sir Julius Chan, Mr Haiveta, and Mr Ijape stepped down from their offices for the duration of the inquiry.
- d. Noel Levi
- e. (a) Sir Bill Skate
(b) The Los Inquiry

Activity 12.3.2.4

1. The role of the UNOMB was mainly to manage the talks and individually pressure the sides towards a resolution. The UN then undertook a role in the control and disposal of weapons, although its political role was in encouraging the parties' commitment to peace.
2.
 - (a) The Bougainville Peace Agreement
 - (b) 2001
 - (c) Government of PNG represented by GoPNG and Bougainville leaders
3. The BPA involved the three main pillars, namely: weapons disposal, the election of an autonomous government and; a referendum on the future political status of the island.

Sub unit 12.3.3: International Relations

Sub topic 12.3.3.1: Foreign, Bilateral and Multi-lateral relations; International Treaties, Trade agreements

In this sub topic students will learn about Papua New Guinea's foreign policy, and policies on trade, investment, defence and education, as encompassed in bilateral and multilateral arrangements.

By the end of this sub topic, the students should be able to:

- confidently explain why Papua New Guinea as a country has to have international or foreign relationships.
 - discuss and identify the advantages and disadvantages of foreign relations.
 - define bilateral, multilateral, universalism, diplomatic, repatriate,
 - explain providing specific examples for each type of arrangement mentioned above.
-

International/Foreign Relations

Relationships between people of different countries or nations are called **International Relations**. Another name for international relations is **foreign affairs**. The term international relations refer to both the *fact* and the *study* of relations between countries. This can include the study of international bodies such as the United Nations (UN) or the World Trade Organisation (WTO). International relations have grown with globalisation. Multinational companies can also be studied as part of international relations.

Globalisation refers to the fact that different cultures and economic systems around the world are becoming connected and similar to each other because of the influence of large *Multinational* companies through the use of improved electronic communications systems.

Multinational companies are especially large powerful companies that operate in several different countries.

These relationships are very important for any independent country. No country in the world or its people can exist entirely on their own; there have always been interactions between groups of people. International relations like any relations can be either very complicated or very simple. How and why people and governments of different countries meet with each other is what this topic is about.

From independence in 1975, the new nation of Papua New Guinea established diplomatic, trade, investment and aid relationships with a range of countries, international organisations and corporations. PNG moved from a policy of "universalism" being friends to all an enemies to none', to one of "selective engagement", meaning one in which it concentrated on relationships in which PNG had a direct interest. Relationships that have positively either directly or indirectly benefited the population of the country.

Universalism was a policy implemented by the government of being friends to all and enemies to none.

Selective engagement was also a government policy based fostering relationships that concentrated on having a more direct interest on the citizens of the country.

The purpose of international relations

International relations are influenced by many things. The classic purpose of establishing international relations is to advance the interest of a country. These following aspects are some areas of interests that affect all foreign relations:

- **Security and Defence** – all governments believe that it is their first priority to protect their land and people. However, most countries are unable to defend themselves alone. Therefore, they form alliances or make agreements with other countries. For example; Australia and Papua New Guinea recently reached an agreement through international relations to defend each other. These may also include protecting borders, staying independent (i.e. being sovereign), protecting health and protecting a nation from external threats. Usually this means pursuing peace and avoiding war.
- **Trade** – economic relations for trade and business take place between individuals, companies and governments. Papua New Guinea has many special trading agreements with other countries of the world. Throughout the topic you will read about some multinational companies that are richer and more powerful than many of the developing countries of the world.

Examples include encouraging trade and economic activity that will benefit the nation, importing and exporting goods and labour, seeking markets for new products, and expanding markets for new products.

- **Social activities** – these include the *culture* and *history* of the countries that maybe linked in their past through colonialism, war, or common descent usually have special relationships. For example; Australia's closest relationships have traditionally been with the United Kingdom, which was seen as the mother country; likewise, Papua New Guinea's with Australia. Since World War Two, relationships between Australia and the United States have become much more important. Many countries may also share similar languages, common descent, cultures and customs, sports and religion. For example, the Melanesian countries of Papua New Guinea, Solomon Islands and Vanuatu have very close international relations. They have joined together to form the Melanesian Spearhead Group (MSG) to co-operate in matters of common interest.
- **Politics** – these relations take place especially between governments. Governments negotiate defence, trade and other major issues. Countries with similar aims, interests and systems of governments have special relations.
- **Geography** – these relations are usually developed when countries share a common border to foster a common understanding between them without upsetting or offending

the other. For example, Papua New Guinea and Indonesia share a common land boundary. This is a very important issue in the relationship between these two countries.

Bilateral and Multi-lateral relations

The existence of political relations between countries provides opportunities for better relations or co-operation. However, there can also be difficult relationships between countries which may lead to conflict, the breaking of diplomatic relations or even war. Whether co-operation continues or conflict erupts depends on how well-established these relations are. International relations are like personal relations or friendships – some are better than others, some are long-lasting and some even break up.

In the real world, most countries conduct their international relations according to what they judge to be in the best interest of their country. Countries co-operate with their 'friends or partners' whilst at the same time; try to prevent conflict with their enemies.

The nations of the world differ a great deal in their ability to influence others. The most powerful countries can influence others through trade, aid, persuasion or force. The power of a country depends on its size, population, resources and technology. The United Kingdom though small in size, used to be a powerful country. The UK controlled most of the world through trade and the strength of her navy and army. Until after World War II, her resources and power to dominate and influence the countries of the world were exhausted.

Since, the end of WWII, the Soviet Union and the United States of America emerged as the two more powerful nations, gaining control and dividing the nations of the world between them. The Soviet Union with her Eastern Europe communist allies and the United States of America with her Western capitalist allies (Refer to 12.2 – Changing World)

Many of Papua New Guinea's international relations are with individual countries. Our common border with Indonesia causes us to have special relations with that country. Our colonial past has also left us with closer ties with Australia. Defence and trade relations are particularly strong between Papua New Guinea and Australia. Relationships of these types are called **bilateral** or two sided relations. Papua New Guinea also has bilateral relations with the USA, China and several other countries.

Countries often join together to satisfy their common needs. These **multilateral** or many-sided relations are formulated or entered into by groups of countries having similar historical or cultural backgrounds or because of common trade or political needs.

Bilateral – two sided relations with other countries

Multilateral – many sided relations with other countries

Papua New Guinea's relations with other countries (1975 – 1985)

As Papua New Guinea is a small and in many ways a vulnerable country its relationships with others, usually the more powerful countries were of great importance. Relationships with other countries were mainly peaceful and mostly concerned with establishing diplomatic relations, aid, trade, and investment. However, Papua New Guinea did maintain a defence force.

Papua New Guinea's foreign policy during this period operated in five zones: Australia, neighbouring island states in the south-western Pacific, Indonesia, other countries in East Asia, and the rest of the world.

1. Australia

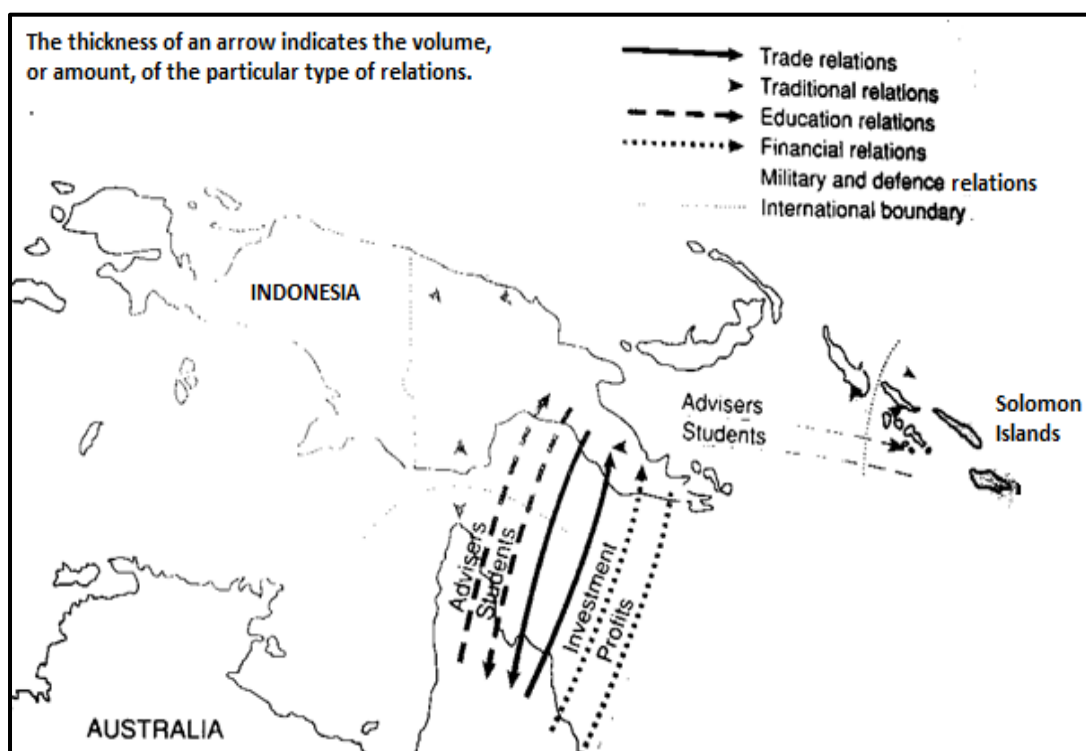
Of these five zones, the most important was that with Australia. The delicate nature of Australia's relationship with Indonesia made Australia's strategic interest in Papua New Guinea a prime concern.

An issue which required an early resolution was the position of the border between Australia and Papua New Guinea. While in practice the matter was resolved between the two governments in June 1976, disagreement within Australia rose from some members of the Liberal Party and business interests over the control of off-shore minerals. This dispute stalled the signing of the agreement until the end of 1976.

Other than the border issue, Papua New Guinea continued to enjoy what became known as a unique relationship with Australia based mainly on historical factors, including the experiences of the Second World War, and the proximity of the countries. Australia realised the strategic importance of Papua New Guinea and the importance of having a politically stable neighbour. Australian business interests were anxious to be involved in the exploitation of natural resources. Also, Papua New Guinea needed Australian financial aid and hoped that Australia would also provide military support if required.

Australian foreign policy was closely linked to Australia's aid commitment. At Independence 40 per cent of Papua New Guinea's budget came from Australian aid. In late 1975 Papua New Guinea was concerned that Australia might drastically reduce this aid contribution. In March 1976, the Prime Minister announced that Australia had guaranteed to provide K930 million for the following five year period but that aid from Australia would be gradually reduced. In 1984, an Australian report, known as the Jackson Report, recommended that Australia's aid should be reduced more rapidly and that aid should be tied to specific projects rather than given as a grant to the national budget. Papua New Guinea strongly opposed this recommended policy. Talks between these two countries became deadlocked. Negotiations were resumed on the understanding that a large amount of Australian aid would be tied to specific projects after full discussion between both countries. Australia-based companies or Australian components of transnational corporations increased their investment in the commercial and transport sectors as well as in plantations. Australian capital was also linked with transnational investment, especially in mining.

Australia continued to be Papua New Guinea's main trading partner. Prior to independence Australia had been the destination for almost a quarter of Papua New Guinea's exports but this figure declined as Asian destinations became important markets and import sources.



Map Illustration 12.3.3.1a: Papua New Guinea's regional and international relations.

2. South Pacific island countries.

New Zealand was interested in Papua New Guinea mainly for strategic reasons.

Relations between the two countries had always been good. New Zealanders formed an important part of the expatriate population, and New Zealand exported a range of manufactured goods to Papua New Guinea.

In the south Pacific Papua New Guinea confirmed its solidarity with other island states by opposing the France nuclear testing on Mururoa Atoll and supporting moves to declare the area a nuclear-free zone. In July 1975, during the sixth South Pacific Forum (SPF), Papua New Guinea agreed to plan for pooling resources for common purposes such as shipping and the protection of territorial and economic zones. Papua New Guinea and Fiji successfully moved to oppose the United States' entry into the Pacific Regional Fishery Pact.

In 1980, when the Papua New Guinean troops were engaged in combat for the first time, the Chan government agreed to a request from the Vanuatu government for assistance in suppressing a rebel attempt to capture government. This exercise was thoroughly planned and effectively executed, and within three months the one battalion of Papua New Guinean successfully crushed the rebellion.

At Independence Australia left behind a well-trained and adequately equipped defence force. The army, under the command of Brigadier General Ted Diro, had maintained these standards and thus, had little difficulty in overcoming the rebel forces. The combat skills of the defence force were of such high caliber that they succeeded in this enterprise without any casualties. Apart from New Zealand and Vanuatu, Papua New Guinea's relationships with countries in this region were almost entirely diplomatic and political. There were no significant trade relationships and no aid relationships except that these countries were potentially in competition for money from international agencies.

3. Indonesia

A particular sensitive area of Papua New Guinea's foreign policy was its relationship with Indonesia. An ongoing concern was the existence in Papua, (a province in the Republic of Indonesia), a population of Melanesians who were opposed to the Indonesian presence. For many of these Melanesians, opposition took the form of armed conflict, and these rebels formed a guerrilla movement known as Organisasi Papua Merdeka (OPM). A specific problem this situation posed for Papua New Guinea was that the Melanesian guerrillas did not recognise the West Papua – Papua New Guinea border imposed by colonial powers: they sometimes crossed into Papua New Guinea to evade the Indonesian troops. In December 1978, Papua New Guinea and Indonesia signed a new treaty to strengthen their relations. However, despite their official harmony between the two countries, many Papua New Guineans in the tertiary institutions and churches strongly opposed what they saw as a policy of capitulation to Indonesian interests.

When Indonesia activity along the border intensified, many Melanesians began to cross into Papua New Guinea. This influx of Melanesians created serious security and resource problems for Papua New Guinea. Following a series of incidents, the two governments arranged to review the border the agreement. Despite Indonesia's refusal to allow supervision of the operation by the United Nations High Commission for Refugees (UNHCR), Papua New Guinea agreed to repatriate the border-crossers and accept Indonesia's unilateral guarantee of their safety.

In October 1984 an estimated 11,000 Melanesians walked over the border to Papua New Guinea, and the Department of Foreign Affairs announced that it intended to escort the borders crossers back to Papua. University students spearheaded internal opposition against repatriation. However, by the end of December 1984, relations between the two countries were warmer. Indonesia agreed to allow UNHCR to participate in the repatriation exercise and to let Papua New Guinea officials accompany border crossers returning to their home villages, and make follow-up checks. In return Papua New Guinea granted political refugee status to 500 border-crossers, mostly academics, government officials, and army deserters, who refused to go back to Papua.

Papua New Guinea's relationship with Indonesia was almost entirely political and diplomatic. There was no significant trade between the countries. Indonesia had no financial investment in Papua New Guinea, and it did not supply any form of aid.

4. Other Asian countries

Papua New Guinea's relations with China were confined to trade. In 1975 the People's Republic of China offered to buy a large amount of raw materials including copper, cocoa, timber, palm oil, and coconut oil. In November 1975 a Papua New Guinea delegation went to China and a year later Prime Minister Somare visited the country.

During this decade Japan came to dominate investment and trade with Papua New Guinea. The rapid expansion of the Japanese economy in the 1960's and early 1970's led to a greatly increased need for raw materials, and Japan became the major buyer of Papua New Guinea's copper. However the Japanese economy reacted strongly to the 1974 world recession and it greatly reduced its copper orders in 1975. This provided the Papua New Guinea government with an early lesson in the dangers of the economy being too heavily depended upon the export of a few natural resources to a very limited number of buyers. With the recovery of the Japanese economy in the second half of the 1970's and the 1980's, Japanese companies

invested in PNG. Japan established several major timber and fishing projects. While this was perceived by many people as being beneficial to the Papua New Guinea economy, others were concerned that, given its poor record of protection of the environment, such as the Trans-Gogol timber project, Japanese companies might ignore the environment clauses that the Papua New Guinean government insisted should be included in their contracts.

In spite of Japanese legislation in 1972 allowing the government to give untied aid, the little aid offered to Papua New Guinea was tied to projects which would benefit Japanese interests. Relations deteriorated in 1976 when Japan threatened to cancel all aid unless a palm oil project is at Biella in West Britain was undertaken by Japanese contractors using Japanese consultants. The Papua New Guinea government did not approve the project. Japan was also interested in Papua New Guinea as a market for manufactured goods. Independence 20 per cent of Papua New Guinea's imports of manufactured goods came from Japan, and the value and the variety of these goods increased greatly during the decade.

Other Asian countries, in particular Taiwan, South Korea, Malaysia, and Singapore also wanted to invest in the country's natural resources and in trade. The involvement of these countries in this decade was mainly through capital contributed to transnational enterprises.

5. Other regions

In other regions the most important countries were the United States of America, the former Soviet Union, now the Russian Federation and the countries of the European Union.

The United States government's interest was mainly strategic, and the United States Embassy maintained a high profile in Port Moresby. Direct trade between the two countries was negligible; however, United States-based transnational corporations showed interest in the potential of Papua New Guinea's natural resources, in particular copper and oil. In the early 1980s the United States provided military training to the Papua New Guinea Defence Force, and volunteers were involved in aid projects.

Exports to the European Union increased to approximately 40 per cent of total exports, with Germany taking the major share. Germany was involved in transnational investment, and to a lesser extent other European countries, sponsored aid projects.

The Russian Federation invited Papua New Guinea to set up an office in Moscow, and offered to buy limited quantities of primary products, help build the fishing industry and provide favourable long term loans.

Now read the summary.

Topic Summary

- Another name for international relations is foreign affairs. The term international relations refer to both the *fact* and the *study* of relations between countries.
- This can include the study of international bodies such as the UN or the WTO. International relations have grown with globalisation.
- These relationships are very important for any independent country. No country in the world or its' people can exist entirely on their own; there have always been interactions between groups of people. International relations like any other relations can be either very complicated or very simple.

- From independence in 1975, the new nation of Papua New Guinea established diplomatic, trade, investment and aid relationships with a range of countries and international organisations and corporations.
- The classic purpose of establishing international relations is to advance the interest of a country. These following aspects are some areas of interests that affect all foreign relations: - Security and Defence
 - Trade activities
 - Social activities
 - Politics
 - Geography
- Papua New Guinea's foreign policy during this period operated in these five zones: Australia, neighbouring island states in the south-western Pacific, Indonesia, other countries in East Asia, and the rest of the world.

Now do Activity.



Activity 12.3.3.1

1. Define these terms.

(a) Globalisation

(b) Multinational companies

(c) Bilateral

(d) Multilateral

(e) Repatriate

2. What do these acronyms mean?

(a) SPF _____

(b) OPM _____

(c) UNHCR _____

3. Refer to Map 12.3.3.1a and answer these questions.

Demonstrate by stating examples of treaties and agreements between Australia and Papua New Guinea under each of these areas;

(a) Trade relations

(b) Education relations

(c) Finance relations

(d) National security e.g. Defence/Police/Navy _____

4. List down the five factors that can influence international trade.

(a) _____

(b) _____

(c) _____

(d) _____

(e) _____

5. What are the five zones that Papua New Guinea tries to maintain a relationship with?

(a) _____

(b) _____

(c) _____

(d) _____

(e) _____

Check your answers at the end of subunit 12.3.3

Sub topic 12.3.3.2: Independence or dependence (neo-colonialism); Aid Agencies (includes Non-Government Organisations, and others)

In the last sub topic we looked at “What Foreign/International relationships are about and reasons why individual countries like PNG needs to maintain some kind of relationships with other countries. In this sub topic, you will look at Independence and dependence and distinguish between the two and explain how countries deal with each situation.

By the end of this sub topic, the students should be able to:

- distinguish between independence and dependence
- define independence, dependence, neo-colonialism
- discuss and confidently explain why countries find themselves in these situations.
- give examples of PNGs’ trade relations that portray these scenarios

Independence or dependence

Being an independent country simple means that, that country as achieved political independence therefore enabling it to have a government system of its own. The type of government in place, in most cases depends on its former ruler. The most important feature of being independent is that the people of that country therefore make up the government and run their own affairs.

However, being politically independent does not necessarily mean that the country is completely independent in all aspects of running its’ own affairs. No country can depend entirely on its’ own.

Relations with other countries are very important to an independent country. All countries in one way or the other need each other and therefore depend on other countries. This is called *interdependence* and this also leads to *Neo-colonialism*.

Interdependence

Trade is the system of buying and selling which exists between two or more partners. The idea of producing a surplus is the basis for all trade. By specialising in producing certain goods, people produce more than they need for themselves. The surpluses produced are then traded or exchanged. Trading has also been a part of our traditional times as well, when our ancestors made long journeys and voyages to exchange the surpluses they had with each other. These exchanges show the idea of interdependence.

Trade between countries is called international trade. International trade depends on what goods each country has to **supply**, the **demand** for those in other countries and the system of transportation that exists between them. Countries sell the produce that they either do not need or have a surplus of to sell to other countries that need these things. Similarly, these countries either buy the things they need but are not able to produce or are not able to produce enough of from other countries.

What is international aid?

Aid is help or assistance that is provided to one country by other countries or by international organisations. The country or organisation which gives aid is called aid donor and the country

receiving is the recipient. Only about 5 per cent of all international aid given is humanitarian. It means that it is given for the benefit of the recipient only. All countries provide or receive this type of aid when disasters such as famines, earthquakes, cyclones, floods or volcanic eruptions occur. The majority of aid is given for development or military purposes and is generally given out of self-interest.

Development aid

Development aid may be provided in the form of money. The money is used for projects such as; water suppliers, health services and road building or helping countries with financial difficulties. The aid can either be a grant, which is a gift, or a loan which has to be paid back. Receivers of loans have to pay back the money with interest. There are two types of loan; the true type of aid loan is given at a low interest for a long period of time. This type of loan allows the receiver to slowly pay the loan back and therefore is sometimes called a **soft loan**. Donor countries' government also arranges loans to receiver countries at normal interest.

About one quarter of all international aid is given as technical assistance in the form of skills of expert workers, relevant equipment and training of local technicians. Countries with large surpluses of food such as wheat and milk send this food to countries like Egypt, Bangladesh, Indonesia and India. Most of these foods are sold by the government of the receiver country to its people.

In 1985, Papua New Guinea and Australia signed an aid agreement 1986 to 1995. The direct grant-in-aid to the budget reached its' peak in 1995. In 1991, an Australian National Audit Office Report criticised the Australian practice of delivering aid directly into the Papua New Guinea budget on the grounds that much of the money was spent on the nations' recurrent expenditure rather than development projects. The aid was gradually switched from the budget to aid tied to particular projects chosen by consultation between representatives of both countries.

Although it had been agreed that tied aid would be phased out by July 2000, exceptions were made for special situations. In December 2000, Australia loaned the government \$A80 million to assist with economic and social reforms. Australia continued to provide financial support to help the Morauta government cope with natural disasters, such as the 1997 drought and the 1998 Aitape tsunami.

In 1998 and 1999 a consortium led by Chevron Niugini and including Exxon, BHP, and the Papua New Guinean Company Oil Search mounted an ambitious project to pipe natural gas from Kutubu, Gobe, Moran and Hides oil and gas fields in the Southern Highlands and Gulf Province to Queensland in Australia. It would involve moving gas from Kutubu to an offshore plant in the Gulf Provinces and through a pipeline under the sea to Gladstone in central Queensland. A number of major technical, environmental and social problems had to be resolved before it could proceed. By 2000, there were difficulties in securing contracts with the Australian government and private corporations willing to buy the gas. These became major issues leading to the abandonment of the project.

Other Australian investments included retail trade, banking and insurance, law firms and the building industry. During the 1990s Australia attempted to assist in resolving law and order problems by providing funding for technical and personnel support for the disciplinary forces, courts, and the Attorney-General's Department and the Ombudsman Commission.

Ministers from Australia and Papua New Guinea attended a Ministerial Forum held annually, to consider government and private cooperation. In 2000, the 13th Forum dealt with the issues of trade, aid, security and the peace monitoring mission in Bougainville, North Solomon Province. However, there were also difficulties in this bilateral relationship. Between July 1997 and June 1999, the then Prime Minister Bill Skate took an anti-Australian stance.

Good relations were restored on the 14th of July 1999, when the newly elected Prime Minister Morauta, announced that he would implement reforms and curb corruption. Sir Mekere's evocative call established the landmark group, Friends of Papua New Guinea to address PNGs' need for regional and international support. These organisations included the IMF, the World Bank, the Asian Development Bank, and individual nations like Australia and Japan. These organisations were to be instrumental in offering support to the country during the financial crisis in both 1994 and 1999.

Military aid

By far the largest component of international aid is given in the form of military aid. Military aid can be in the form of;

- training of military personnel
- providing military advisors to the recipient country
- exchange of military personnel
- provision of military weapons and technology.

Who gives development aid?

The nineteen western countries belonging to the Organisation for Economic Co-operation and Development (OECD) give about two-thirds of aid currently available for distribution. The rich oil-producing countries that belong to the Organisation of Petroleum Exporting Countries (OPEC) also provide large amounts of aid. The communist countries provide only slightly more aid than the non-governmental organisations (NGOs) of the West.

About two-thirds of all aid is provided directly from the donor country to the receiving country as **bilateral** aid. Most of this bilateral aid is **tied** which means that it is given for a particular project. Often with such aid, goods and services must be obtained from the donor country. A receiver may use un-tied aid to 'shop around' and purchase what is required from anyone. Tied aid reduces its' real value and allows the donor to control the receiver. Another reason donors favour tied aid is that there is less chance of the aid money being mis-used by the receiver. The remaining aid is channeled through international organisations such as the UNO and its' agencies such as the World Bank as **multi-lateral** aid. Multi-lateral aid gives the donors less political power over the receiver.

Why is aid given?

Political relations between the donor and the recipient countries determine the type and level of development and military aid that flows between them. Where there is no effective diplomatic relations between countries, little or no development or military aid is given or received. Usually, aid comes from the developed or industrialised countries and goes to the developing countries. In fact, the United Nations Organisation has suggested that the richer nations of the world should try to give about 1 per cent of their gross national product each year as aid to developing countries. As you can see from Figure 12.3.3.2b, very few developed

countries achieve this target.

Study Figure 12.3.3.2a below.

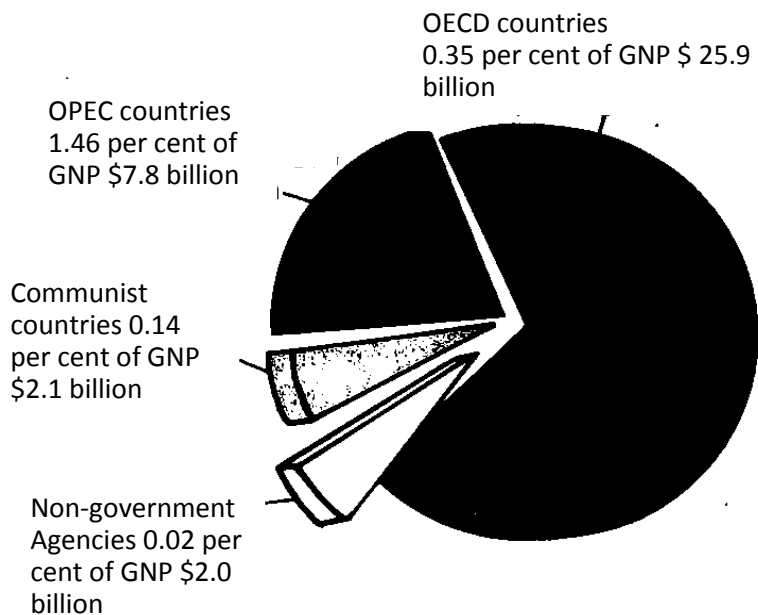


Figure 12.3.3.2a: Types of aid given by NGOs, and other countries

What are the reasons or motives of some countries that provide aid? We shall look at some of the reasons given, but remember that in practice the true reasons are probably a mixture of several different motives.

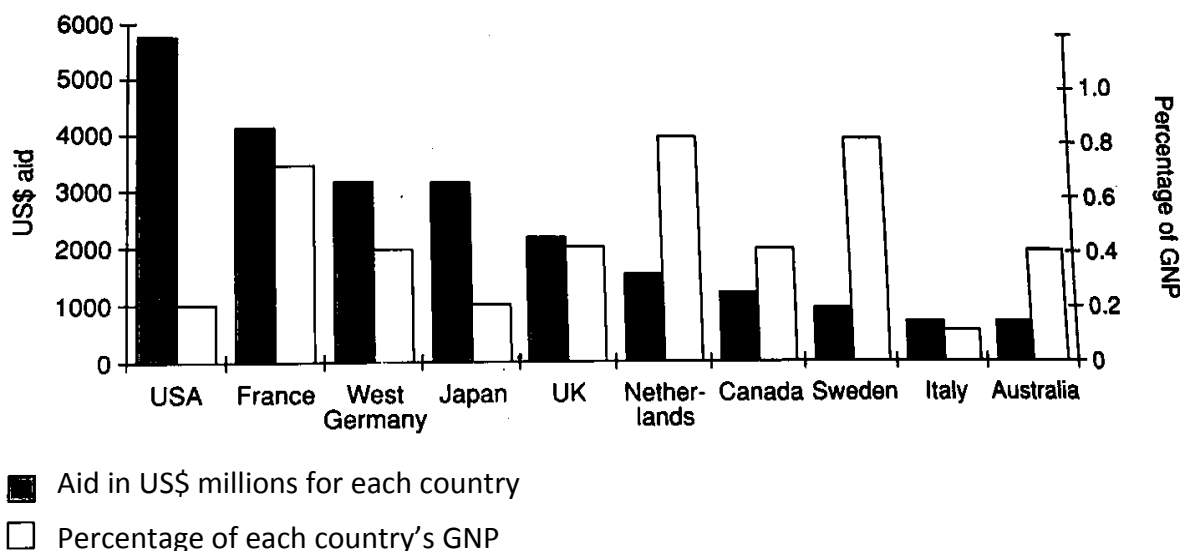


Figure 12.3.3.2b: Top 10 Aid donors

All aid is an instrument of foreign relations. Developed countries use aid to promote their interest in countries which co-operate with them or deny aid to countries with which they are in conflict. For example, Australia suspended its aid programme to Fiji when the democratic

government was replaced by the army in 1987. Since then only some of the aid has been restored. Some countries regard giving aid as their responsibility. This attitude is particularly strong between former colonial powers and some of their former dependencies. It must not be forgotten that many of the developed countries built their riches on the land, resources and labour of their past colonies.

Aid is, however, not given just to help the recipient country. It is also used to promote the interest of the aid donor.

These interests could include:

- national security, especially if the geographical location of the recipient country makes it an important link in the donor country's defence
- Tied aid money having to be spent in the donor country, thus creating markets for its' exports of technological and manufactured goods
- Encouraging a situation of dependency, by the recipient country so that it continues to use and buy products from the donor country
- A genuine desire to help the recipient become economically stronger and thus create more trade between the two countries.
- Advertising how 'good' a donor country is in giving aid in the hope of strengthening its image in the international community.

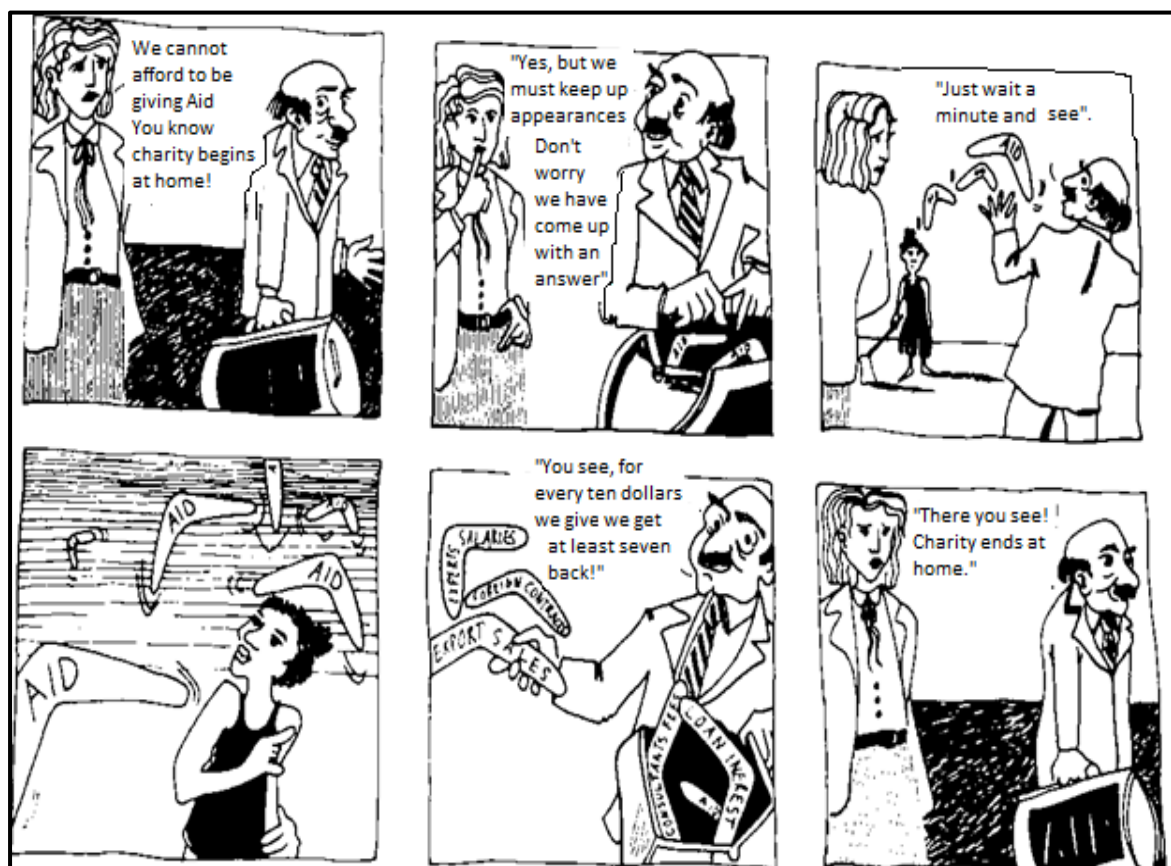


Figure 12.3.3.2c: Boomerang Aid

Advantages and disadvantages of aid

Aid should be good for the recipient country as it is supposed to help solve its developmental problems. Today all aid donors and national governments support the idea of using aid to meet the basic needs of all people. However, aid in fact carries with it some very serious problems for the recipient country. These problems occur for several reasons. The main reason is that aid is given because it promotes the interest of the donor country. The aid is given on terms set by the donor nations. Multilateral donors such as the United Nations agencies are usually seen as more genuine agents of development. However, they too can be influenced by the developed, donor nations who provide most of their funds. Aid can be helpful to the receiving country if it is:

- given as a grant for the receiving country to decide on how best it can use it
- what the receiving country wants and not what the donor wants to give
- designed to meet a specific developmental need of the recipient country.

Aid also has serious disadvantages to developing countries. It may:

- be used to support a government that most people in the poorer country don't want in power
- help make the receiving country dependent on the donor.
- be used in a way which only helps the rich people in the receiver country
- be used to 'dump' goods that the rich country does not want
- be used to force a different way of life on the people.

Study Table 12.3.3.2d that gives the total amount of money given by countries that support the UN.

10 selected countries only Total UN budget in 1986 was US\$1 731 875 093			
Country	Percentage of UN budget	US\$	US\$ per head of population
USA	25	432 750 000	1.75
USSR	10.2	176 562 000	0.63
Japan	10.8	186 948 000	1.50
West Germany	8.3	143 673 000	2.30
UK	4.8	83 088 000	1.54
Australia	1.7	29 427 000	1.80
France	6.4	110 784 000	2.03
India	0.35	6 058 500	0.008
China	0.79	13 674 900	0.01
PNG	0.01	173 100	0.05

Figure 12.3.3.2d: Who pays for the United Nations Organisation?

Some developing countries have borrowed so much money that they can no longer afford to even repay the annual interest on their loans. Many of these countries owe more each year in debts repayments and interest on their loans than they earn from exports. This makes it

impossible for them to repay their debts. These countries have no choice but to borrow more money to survive.

Some governments waste loans from their own exports. Leaders steal loan money that should be used for the benefit of the millions of ordinary poor working people. During his reign President Marcos increased the national debt of the Philippines from US\$ 2 billion to over US\$ 28 billion. Of this he reported to have stolen US\$15 billion for himself. Many more billions have been smuggled out by other leaders of developing countries and deposited in their own personal bank accounts in developed countries.

As developing countries find it harder to repay their debts, banks stop lending them money. Interest payments from developing countries to developed countries are now greater than loans going to other way. The poorer countries are now giving 'aid' to the rich.

Aspects	1982	1983	1984	1985	1986	Total
Aid money to developing Countries from developed countries	118	98	86	82	85	467
Loan repayments to developed countries from developing countries	132	132	132	141	153	690
Balance of money flowing to Developed countries	+ 14	+34	+46	+59	?	+223

Figure 12.3.3.2e: Money movements (in US\$ billions) between aid donors and recipients 1982-86

Aid to Papua New Guinea

Papua New Guinea today gets all kinds of aid from many countries and aid agencies. This resource book you are reading now and its other units were funded by the World Bank. Papua New Guinea and Australia have, because of their historical background have very close international relations of all kinds. Since independence in 1975, Papua New Guinea maintained these very close relations with Australia. Australia continues to be the main source of bilateral financial aid and technical assistance, but Papua New Guinea also receives aid from other sources. Many countries have since joined Australia in providing a variety of aid to Papua New Guinea. There has also been a growth in the amount of multilateral aid from international organisations and NGOs.

Papua New Guinea receives most of its military aid from Australia. She supplies weapons and technology, such as helicopters. Papua New Guinea officers train in military schools in Australia and specialist Australian advisers and trainers work with the Papua New Guinean Defence Force in PNG.

Other includes South Korea and other Commonwealth countries. Note: Papua New Guinea also receives multilateral aid from the World Bank, the Asian Development Bank, the United Nations Development Programme and other sources.

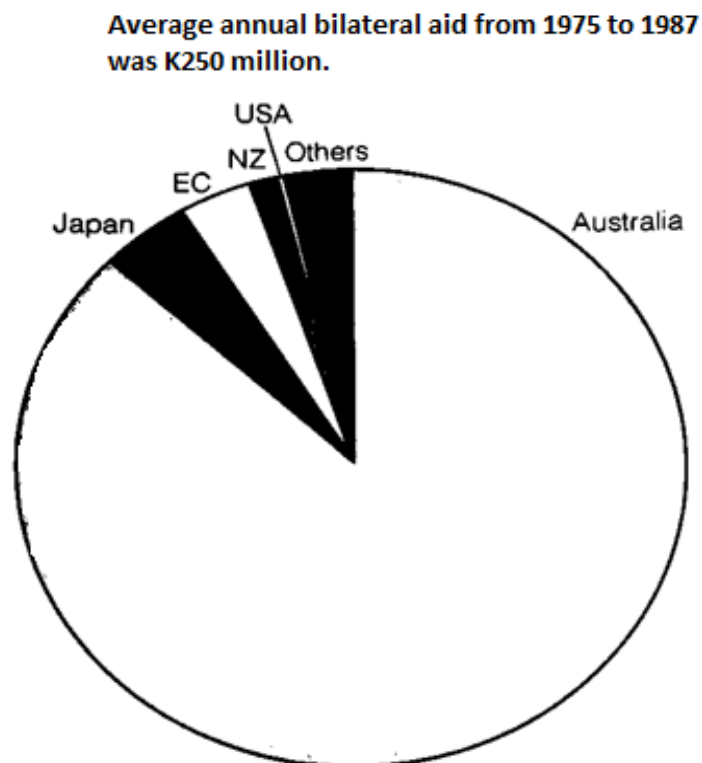


Figure 12.3.3.2f: Aids to Papua New Guinea

About a quarter of the money available each year for the government to spend during the first ten years of independence, came from Australia. This money was in the form of a grant. However, since 1985, less money was provided for direct budgetary support; more was given to fund specific projects such as transport facilities, education, telecommunication, electricity and agriculture.

The government of Papua New Guinea has set up an office to co-ordinate all government requests and monitors all aid that comes into the country. This office is called the Office of International Development Assistance (OIDA) within the Department of Finance. This office is the governments' control over international aid entering Papua New Guinea. The government is also able to carefully consider the needs of the people and match these needs with the aid that is available from donors.

Papua New Guinea negotiates bilateral aid with countries such as Australia, Japan, New Zealand, China, the United States of America and the developed countries of Europe. The Multilateral aid is available to us from an increasing number of international organisations such as the various agencies of the United Nations (UN), the European Community (EC), Asian Development Bank (ADB) and the Commonwealth.

Most aid given to Papua New Guinea is 'tied'. This means that the aid is for a specific project, such as the EC assistance to improve Magi Highway. Some aid donors only give aid to a project the government is willing to contribute to. For example the Papua New Guinea government contributed half the money towards the education project on the Outcome Based Unit books whilst the other half is Aus-aid funded.

Churches are the largest among the many NGOs giving aid to Papua New Guinea. Their contribution to education, health and welfare services is immeasurable. Others are volunteer organisations such as CUSO of Canada, the Peace Corps plus the Clinton Foundation from the USA, JICA from Japan, VSO from the UK and AVA from Australia. These organisations usually provide volunteer technical assistance with some money and materials.

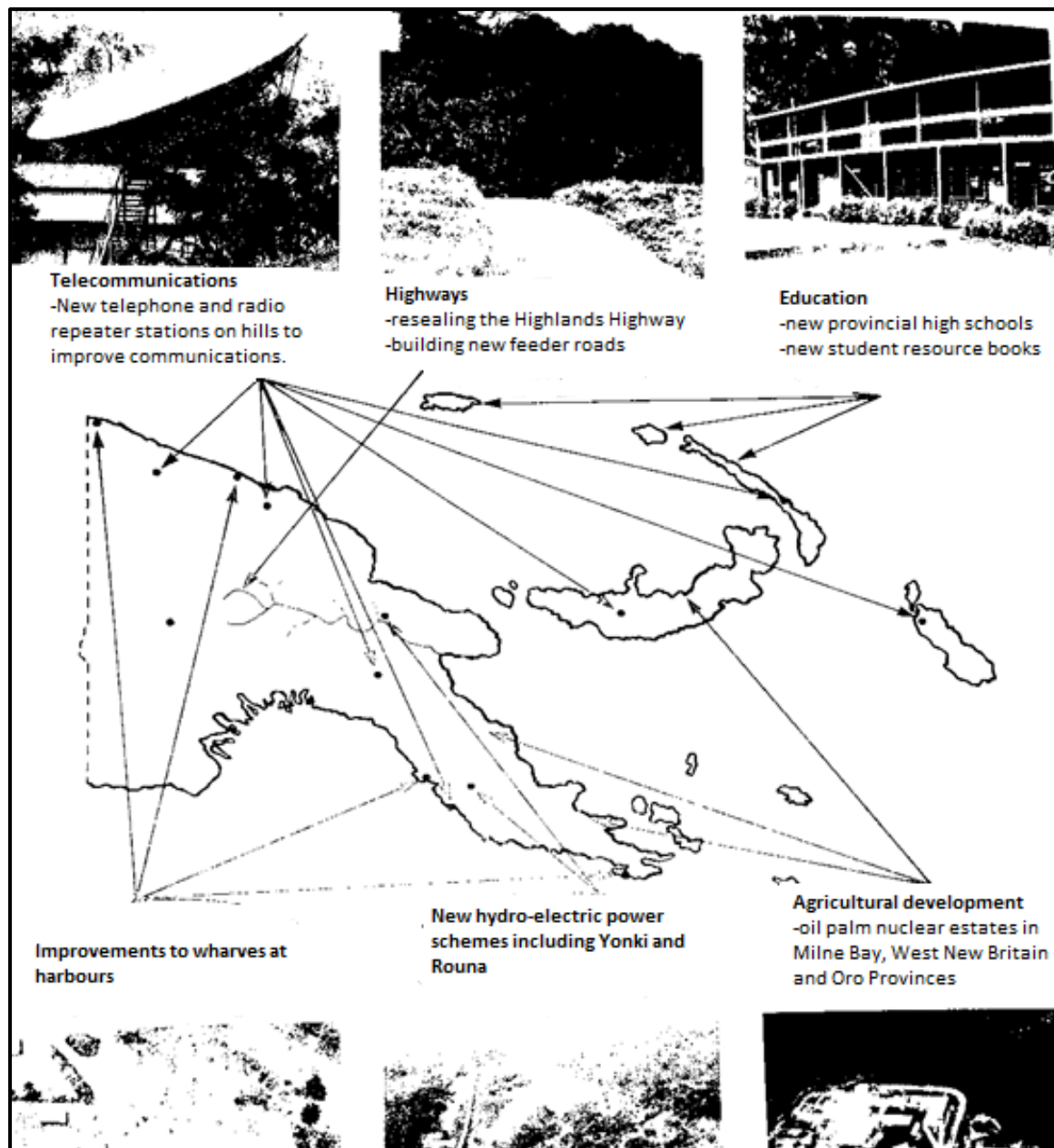


Figure 12.3.3.2g: World Bank aid funded projects in PNG.

Papua New Guinea has as yet not fallen into the loan trap. The government has a very good record of their loan repayments in full and on time. We are as yet not burdened with large interest repayments. For this reason and because of our rich natural resources, many banks and institutions would like to loan us money. It is the government's responsibility to make sure that our international trade and aid relations result in these precious resources being used in the benefit of all the citizens of Papua New Guinea.

Now read the summary.

Summary

- Relations with other countries are very important to an independent country. All countries in one way or the other need each other and therefore depend on other countries, this is called *interdependence* and this also leads to *Neo-colonialism*.
- Trade is the system of buying and selling which exists between two or more partners.
- Trade between countries is called international trade. International trade depends on what goods each country has to supply, the demand for those in other countries and the system of transportation that exists between them.
- Aid is help or assistance that is provided to one country by other countries or by international organisations. The country or organisation which gives aid is called aid donor and the country receiving is the recipient.
- Humanitarian aid is given for the benefit of the recipient only. All countries provide or receive this type of aid when disasters such as famines, earthquakes, cyclones, floods or volcanic eruptions occur.
- All aid is an instrument of foreign relations. Developed countries use aid to promote their interest in countries which co-operate with them or deny aid to countries with which they are in conflict.
- Development aid may be provided in the form of money. The aid can either be a grant, which is a gift, or a loan which has to be paid back.
- About one quarter of all international aid is given as technical assistance in the form of skills of expert workers, relevant equipment and training of local technicians.
- By far the largest component of international aid is given in the form of military aid.
- About two-thirds of all aid is provided directly from the donor country to the receiver country as bilateral aid. Most of this bilateral aid is tied which means that it is given for a particular project.
- All aid has their advantages and disadvantages but aid in fact, carries with it some very serious problems for the recipient country.
- Papua New Guinea today gets all kinds of aid from many countries and aid agencies; however, because of their historical ties since independence Papua New Guinea has maintained these very close relations with Australia.
- The Office of International Development Assistance (OIDA) within the Department of Finance is the government's control over international aid entering Papua New Guinea.
- Papua New Guinea negotiates bilateral aid with countries such as Australia, Japan, New Zealand, China, the United States of America and the developed countries of Europe.
- The Multilateral aid is available to us from an increasing number of international organisations such as the various agencies of the United Nations, the European Community (EC), Asian Development Bank (ADB) and the Commonwealth.

Now do activity.



Student Learning Activity 12.3.3.2

1. Complete the following sentences.

a)

- (i) International aid may be _____ between two individual countries or _____ when an international organisation or group of countries provide aid to a single country.
- (ii) Aid goes from one country, called the _____, to another, which is called the _____.

b) Write T (for True) or F (for False) after each of these sentences.

- (i) Tied aid can be used by the recipient country as it likes. _____ F
- (ii) Humanitarian aid is for good of the recipient only. _____ T
- (iii) Most aid is now tied. _____ T
- (iv) Grants do not need to be paid back. _____ T
- (v) Donor countries prefer to give loans because they feel the money to will be better used. _____ F

c) Study the following conditions applied to loans given by the World Bank to developing countries. Indicate which ones are soft loans, by placing a tick next to it.

- (i) Annual interest of 2 per cent interest _____
- (ii) A three- year 'period of grace' before repayments starts. _____
- (iii) Five years to repay the loan. _____
- (iv) Annual interest of 10 per cent. _____
- (v) Fifteen years to repay the loan. _____
- (vi) Repayments start at the end of the year. _____

2. According to Figure 12.3.3.2c, 'the Boomerang theory' if an Australian company invested K400 million in PNG, how much of that investment stays in PNG?

3. From the following sentences, cross out the wrong answer by putting an "X" over it.

- (i) Australia budgetary support is a grant/loan.
- (ii) Australian direct project funding is tied/untied.
- (iii) Australia budgetary support is an example of multilateral/bilateral aid.

4. Complete these sentences with the correct word.

- (i) The Iroquois helicopters sent by Australia to PNG Defence Force in 1989 are an example of _____ aid.
- (ii) The roads built in the SHP by the Australian Defence Force are examples of _____ Aid.
- (iii) PNG students going to Australia for studies are benefiting the _____ aid programme of Australian technical assistance.

Check your answers at the end of the subunit 12.3.3.

Sub topic 12.3.3.3: Influence of multinational companies, transnational Corporations...

In the last sub topic you looked at independence and dependence. It is understood that even countries that are independent still depend on other countries for their very existence. This, they achieve through international trade and/or foreign affairs.

Now, you will go on to look at the influence that multinational companies and transnational corporations have in countries they operate in.

By the end of this sub topic, the students should be able to:

- explain the advantages and disadvantages of multinational and transnational corporations have.
- discuss and give examples of such companies within the country.

International organisations and transnational corporations

International organisations with which Papua New Guinea was concerned included aid and , International Labour Organisation (ILO) and the International Monetary Fund (IMF). Papua New Guinea was represented at the Commonwealth Secretariat (CS), the South Pacific Bureau of Economic Cooperation (SPBEC), the associations of African, Caribbean and Pacific (ACP)nations, international coffee and cocoa organisations, the Economic European Community (EEC), and the United Nations(UN).

Major investment in the exploitation of natural resources came from transnational corporations. However, the national government found that negotiating with transnationals presented special difficulties. The first transnational to invest in Papua New Guinea was Conzinc Riotinto, which began copper mining operations on Bougainville under an agreement reached with the Australian colonial authority in 1967. A Conzinc Riotinto subsidiary, Bougainville Copper Limited (BCL), greatly expanded its activities and by 1983 BCL was one of the most profitable copper operations in the world.

At the end of this period, another transnational enterprise involving Australian, American and German capital began operations at the gold and copper mine at Ok Tedi in the Star Mountains of Western Province near the border with Indonesia. Minerals had been discovered in the area in the early 1970s; however negotiations concerning the terms under which foreign investors would be allowed to operate were influenced by the renegotiation of the BCL agreement in 1974. Discussions were protracted, and production was delayed for a number of years. Under the agreement reached with Ok Tedi it was anticipated that the company would make a substantial contribution to the national budget in the second half of the 1980s. These projects seriously affected the physical environment and created major social disruptions.

Universalism versus selective engagement

In 1975 Papua New Guinea adopted a Universalist foreign policy. Apart from those countries that persuaded racial and social policies which were offensive to Papua New Guinea, the government recognised all the countries which would recognise Papua New Guinea.

In September 1976, Sir Albert Maori Kiki attended a United Nations meeting where he defined his government's foreign policy: 'Universalism to Papua New Guinea taking the middle path

without veering to either side on questions relating to political ideologies, creeds or governmental systems'. Kiki gave as an example, Papua New Guinea's recognition of both Communist North Korea and capitalist South Korea. In July 1980, in a significant foreign policy change, the government abandoned 'universalism' in favour of 'selective engagement'.

In practice this meant that the government's objectives were,

- to strengthen links with the South Pacific Commission's regional organisations
- establish closer ties with the Association of South-East Asian Nations (ASEAN) members states
- cooperate with Indonesia on border development programs
- oppose colonial powers and racist regimes
- seek to diversify trade relations with Japan, China and Korea; and
- maintain strong bonds with Australia.

Foreign relations, investment, aid and trade (1986 – 2000)

Papua New Guinea's relationships with other countries between 1986 and 2000 included diplomatic relationships, defence, aid, trade and investment by transnational corporations.

Overseas investment, which was mainly in forestry, fisheries, mining and petroleum, was controlled by the Investment Promotion Authority (IPA). Under the IPA, the government encouraged small-and medium-sized companies to target countries in Asia and the South Pacific. The government continued to encourage overseas investment but retained the policy of equity in resources exploitation projects. This, together with labour costs and law and order problems, discouraged investors. Exploitation of natural resources involved over land ownership and the royalties to with the landowners were entitled to and responsibility for the repair of the damage done to the physical environment.

Australia

For historical, political, social and economic reasons, it was in the best interest of both countries to have close ties. Historical reasons included Papua New Guinea's status as a former colony of Australia. Political reasons included Australia's need to have a stable country as its nearest northern neighbour. Social reasons included the friendship built between individuals and non-governmental organisations such as the Christian churches. Economic reasons included Australian investments.

As at 2014, areas of mutual interest included areas of diplomacy, defence, investment, trading and aid relationships. Australia also assisted measures to support internal security, encouraged cultural exchange and make provisions for Papua New Guineans to study in there.

Australia established a high commission in Port Moresby on the 1st of December 1973, its former colony's self-government day. Papua New Guinean established a high commission in Canberra after independence was achieved.

In 1997, the two countries signed a defence partnership agreement under which they agreed to upgrade defence cooperation on the principles of mutual benefits, openness, transparency, and respect and regular dialogue. Under this arrangement both countries cooperate in a series of regular joint military exercises. Between 1998 and 2000, Australia withdrew much of its direct reinforcing agencies, including police and correction institutional services.

Papua New Guinea and the Australian border

In 1985 Papua New Guinea and the Australia ratified the Torres Straits Treaty which drew the border between the two countries; established agreements on the exploitation of marine resources and minerals in the Strait; and made arrangements which would protect the customary rights of the inhabitants and their environment.

A Joint Advisory Council (JAC), established to implement the treaty, included representatives from the Papua New Guinea and the Australia governments. Both governments agreed to allow representative of the Queensland state, the Western Province and the traditional inhabitants of the Torres Straits islands in the council. An Environmental Management Council (EMC) established by the JAC in 1988 had an Australian representative stationed in Torres Straits and a Papua New Guinea and the Australia representative stationed at Daru. Australia was concerned that people were illegally crossing the Straits into Northern Queensland and that drugs were being transported into Australia in return for guns being smuggled into Papua New Guinea. Both countries agreed to conduct regular joint patrols, which included officials from Customs, Immigration, Police and Foreign Affairs Department. In 2000, Australia agreed to spend A\$42 million over five years for joint monitoring of the Torres Strait border.

As of 2014, border issues still existed; for example, Australian claims about diseases such as TB being spread by people from PNG crossing the border to visit the health facilities in Torres Strait.

New Zealand

Papua New Guinea and the New Zealand established a diplomatic relationship in 1975. By 2000 the relationship included regular political consultations, a large development assistance program, defence cooperation, and a network of business links. It was in New Zealand's strategic and trading interests to have favourable relations with Papua New Guinea. Diplomatic contact was through the high commissions. Their foreign ministers met regularly to discuss matters of mutual interest such as development assistance; security and defence; trade and investment.

Under a Development cooperation Agreement signed in 1991, New Zealand agreed to develop natural resources, health, education, community and environment projects, and government agencies. The acceptance by the Papua New Guinea and the Bougainville rebels of New Zealand's offer to assist in settling the Bougainville controversy led to the Burnham and Lincoln Agreements on Peace, Security and Development which were signed in 1997 and Arawa on Bougainville, in 1998. In 1997, New Zealand lead the Truce Monitoring Group in Bougainville; and by the end of 2000 it was the second largest contributor after Australia to the 75-strong Peace Monitoring Group in the province and met the cost of Fiji and Ni-Vanuatu personnel.

PNG and the rebels accepted New Zealand because no New Zealand companies had financial interest in the copper mine at Panguna. New Zealand representatives were seen to be impartial mediators in the conflict. New Zealand's contributions formed the basis for the truce, then a permanent ceasefire, and finally the political negotiations that led to the signing of the Bougainville Peace Agreement in August 2001.

Indonesia

The purpose of the Treaty of Mutual Respect, Friendship and Co-operation, signed in resolved disputes peacefully. Both countries agreed to expand trade and transport links and exchange

defence attachés. Attempts to mark the exact position of the border between the countries were hampered by swampy and rugged terrain along much of the border. One reason for defining the border was to restrict the movements of the Indonesian Papuan guerrillas, the Organisasi Papua Merdeka (OPM), and the civilians who fled into Papua New Guinea to escape capture by the Indonesian troops. The OPM, which included Melanesians opposed to Indonesian occupation, was formed in 1969 to resist the integration of the former Dutch colony into Indonesian. The Indonesian renamed Dutch New Guinea, Irian Jaya.

The Papua New Guinean government took the position that, as Papua was an Indonesian province, the OPM was an Indonesian problem. Some church and students groups opposed this position. Some people protested against the treatment of the Melanesian landowners of the Papuan province on which the Indonesia and multinational companies built the giant Freeport Copper Mine. A consequence of this conflict was an increase in the flow of refugees across the border.

In 1986, Indonesia and Papua New Guinea accepted the United Nations Convention on Refugees, under which the United Nations High Commission for Refugees (UNHCR) was able to supervise Papuans who had fled to Papua New Guinea during periods of crisis but decided to return to their homes. UNHCR was also for assisting and supervising those who wished to settle in Papua New Guinea and those who wished to move onto other countries.

The estimated 10,000 refugees who remained in camps along the border were a major problem. In 1984, some refugees resisted attempts to be sent back to Indonesia and in 1985, some of them were given residency. In 1983, Indonesia built part of a highway across Papua New Guinea's Western Province and from time to time Indonesian troops crossed the border to pursue Papuans whom it claimed were OPM rebels.

Papua New Guinea took a conciliatory approach to its populous neighbour. In 1989 the government established a consulate in Jayapura, the capital of West Papua. In 1999 Jayapura was renamed Port Numbay. A joint committee with the task of resolving border disputes was formed in 1990 and in November of that year Papua New Guinea's Defence Minister declared:

Indonesian is our next-door neighbour. Our military personnel must cooperate and share a greater understanding among them. Papua New Guinea enjoys excellent relations with Australia, New Zealand, US and the British armed forces...There is no better way of creating better understanding and trust between our two countries than having the armed forces in Indonesia working with our forces and people to build a village project. It is this type of cooperation that will slowly dismantle the psychological fear of Indonesia held strongly by many of our leaders and people.

In December 2000, Prime Minister Morauta increased border patrols and reiterated his governments' view that West Papua was an Indonesian province. Not everyone agreed with the government's position. Some believe that Papua New Guinea should be supporting the Papuan independence movement.

A status of Forces Agreement signed in 1992 improved cooperation between the two countries, but Papua New Guinea's contact with Indonesia was almost entirely concerned with diplomacy and defence. There was little cultural contact and limited trade.

South-East Asia and the South Pacific region

Papua New Guinea location between the Pacific island countries and newly industrialised economics of South-East Asia had the advantage of facilitating trade and investment. In 1993 the Wingti government resolved to develop stronger contracts within Asian and South-Pacific countries and adopted 'Look North and Work the Pacific Policy'. This policy aimed to reduce Papua New Guinea's dependence on Australia and to develop strong bilateral relationships with the island nations to promote trade and commerce.

Immediately to the north-west of Papua New Guinea was the Association of Southeast Asian Nations (ASEAN), whose members were Indonesia, Malaysia, Philippines, Singapore and Thailand. Brunei and Papua New Guinea held special observer status. Another important organisation was the Pacific Forum. Whose members included Australia, New Zealand, and the Pacific Island states of Cook Islands, Fiji, Kiribati, Nauru, Niue, Papua New Guinea, Solomon Islands, Tonga, Tuvalu, Vanuatu and Western Samoa. The Federated States of Micronesia was admitted on observer status.

The People's Republic of China

Immediately after independence the Peoples' Republic of China and Papua New Guinea exchanged ambassadors. The relationship was complicated by Chinas' policy on Taiwan. China argued that Taiwan was a province that had broken away from the mainland with the establishment of the Peoples' Republic of China in 1949 and should not be recognised as an independent country. The Peoples' Republic of China called this the "One China Policy" and it wanted all the countries with whom it had diplomatic missions to observe. In 1990, Papua New Guinea agreed to the "One China Policy" but continued to have trading and economic relations with Taiwan.

China had expressed concern when, in 1989, Sir Michael Somare, the leader of PANGU Pati secured a low interest loan from Taiwan to build the Somare House and invited Taiwan to open a trade mission in Port Moresby. Relations improved in 1991, when China funded a sporting facility the popular Sir John Guise stadium, named after Papua New Guinea's First Governor General, to assist Papua New Guinea to host the South Pacific Games. In June 1999, china threatened to sever relations when Prime Minister Bill Skate made a secret visit to Taiwan to try and secure a low interest rate loan in return to giving Taiwan favoured access to natural resources, particularly fishing grounds. In July 1999, Sir Mekere Morauta became Prime Minister repudiated Skates' decision and returned to One China Policy. Towards the end of this period China supplied considerable financial assistance. In September 1999, the Chinese president was the first to support the newly elected Morauta government with a \$US 10 million grant-in-aid. Trade between the two countries reached an all-time high.

Companies based on mainland China traded with companies in Papua New Guinea; we exported raw materials and imported manufactured goods. There was a significant increase in trade between 1999 and 2000, and PNG benefited economically by exporting a greater value of raw material than imported goods. Papua New Guinea and China signed a taxation treaty effective from January 1, 1995.

As of 2013, Chinese investment in Papua New Guinea has continued to be high, with companies like Ramu NiCo, which is responsible for the development and management of Ramu Nickle project in Madang. China's largest mining investment outside China.

Japan

Papua New Guinea's diplomatic relations with Japan consisted of an embassy in Tokyo, a Japanese embassy in Port Moresby and in 1988, a Papua New Guinea consul-general in Japan. There were cultural exchanges and Japanese-funded scholarships to Papua New Guinean students, as well as investment, trade, and aid relationships.

Japanese companies invested in the exploitation of raw materials, particularly in timber. One controversial timber company was Jant, which was logging in the Golgol area of the Madang Province. This was done in opposition to the wishes of the local people who were concerned, with their physical environment-including the site for the clay used for making the clay-pots they traded with was being destroyed. Other people were concerned about the low royalty payments they were offered and that the local people were overlooked with employment opportunities within the project. Logging in the area began in 1968 and by 2000 the dispute had not been resolved.

Since the 1960s, Japan had been interested in Papua New Guinea's fishing grounds. Under International law, the area within 200 miles of Papua New Guinea's coastlines was regarded as its' exclusive fishing zone. In 1985, Japan attempted to renegotiate its agreement with Papua New Guinea. At a conference called by the Japanese in Tokyo in July in 1995, Papua New Guinea demanded that the fee of 4 per cent be increased to 10 per cent. In 1998 this arrangement was replaced by a joint venture agreement under which Papua New Guinea received greater benefits.

Japan is Papua New Guinea's major trading partner second, only to Australia. In the late 1990s, Japan became a major aid donor and, in 2000 again second only to Australia. An increase in Japanese aid during this period was partly a reward for having received a favourable fishing agreement.

The government of Japan provided aid through two agencies – the Japanese International Cooperation Agency (JICA) and the Japanese Bank for International Cooperation (JBIC). Japanese aid assisted educational institutions and health services including the Port Moresby General Hospital and aid posts, and transport, especially Port Moresby and Tokua international air/ports and rural airstrips. In 1996, Japanese aid supported the Education Department in establishing solar lights in rural primary schools and assisted the construction of the Education supported the reforms of the Morauta government. In 2000, Japan once again advanced a low interest loan as part of her contribution as a member of Papua New Guinea.

Malaysia

At independence, Papua New Guinea established a high commission in Kuala Lumpur, and Malaysia set a high commission in Port Moresby. Malaysian investment in Papua New Guinea was facilitated by the Investment Promotion and Protection Agreement earlier and a double taxation treaty was signed and affected on the 1st of January, 1994.

Malaysian companies such as Rimbunan Hijau invested heavily in timber in some areas, particularly in the Gulf province. Papua New Guinea is one of the few countries in the world that still has rain forests. Extensive logging led to the government passing legislation to protect the rainforest but did not give the department of Environment funding to enforce the law. Therefore, the high rate of exploitation has continued.

South Pacific Island Countries

Between 1986 and 1995, Papua New Guinea consolidated its' relationships with the smaller islands states in the South Pacific Region. However, by the end of the decade the government reassessed its' relationship with its' South Pacific island neighbours.

A 1996 government report prepared by the Defence Force concluded that:

The south-west Pacific is no longer a peaceful area. The major security concerns are the prolonged insurgency conflicts in Bougainville, and its' spill over effect into the Solomon Islands; the ethnic tensions involving the Fijians and the Indians in Fiji, the nationalist's movements of the Torres Straits; the independence movements in New Caledonia; and the nuclear testing in French Polynesia. These developments are indications of a potentially volatile region.

In 1999 another Defence Force report to the government confirmed its' concerns about the stability of the region:

The South Pacific though generally tranquil, is not immune over the long term from the possibility of a breakdown in security, law and order. The possibility of localised territorial incursions and sovereignty can be expected to increase over the term of this assessment as a result of growing resources pressure and possible large-scale refugee flow. Balancing this, it continues to look unlikely that Papua New Guinea will be faced with any significant, large-scale military threat for the foreseeable future.

The South Pacific tranquillity was challenged in June 1999 when the democratically elected governments of Fiji and Solomon Islands were brought down by army-backed coups and civil rebellion. As well as the political and social implications of these situations, the subsequent collapse of the economies of these countries had adversely affected Papua New Guinea.

Fiji

Fijians led to a military coup by a Melanesian, Sitiveni Rambuka. Some Papua New Guineans including the Prime Minister Paias Wingti supported Rambuka, while others were concerned that democracy had been overthrown. Further trouble erupted in May 2000, when another Melanesian leader George Speight and his group captured members of the cabinet, including the Indian Prime Minister Mahindra Chandra, and took over the government. When a multi-racial Constitution was drawn up in 1997 failed to resolve the situation an army-backed government took control.

Concerned members of the international community, including Australia, New Zealand and other nations of the British Commonwealth of Nations, applied diplomatic pressure and enforced economic sanctions against the country. George Speight and some of his group members were arrested but it soon became evident that they were not acting in isolation.

The Papua New Guinea government neither condemned the coup nor offered the new government any support. Australia's opposition to the coup was condemned by some PNG leaders who supported Melanesians taking over the sovereign state, Fiji. Sir John Kaputin a former co-president of the European Parliament marshaled international diplomacy and skillfully dissuaded the European Union from imposing economic sanctions on Fiji. When Papua New Guinea adopted a policy of achieving peace by peaceful means, as a solution to the Bougainville crisis, Fiji contributed to the peace monitoring group. Fiji now has considerable investment and trade with PNG.

The Solomon Islands

In 1989, relations between Papua New Guinea and the Solomon Islands (SI) were severely damaged. PNG had accused Solomon Islands of allowing the Bougainville militants to use their country as a base from which to attack the Defence Force, which was attempting to regain control of Bougainville, in the North Solomon Province. The Solomon Islands, in retaliation accused Papua New Guinea of using its troops to intrude into its sovereign territory.

In 1993, Prime Minister Billy Hilly bowed to Papua New Guinea pressure and shut down the rebels' office in Honiara. He agreed to prevent the smuggling of arms across the border. Papua New Guinea admitted that its soldiers had intruded into SI territory and agreed to pay compensation. Relations were considerably improved when the countries agreed on the position of the border and arranged to cooperate on security, natural disasters, quarantine, immigration, environment and conservation issues including the exploitation of marine resources.

Melanesian Spearhead Group

The Melanesian Spearhead Group (MSG) was formed in 1986 by the governments of Papua New Guinea, Vanuatu and the Solomon Islands to discuss matters that these three countries believe should be raised in the South Pacific Forum. In March 1988, representatives signed a statement the Wingti government had drafted called the Agreed Principles of Co-operation among Independent states in Melanesia. The MSG aimed to promote economic and social development within their countries; facilitate diplomatic and trading relations among the countries in the region; and provide a stronger common voice for Melanesian countries represented in the regional and international organisations. Ni-Vanuatu supported Papua New Guinea with a dispatch of army personnel for the international peace-monitoring group on the Bougainville Island.

Trade between Papua New Guinea and other Melanesian nations expanded after signing an agreement in 1993. As at 2000, these countries were working further to promote and strengthen trade relationships. The balance of trade was in Papua New Guinea's favour.

The Prime Ministers of each country met annually, until 1991 when disagreements between Papua New Guinea and the Solomon Islands on what the former perceived as the latter's support for rebels' during the Bougainville crisis disrupted the alliance. However, when Paias Wingti became the Prime Minister in July 1992, that relationship was restored. In 2000 the group resumed their meetings to discuss regional issues and trade links. The Melanesian Spearhead Group is mainly concerned with the status of the people, known as the Kanaks, in the decolonisation of the French possession New Caledonia.

The South Pacific Forum countries main concerns were to develop marine resources, in particular; fisheries. Forum members were also strongly advocated against nuclear testing in the region on the grounds of an adverse effect on the physical environment.

United States of America

The United States of America's interest in Papua New Guinea was mainly strategic but there was also investment in fisheries and mining by American companies and cultural contacts particularly in higher education. Under an agreement signed in 1989, military forces could be based in each other's country. The US trained the Papua New Guinea army, police and national

security forces. Representatives of the USA Pacific Theater Command based in Honolulu, Hawaii met annually with representatives of the Papua New Guinea Defence Force.

US companies had interests in the exploitation of PNGs' natural resources, especially fisheries, minerals and petroleum. The major companies that mine on Lihir Island were the US company Vengold, which held 25 per cent, and Conzinc Rio Tinto which also operated the mine, and the Niugini Mining Ltd, which owned 17.5 per cent until it was taken over by Rio Tinto in 2000.

Cultural contacts between the countries were mainly academic and religious-often a combination of the two. The US provided scholarships for Papua New Guineans, particularly postgraduate students, to study in US institutions of higher education. Papua New Guinea tertiary educational institutions and Papua New Guinea churches recruited staff from the USA. The US-based Summer Institute of Linguistics (SIL) run by Americans have translated many PNG languages into written forms. Of the total 800 languages recorded by SIL, as having been spoken; 26 were reported no longer in use. In 2000, 811 languages were spoken by Papua New Guinea's 5.1 million people.

The two main US Christian denominations in the country – the Catholics and the Lutherans-operated schools and clinics and had locally based welfare schemes. In Madang, the Catholic Church owns and operates the ecumenical Divine Word University. The Church also played a major role in the peace negotiations during the Bougainville crisis. Other active Christian denominations included the United Church, the Seventh Day Adventist, the Pentecostal Church, the Evangelical Alliance and the Anglicans. There were also small but active fundamentalist groups such as the Christian Revival Crusade. An influential non-religious, non-governmental volunteer organisation, the Peace Corps, provided community and education services.

As of 2013, the USA has increased its interest in PNG and the Pacific to counteract Chinese influence and because of resource development.

The European Union

In 1993 all the major countries in Europe signed a treaty under the umbrella of the Europe Union (EU) which aimed to introduce a common citizenship; established a common policy on foreign affairs, security measures, and promoted co-operation in economic and financial matters. The Europe Union was preceded the European Economic Community (EEC) of which Papua New Guinea became a full partner in November, 1978. As of 2000 the EU constituted; Austria, Belgium, Denmark, Finland, France, Germany, Greece, Ireland, Italy, Luxembourg, Netherlands, Norway, Portugal, Spain, Sweden and the United Kingdom. Because several of these countries were ex-colonial powers, the EU extended privileged access to European markets and gave financial aid to former colonies. Under the Lome Convention (1976-91) trade and aid were provided to PNG as an ex-colony of Great Britain and Germany.

Between 1975 and 2000, Papua New Guinea was one of the largest beneficiaries amounting to more than €245 million towards rural development and road infrastructure, institutional capacity and good governance. Through the aid key instrument Stabex under Lome I and Lome II Conventions the EU supported the short falls in foreign exchange earnings from coffee, cocoa, palm oil, and rubber and coconut products. The funds were used to improve crop research and diversification and to support price fluctuations that have a negative impact on the national economy. Under Lome III, €30 million was granted to assist the national government with the economic shortfall after the closure of the Bougainville copper mine. The EU also contributed

€10.5 million in 1999 after Sir Mekere Morauta called for international assistance under the backings of Friends of Papua New Guinea to implement his socio-economic reforms. PNG was represented at the headquarters of the European Union through an office in Brussels. Individual European countries with which Papua New Guinea has important contacts with include Germany, Great Britain and France. The EU has continued to fund projects such as the procurement of text books.

Regional and international institutions

The main regional bodies with which Papua New Guinea was associated were the Association of Southern Asian Nations (ASEAN), the South Pacific Forum, the Melanesian Spearhead Group and Friends of Papua New Guinea. International institutions with which it was associated included United Nations agencies particularly the United Nations Educational and Scientific Organization (UNESCO), the United Nations Environment Program (UNEP), the United Nations Development Program (UNDP) and the World Health Organization (WHO); the World Bank; the International Monetary Fund (IMF); the British Commonwealth of Nations; the World Council of Churches; the International Council of Women; and the International Labour Organisation (ILO). Papua New Guinea became a member of the World Trade Organization in the 1990s. Papua New Guinea adopted a foreign policy of 'friends to all and enemies of none' in 1975.

After 1986 the policy was adjusted to one of 'selective engagement' with other countries. Papua New Guinea's relationships included diplomatic recognition, defence, aid, trade, and investment by transnational corporations.

The main aid donors to PNG were Australia, Japan, Germany, USA, China, New Zealand, South Korea, and the World Bank group, the Asian Development Bank, the European Union and the United Nations. There were six major types of foreign aid to the country: direct budgetary support grants; tied aid; micro-project grants; concessional loans; technical assistance; and ad hoc aid. The Papua New Guinea government decided which projects were in accordance with its principles and planning strategies.

Multinational Companies

Multinational companies are companies which have expanded their operations from their home country to many other countries. These companies look for resources to exploit and for suitable markets to sell their products.

Some multinational companies spread their interest (diversify) into many different products; for example, Elders IXL, which is based in Australia, has mining, manufacturing, brewing, agricultural and tourist interests all over the world. Other companies try to control the whole process of manufacturing from the raw materials to the finished product; for example, Toyota from Japan owns or controls coal mines, iron ore mines, ships, steelworks, car factories, car salesrooms and vehicle service stations all over the world.



Illustration 12.3.3.3a: The Coca Cola Company – a truly global corporation that has bottling plants and factories in over 150 countries.

Multinational companies can have negative effects on countries. They extract the resources and make their profits. When the resources are exhausted or the economy declines, the companies leave and the country and its people are left underdeveloped and often worse off. In such a situation, the development has little positive impact on the whole community. A few people become very rich and wealthy but most people remain very poor.

Multinational companies cause a lot of changes to the countries they operate in. Some of these changes may be 'good' but others are 'bad'. The issue of environment has become a very important consideration in all development issues.

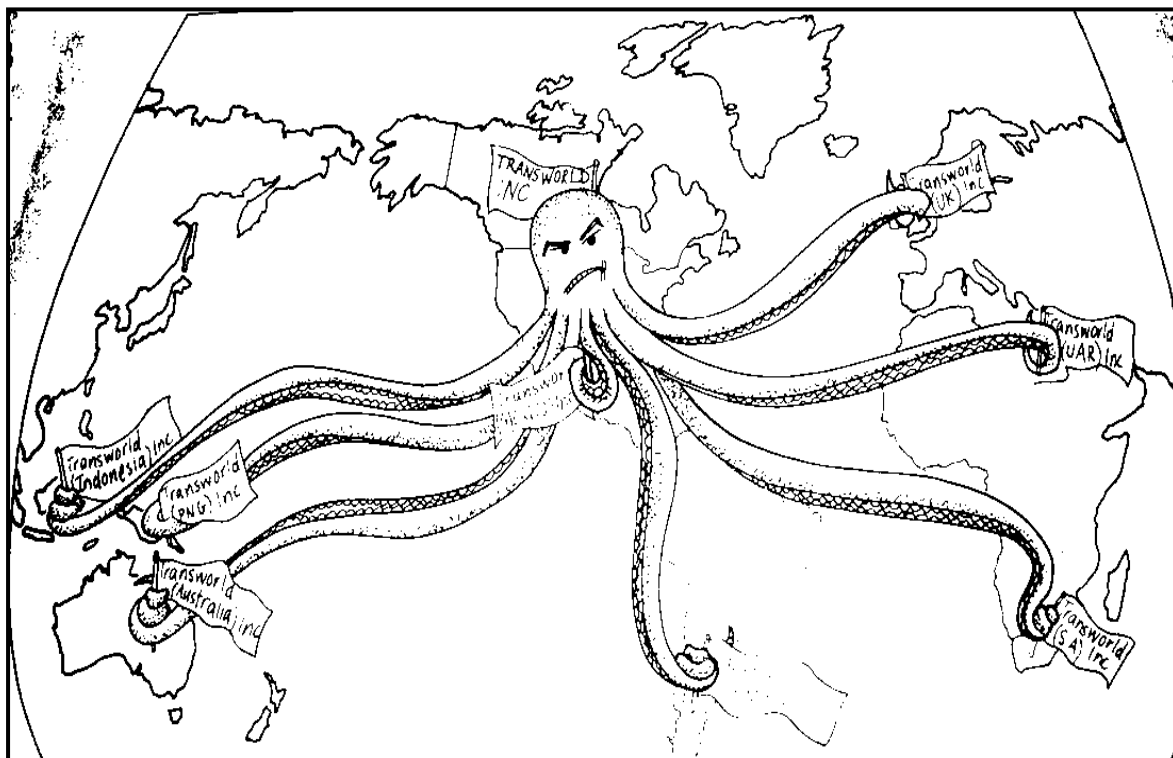


Figure 12.3.3.3b: Multinational Company engulfing the world.

Multinational companies and governments

Some multinational companies are so powerful they are referred to as 'governments without countries'. They influence many lives because of their effect on the economics of many countries and deal with large sums of money many times greater than the budgets of most governments. These huge international companies have much greater power through their control of national economies, than most prime ministers or presidents. Their 'country' is the world and it has no political boundaries.

The first aim of multinationals is to make profits. On the other hand, governments of developing countries in which multinational companies operate, are more likely to see development as the creation of job opportunities and sustainable development.

When a government is not happy with a company, the co-operation may begin to turn to conflict. If a multinational refuses to do as a government wishes, the government may nationalise the company. This means that the government takes control of the company and turns it into a government-owned corporation. If nationalisation takes place, there may be

conflict between the country in which the nationalisation has occurred and the country the multinational company comes from. Powerful countries often use political, economic or military pressure to protect their overseas companies.

Case Study: ITT in Chile



Figure 12.3.3.3c: Salvador Allende

In 1970 the people of Chile elected a government, headed by Salvador Allende, which was determined to gain control of the Chilean economy from the US multinationals who owned and controlled most of Chile's resources. In 1972 the government of Chile decided to nationalise the telephone company, which was owned by the US firm, International Telegraph & Telephones (ITT). The multinational ITT corporation reacted by closing down factories. The Chilean governments' reaction was to close down the company and report it to the United Nations Organisation for "destabilising" the Chilean economy.

ITT continued to promote activities against the government of Chile, probably with the help of the Central Intelligence Agency of the US government. ITT encouraged other companies to boycott Chilean products and paid money to opposition political parties in Chile. As a result, there were many economic problems in Chile including unemployment, strikes, unsold exports and price rises.

In the end, in September 1973 the army took control in Chile, the elected government was deposed and President Allende was killed. The supporters of political parties forming the government were arrested and imprisoned. Many were tortured and some were killed. Other supporters left Chile to go into exile as political refugees. The army stayed in power till 1989 and ITT came back and continue to run the telephone company.

Multinational companies and Papua New Guinea

The main interest of all multinational companies is to make profit. However, experience has shown that in the long term, this is best achieved by sharing some of the wealth they generate with the government and the people. The degree of sharing depends a lot on the country they are in and the strength of their government.

In Papua New Guinea, the government decided to become a partner or a shareholder in all major developments. The Papua New Guinea government owns 20 per cent of shares in all the major mining activities in the country. This began in the 1980s with the then Bougainville Copper Limited and the Ok Tedi Mining Company. Private companies as well as citizens also buy and own shares in these multinational companies. Through such involvement, the multinational corporations contribute quite a lot to the annual budget of Papua New Guinea. The governments' involvement also makes sure that the interest of the company is protected from government interference.

Now read the summary.

Summary

- International organisations with which Papua New Guinea was concerned included aid and, International Labour Organisation, and the International Monetary Fund.
- In September 1976, the governments' foreign policy was: 'Universalism'.
- In a major foreign policy shift in 1980, the government abandoned 'universalism' in favour of 'selective engagement'.
- For historical, political, social and economic reasons, it was in the best interest of both Australia and PNG to have close ties.
- Papua New Guinea and the New Zealand government established a diplomatic relationship in 1975.
- In 1993 the Wingti government resolved to develop stronger contracts within Asian and South-Pacific countries and adopted the 'Look North and Work the Pacific Policy'.
- Immediately after independence the Peoples' Republic of China and Papua New Guinea exchanged ambassadors. The Peoples' Republic of China had a "One China Policy" and it wanted all the countries with whom it had diplomatic missions to observe.
- Papua New Guinea's diplomatic relations with Japan consisted of an embassy in Tokyo, a Japanese embassy in Port Moresby and in 1988, a Papua New Guinea consul-general in Japan.
- At independence, Papua New Guinea established a high commission in Kuala Lumpur, and Malaysia set a high commission in Port Moresby.
- Between 1986 and 1995, Papua New Guinea consolidated its relationships with the smaller islands states in the South Pacific Region.
- The Melanesian Spearhead Group was formed in 1986 by the governments of Papua New Guinea, Vanuatu and the Solomon Islands.
- USA's interest in Papua New Guinea was mainly strategic.
- The Europe Union was preceded by the European Economic Community, of which Papua New Guinea became a full partner in November, 1978.
- The main aid donors to PNG were Australia, Japan, Germany, USA, China, New Zealand, South Korea, and the World Bank group, the Asian Development Bank, the European Union and the United Nations.
- There were six major types of foreign aid to the country: direct budgetary support grants; tied aid; micro-project grants; concessional loans; technical assistance; and ad hoc aid.
- All countries have international trading relations and are therefore interdependent in trade.
- Papua New Guinea like most developing countries, exports mainly raw materials and imports mainly manufactured or processed goods.
- International trading relations can produce both co-operation and conflict between countries.
- Much international trade is controlled by large international companies.

- Developing countries want international trade to help them promote sustainable development of their resources.

Now do activity.



Activity 12.3.3.3

1. What do these acronyms mean?

- i) ILO _____
- ii) IMF _____
- iii) ACP _____
- iv) ASEAN _____
- v) MSG _____
- vi) EEC _____

2. Briefly explain what each of these government policies were about?

- i) Universalism

- ii) Selective engagement

- iii) 'Look North' and 'Work the Pacific' Policies

3. Write down the 'member countries' for each of these groups;

i) ASEAN

(ii) SPF

4. Answer these questions.

(i) What was the 'One China Policy'?

(ii) When was the 'Investment Promotion and Protection Agreement' between Malaysia and Papua New Guinea signed and effected?

(iii) Who was the PNG Prime Minister, in 1998 that drafted the 'Agreed Principles of Co-operation' for the MSG to sign?

(iv) Which three countries form the MSG?

(a) _____

(b) _____

(c) _____

Check your Answers at the end of the Sub unit 12.3.3.



Answers to Activities 12.3.3

Activity 12.3.3.1

1.

- (a) Globalisation –refers to the fact that different cultures and economic systems around the world are becoming connected and similar to each other because of the influence of large multinational companies through the use of improved electronic communications systems.
- (b) Multinational companies – are especially large powerful companies that operate in several countries.
- (c) Universalism was a policy implemented by the government of being friends to all and enemies to none.
- (d) Selective engagement- was also a government policy based fostering relationships that concentrated having a direct interest on the citizens of the country.
- (e) Repatriate – to return to your original place of residence

2.

- (a) SPF, South Pacific Forum
- (b) OPM, Organasi Papua Merdeka
- (c) UNHCR, United Nations High Commission for Refugees

3.

- (a) Trade relations- Trukai Industries, importing Trukai rice from Australia
- (b) Education relations- Aus-aid funded scholarships for Papua New Guineans to study there.
- (c) Finance relations- Australia funding the production of the Out Come Based Syllabus books.
- (d) National security e.g. Defence/Police/Navy. Australian Police being posted here in Port Moresby.

* Teacher can use your discretion when marking Activity 12.3.3.1, current example should be accepted.

4. Five factors that can influence international trade.

- (a) Security and Defence
- (b) Trade activities
- (c) Social activities
- (d) Politics
- (e) Geography

5. The five (5) zones that PNG tries to maintain an international relationship with are;

- (a) Australia,
- (b) other South Pacific island states

- (c) Indonesia
- (d) other countries in East Asia, and the
- (e) other regions in the world.

Activity 12.3.3.2

1. Complete the following sentences

A.

- (i) bilateral, multilateral
- (ii) donor, recipient

B. Write True or False next to each sentence.

- i) Tied aid can be used by the recipient country as it likes. False
- ii) Humanitarian aid is for good of the recipient only. True
- iii) Most aid is now tied. True
- iv) Grants do not need to be paid back. True
- v) Donor countries prefer to give loans because they feel the money to will be better used. False

C. Study the following conditions applied to loans given by the World Bank to developing countries. Indicate which ones are soft loans, by placing a tick next to it.

- (i) Annual interest of 2 per cent interest
- (ii) A three- year 'period of grace' before repayments starts.
- (iii) Five years to repay the loan.
- (iv) Annual interest of 10 per cent.
- (v) Fifteen years to repay the loan.
- (vi) Repayments start at the end of the year.

2.

$400\ 000\ 000/1 \times 0.7/100 = K\ 280\ 000\ 000$ (out of the K400 million, K280 million stays in the country).

3. From the following sentences, cross out the incorrect answer by putting an "X" over it.

- (i) Australian budgetary support is a grant/~~loan~~.
- (ii) Australian direct project funding is tied/~~untied~~.
- (iii) Australian budgetary support is an example of multi~~lateral~~/bilateral aid.

4. Complete these sentences with the correct word.

- (i) military
- (ii) humanitarian or (infrastructural)
- (iii) bilateral

Activity 12.3.3.3

1. What do these acronyms mean?
 - (i) ILO, International Labour Organisation
 - (ii) IMF, International Monetary Fund
 - (iii) ACP, African Caribbean Pacific
 - (iv) ASEAN, Association of South East Asian Nations
 - (v) MSG, Melanesian Spearhead Group
 - (vi) EEC, European Economic Community
2. Briefly explain what each of these government policies were about?
 - (i) Universalism;
 - (a) Papua New Guinea taking the middle path without veering to either side on questions relating to political ideologies, creeds or governmental systems'. Sir Albert Maori Kiki gave as an example, Papua New Guinea's recognition of both Communist North Korea and capitalist South Korea.
 - (b) was a policy implemented by the government of being friends to all and enemies to none.
 - (ii) Selective-engagement
 - (a) In practice this meant that the governments objectives were to strengthen links with the South Pacific Commission's regional organisations; establish closer ties with the ASEAN members states; cooperate with Indonesia on border development programs; oppose colonial powers and racist regimes; seek to diversify trade relations with Japan, China and Korea; and maintain strong bonds with Australia.
 - (b) was also a government policy based fostering relationships that concentrated on having a more direct interest on the citizens of the country.
 - (iii) 'Look North' and 'Work the Pacific': This policy aimed to reduce Papua New Guinea's dependence on Australia and to develop strong bilateral relationships with the island nations to promote trade and commerce.

*Teachers please accept either answer 'a' or 'b' for both questions (i) and (ii).

3. Write down the 'member countries' for each of these groups;
 - (i) ASEAN: Indonesia, Malaysia, Philippines, Singapore, Thailand, Brunei and Papua New Guinea.
 - (ii) SPF: Australia, New Zealand, and the Pacific Island states of Cook Islands, Fiji, Kiribati, Nauru, Niue, Papua New Guinea, Solomon Islands, Tonga, Tuvalu, Vanuatu and Western Samoa. The Federated States of Micronesia was admitted on observer status.
4.
 - (i) China argued that Taiwan was a province that had broken away from the mainland with the establishment of the Peoples' Republic of China in 1949 and should not be recognised as

an independent country. The Peoples' Republic of China called this the "One China Policy" and it wanted all the countries with whom it had diplomatic missions to observe.

- (ii) This treaty was signed and affected on the 1st of January, 1994.
- (iii) Pias Wingti
- (iv) MSG countries include: PNG, Vanuatu, and Solomon Islands

Sub unit 12.3.4: Social and Cultural Change

Sub topic 12.3.4.1: Education (Outcome Based Education-OBE)

In this sub topic, you look at the Social and Cultural Change that have come about since Papua New Guinea became Independent. Beginning with Education, there were changes that have resulted from the Outcome Based Education system, particularly its effects on students.

By the end of this sub topic, the students should be able to:

- define and explain the Outcome Based Education system
- interpret the importance of the OBE in learning
- discuss and analyse views on OBE
- differentiate between Objective and Outcome Based Education

What is Outcome Based Education?

"OBE is a process that focuses on what is to be learned - the outcomes.

The basic views of OBE are shifting the focus of educational activity from teaching to learning; skills to thinking; content to process; and teacher instruction to student demonstration." (Google.com, 2016)

Outcomes

The emphasis in an OBE education system is on measured outcomes rather than "inputs," such as how many hours students spend in class, or what textbooks are provided.

Each educational agency is responsible for setting its own outcomes. Under the OBE model, education agencies may specify any outcome (skills and knowledge), but not inputs (field trips, arrangement of the school day, teaching styles).

Approaches to grading, reporting, and promoting

An important by-product of this approach is that students are assessed against external, absolute objectives, instead of reporting the students' relative achievements. The traditional model of grading on a curve (top student gets the best grade, worst student always fails (even if they know all the material), everyone else is evenly distributed in the middle) is never accepted in OBE or standards-based education. Instead, a student's performance is related in absolute terms: "Jane knows how to write the letters of the alphabet" or "Jane answered 80 percent of questions correctly" instead of "Jane answered more questions correctly than Mary."

Under OBE, teachers can use any objective grading system they choose, including letter grades. In fact, many schools adopt OBE methods and use the same grading systems that they have always used. However, for the purposes of graduation, advancement, and retention, a fully developed OBE system generally tracks and reports not just a single overall grade for a subject, but also give information about several specific outcomes within that subject. For example, rather than just getting a passing grade for mathematics, a student might be assessed as level 4 for number sense, level 5 for algebraic concepts, or level 3 for measurement skills. This approach is valuable to schools and parents by specifically identifying a student's strengths and weaknesses.

In one alternate grading approach, a student is awarded "levels" instead of letter grades. From Kindergarten to year 12, the student will receive either a Foundational level (which is within the institution) or be evidenced at levels 1 through to 8. In the simplest implementation, earning a "level" indicates that the teacher believes that a student has learned enough of the current material to be able to succeed in the next level of work. A student technically cannot flunk in this system: a student who needs to review the current material will simply not achieve the next level at the same time as most of his same-age peers. This acknowledges differential growth at different stages, and focuses the teacher on the individual needs of the students. In this approach, students and their parents are better able to track progress from year to year, since the levels are based on criteria that remain constant for a student's whole time at school. However, this experience is perceived by some as a flaw in the system: While it is entirely normal for some students to work on the same level of outcomes for more than one year parents and students have been socialised into the expectation of a constant, steady progress through schoolwork. Parents and students therefore interpret the normal experience as failure. This emphasis on recognising positive achievements, and comparing the student to his own prior performance, has been accused by some of "dumbing down" education (and by others as making school much too hard), since it recognises achievement at different levels. Even those who would not achieve a passing grade in a traditional age-based approach can be recognised for their concrete, positive, individual improvements.

OBE-oriented teachers think about the individual needs of each student and give opportunities for each student to achieve at a variety of levels. Thus, in theory, weaker students are given work within their grasp and exceptionally strong students are extended. In practice, managing independent study programs for thirty or more individuals is difficult. Adjusting to students' abilities is something that good teachers have always done: OBE simply makes the approach explicit and reflects the approach in marking and reporting.

Abstract by *Karaho-Teoti Asimi*

This article reflects upon, compares and contrasts the decisions made by both critics and supporters of OBE in Papua New Guinea. Introduced in 2003, a government decision decided to abolish the OBE approach in 2013. The International Education Agency (IEA) schools in the country have successfully implemented OBE, which is deemed to have failed in schools run by other agencies. The author elaborates on IEA characteristics which contribute to successful educational outcomes.

Agency

The issue

Since its introduction in 2003, the OBE system in PNG has been very much debated by students, parents, teachers, educational stakeholders and educational authorities. Even politicians have been vocal, which resulted in a 2013 review of outcome-based education and recommendations for its replacement. The debates encouraged researchers, scholars, business oriented groups, educationists, advocates and critics from the national and international community to share their views.

As a consequence, this has attracted many views ranging from one extreme of the spectrum to the other; those who support outcome-based education versus those who do not support it.

The OBE model was unsuccessful in the United States, Canada, New Zealand, Australia, Netherlands and South Africa.

In Papua New Guinea Vision 2050 (National Strategic Plan Taskforce, 2009, p.34), it states, 'It is imperative that OBE is immediately replaced'. The Prime Minister was obligated to listen to the concerns of parents, students and teachers and instituted a commission of enquiry to review the concept of outcome-based education. On January 22, 2013, the National Executive Council (NEC) established a Task Force and appointed a panel of experts to investigate the nature of the challenges and problems experienced in the implementation of the OBE system. The NEC decision was in response to wide-ranging public comment from a variety of stakeholders such as teachers, parents, school administrators, church agencies and academics, over several years, on the implementation of the OBE curriculum. It is anticipated that the findings of this Report will justify phasing out outcome-based education and provide recommendations for its replacement.

International Education Agency

The IEA of PNG Ltd is a company owned by shareholding. The company owns and operates 20 schools in Papua New Guinea and is a company limited by shares. The company shares are held only by School Associations. Where the IEA owns and operates a school, the School Association holds one share. In line with its mission statement, the IEA provides quality education to both Papua New Guineans and expatriate students. Since education is their core business, they strive to be a powerful learning organisation which monitors and reflects global developments in educational best practice. By contrast, outcome-based education system is seen as a failed concept that has been applied in Papua New Guinea's public schools. On the other extreme, outcome-based education has been very successful in the IEA schools.

Why is it that outcome-based education concept has miserably failed in the public schools and very successful in the International Education Agency system schools? What is the difference causing this huge disparity between two extremes of education service providers? Were there studies of the OBE concept carried out before implementing it? Were there thoughts about the population aspects of the country before implementing this concept? Were there sufficient funds budgeted to cater for teaching resources, upgrading of school facilities and upskilling and training of facilitators?

Outcome-based curriculum

The PNG National Curriculum Statement defines outcome-based curriculum as a tool to be able to identify the knowledge, skills, attitudes and values that all students should achieve or demonstrate at a particular grade in a particular subject. The outcome-based education is designed to facilitate self-learning approaches and to show student progress based on the 'outcome' of learning skills. Institutions or schools are responsible for setting relevant outcomes, where assessment focuses on individual skills and performance. In a traditional education approach, student skill levels are determined by completing text books but the approach of outcome based education would rely solely on the individual efforts of a student and not on their relative success to other students.

In the Papua New Guinean education system, the outcome-based curriculum identifies what students can demonstrate as a result of following the national syllabuses developed for early childhood to Year 12. Outcomes that students are expected to achieve are identified in the subject of study. Each outcome has a list of indicators that identifies knowledge, skills and

values learnt by a student. Teachers are encouraged to use the outcomes and indicators to plan and prepare their programs and lessons. These identify the learning steps to be completed in order to achieve the learning outcomes.

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Outcome-based education was introduced in Papua New Guinea in 2000 with the first syllabuses published in 2003. The stated outcomes intended to make education more accountable for meeting the real needs and aspirations of the people of this country. Most people expected the education reform to bring new changes into the curriculum such that it identifies the knowledge, skills, attitudes and values that all students would achieve or demonstrate at a particular grade in a particular subject.

Methodology

A collective summary of reasons for the failed outcome-based education finds that the Government of Papua New Guinea accepted and implemented the outcome-based education without thinking about the aspects of adequate facilities, relevant teaching and learning materials, and trained specialist teachers to teach the content of newly introduced subjects. The lack of knowledge and understanding of the implementation process was a contributing factor to the failure of OBE.

Papua New Guinean educational experts believe that the real problem is to do with lack of relevant resources and support mechanism to aid facilitators or teachers prepare their lessons well. Teachers and facilitators lacked the ability to understand how they can translate the theory and philosophy of outcome based education into practical action in their instructional planning, teaching and assessment of student learning. Roy Killen (2000) emphasised the need for understanding of the supporting principles of OBE during the implementation process.

On the other hand, critics of outcome-based education in Papua New Guinea had not done sufficient research to justify and verify their reasons to abolish the OBE curriculum. They should first understand what outcome-based educations, its intended purpose and the use of its technical vocabulary.

By researching the experiences other countries faced with the failed outcome-based education cannot be compared to that of Papua New Guinea. Culturally, we are very different in our social context, attitudes and behaviours, morals, values and beliefs. Some countries may have similar experiences to our country, even so in PNG we still are a very different cultural group of people.

The IEA philosophy is to provide a broad and balanced curriculum designed to promote intellectual, creative, personal, physical and recreational skills and understandings. Within this curriculum, schools have great freedom in the development of teaching and learning programs designed to meet the needs of individual students. The design of the curriculum examines the development of an individual from childhood through to mature adulthood.

Principles of social justice and equity are valued throughout the IEA. There is a strong concern for the welfare of all who participate in assisting the IEA to achieve its mission. The IEA strongly affirm that learning in schools must be child centered and focused upon the achievement of each individual student's potential.

Teaching programs should reflect an understanding of the stages of development through which children pass. It should ensure that each child's new learning is founded firmly in a

learning environment that is comfortable and caring so that students can enjoy their education and can learn from the challenges they face without fear or negative consequences. The IEA works in partnership with its stakeholders, especially parents, to achieve its long-term outcomes.

Case Study

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Students in IEA schools are provided with opportunities to develop an ability and readiness to cope with change, including ease of transition for those moving to other countries. Towards this end, schools offer a range of curricula. These include IEA's own, developed to combine relevant PNG learning with experiences provided in a range of Western countries. In addition, a number of imported curricula are offered to cater for students who intend to further their studies beyond PNG. As a measure of quality, and to be globally competitive, the IEA embraces international curricula, and there are systems in place to endorse these curricula such as audits and moderation of the International Baccalaureate (IB), Australian Capital Territory (ACT) and the International General Curriculum for Secondary Education (IGCSE) from the United Kingdom (UK). This brings the IEA to the international platform being a provider of quality education. Students are assisted to develop strong self-concepts so as to promote responsible independence and moral independence. They learn to appreciate the value systems understood in national cultures, and to recognise the need for tolerance and understanding. The maintenance of close communication with the child's home is a major objective for the school. This acknowledges the important role played by the parents, families and the broader community in the total education of the child. Parents must be involved in the identification and monitoring of the needs of their children.

The IEA make every effort to employ the best possible teachers as it acknowledges that its teachers are by far the most important resource, schools have for guaranteeing quality. Recognising the vital importance of teacher in-service programs in school, the IEA is committed to the provision of opportunities for each teacher's professional growth and development.

Discussion and analysis of OBE in PNG

The quality of an educational system can be judged in three ways: the inputs to the system, what happens within the system and the outputs from the system.

Outcome-based education with special reference to the International Education Agency in PNG succeeds in PNG because of the presence of these three views. Inputs to the system focus on finance, resources, infrastructure and others. The inputs were not adequately thought of. By contrast, new concepts that have been agreed in the IEA are distributed as information to everyone. In the broader PNG situation, there was not sufficient awareness for students, teachers, parents and stakeholders about outcome-based education. This very crucial part of the implementation process was not well done.

The extent of awareness of the OBE reforms was to a select group of people and not the masses that had a vested interest in this new concept, OBE. The reasons could be economically driven. One can also assume peddlers of this concept could be testing their research work of a system that would eliminate the educational woes of this country. The ethical aspects of distributing awareness were not really considered.

The IEA has a cultural viewpoint of its curriculum that embraces the beliefs, morals and values of the people, the land and environment in which they work. This has been very successful because the organisation owns and operates twenty schools in the twenty-two provinces of the country. The schools are owned by parents that are represented as an association and on the school board. Decisions about the school will be of interest to every parent and they make combined decisions when resolving issues.

The International Education Agency curriculum has always been an outcome based education. Whilst the IEA affiliate with other international curricula, our teaching **pedagogies** are outcome driven. The IEA believes that students learn differently and that teachers and facilitators should provide strategic teaching and appropriate methodology to impart knowledge and skills to students at their level of understanding.

The IEA has been an advocate of outcome-based education and we continue to build that rapport since its inception. Outcome-based education has grown rapidly and with maturity in our system. The IEA has five key outcomes and we believe that students who are educated through our school from elementary to year twelve are able to accomplish the outcomes. The attributes are for each student to:

- *be self-directed* - one who is self-confident, has high self-esteem and personal integrity with a positive vision for self and future.
- *communicate effectively* – one who conveys and receives information, instruction, ideas and feelings appropriately and effectively in arrange of different, cultural, language and social contexts.
- *behave ethically* – one who exhibit appropriate morals, manners and virtues in a range of social and cultural settings and a sense of their own spirituality.
- *work collaboratively* – one who develops good relationships with others and works in cooperative ways to achieve common goals.
- *analyses and solve problems* – one who accesses a range of information sources appropriate to the resolution of complex issues and applies strategies with accuracy and thoroughness.

These five key outcomes set the pillars of our curriculum that continues to grow from strength to strength and into maturity. The IEA curriculum is revised every five years and has been very successful.

The Department of Education could have done more to work in partnership with the International Education Agency and learn from its experiences and success with outcome-based education.

In 2013, the OBE Exit Report of the task force was accepted by Government and the community anxiously waits to see what the future will hold. Meantime, the IEA will continue to offer its outcomes based curricula.

Effects of outcome-based education in Papua New Guinea

By John Iromea

Let me begin, by saying, large numbers of children in developing countries receive little or no formal education.

I would like to share with you some important lessons to consider, especially during this time when we have new changes and new influences that had crept into our education practices.

As someone who spent most of his time working and studying in PNG, I think it is the right time to raise an issue of great concern - the OBE system in PNG. I am sure Solomon Islanders would learn a lot from this OBE lesson in the PNG education system.

PNG has undergone some substantive changes since 1994 to cater for the new OBE education reform.

It has been generally agreed that OBE would accommodate the real needs and aspirations of Papua New Guineans.

Many Papua New Guineans would expect that OBE would bring changes in the curriculum status, identifying the knowledge, skills, attitudes and values that all students would achieve at a particular grade in a particular subject.

However, what the government of PNG and its people were expecting did not eventuate. The OBE reform has now come to a deadlock. Results gathered nationwide shows that there is a big problem with the implementation process.

Therefore, the government of PNG has decided to scrap OBE and retain the old system, Objective Base Education.

Generally speaking, the reform, although a good idea, in practice it lacked many resources to foster its implementation.

From my own observation and research experience, I would like to mention that much of the policy would need more planning and feasibility groundwork before it can become a reality in school settings.

In addition, the government literally failed to fully equip the education system in the light of this reform. Lack of qualified teaching personnel and specialist manpower meant that the students learning experiences in classroom was seriously affected.

It created a lot of problems for the teachers who had direct contact with students in the classroom.

The government of PNG accepted Outcome Based Education without proper preparation in terms of adequate facilities, relevant teaching and learning materials, and properly trained specialist teachers to teach the content of newly introduced subjects.

In Papua New Guinea, the formal education system appears to fail more students than help them.

As such, the number of students enrolled for further studies is still low compared to other Pacific nations. Even the literacy rate for PNG is, according to recent statistics, one of the lowest in the Asia Pacific region.

Differences with traditional education methods

In a traditional education system, students are given grades and rankings compared to each other. Content and performance expectations are based primarily on what was taught in the

past to students of a given age. The basic goal of traditional education was to present the knowledge and skills of the old generation to the new generation of students, and to provide students with an environment in which to learn, with little attention (beyond the classroom teacher) to whether or not any student ever learns any of the material. It was enough that the school presented an opportunity to learn. Actual achievement was neither measured nor required by the school system.

In fact, under the traditional model, student performance is expected to show a wide range of abilities. The failure of some students is accepted as a natural and unavoidable circumstance. The highest-performing students are given the highest grades and test scores, and the lowest performing students are given low grades. (Local laws and traditions determine whether the lowest performing students were socially promoted or made to repeat the year.) Schools used norm-referenced tests, such as inexpensive, multiple-choice computer-scored questions with single correct answers, to quickly rank students on ability. These tests do not give criterion-based judgments as to whether students have met a single standard of what every student is expected to know and do: they merely rank the students in comparison with each other. In this system, grade-level expectations are defined as the performance of the median student, a level at which half the students score better and half the students score worse. By this definition, in a normal population, half of students are expected to perform above grade level and half the students below grade level, no matter how much or how little the students have learned.

Outcome-based education is a model of education that rejects the traditional focus on what the school provides to students, in favour of making students demonstrate that they "know and are able to do" whatever the required outcomes are.

OBE reforms emphasise setting clear standards for observable, measurable outcomes. OBE does not demand the adoption of any specific outcome. For example, many countries write their OBE standards so that they focus strictly on mathematics, language, science, and history, without ever referring to attitudes, social skills, or moral values.

Now read the summary.

Summary

- OBE is a process that focuses on learning outcomes that are measurable and achievable.
- The PNG National Curriculum Statement defines outcome-based curriculum as a tool to be used to identify the knowledge, skills, attitudes and values that all students should achieve at a particular grade in a particular subject.
- Under the OBE model, education agencies may specify any skills and knowledge outcomes, but not inputs such as field trips, arrangement of the school day, and teaching styles.
- An important by-product of this approach is that students are assessed against external, absolute objectives.
- Under OBE, teachers can use any objective grading system they choose, including letter grades.

- Since the OBE introduction in PNG in 2003, it has been debated by students, parents, teachers, educational stakeholders and educational authorities.
- A collective summary of reasons for the failed outcome-based education identifies that the Government of Papua New Guinea accepted and implemented the outcome-based education without considering aspects of adequate facilities, relevant teaching and learning materials, and trained specialist teachers to teach the content of newly introduced subjects.
- The lack of knowledge and understanding of the implementation process was a contributing factor to the failure of OBE.
- Teachers and facilitators lacked the ability to understand how they can translate the theory and philosophy of outcome based education into practical action in their instructional planning, teaching and assessment of student learning.
- The International Education Agency curriculum has always been an outcome based education.
- The basic goal of traditional education was to present the knowledge and skills of the old generation to the new generation of students, and to provide students with an environment in which to learn.

Now do activity.



Activity 12.3.4.1

1. Explain in your own words what the Outcome Based Education is.

2. Explain why you think OBE was a failure in PNG?

3. Which private run schools in PNG, is successful in OBE model? Explain why.

4. List down the five IEA key outcomes.

Check your answers at the end of Sub unit 12.3.4

Sub topic 12.3.4.2: Impact of Globalisation

In this sub topic, you will look at the impacts of globalisation in Papua New Guinea and the world. You will discuss its formation, its good and bad impacts, and how it influences our culture.

By the end of this sub topic, the students should be able to:

- define and identify with globalisation
- make a list of globalisation impacts occurring in Papua New Guinea
- identify positive and negative impacts of globalisation

Globalisation (or **globalisation**) is the process of international combination of trading, and exchange of world views, products, ideas, and other aspects of culture. Advances in transportation, such as the steam locomotive, steamship, jet engine, container ships, and in telecommunications infrastructure, including the rise of the telegraph and its modern developments, in the Internet, and mobile phones, have been major factors in globalisation. These developments create further mixture of economic and cultural activities. Though scholars say globalisation came about in modern times, others trace its history long before the European Age of Discovery and voyages to the New World. Large-scale globalisation began in the 19th and early 20th centuries.

In 2000, the International Monetary Fund (IMF) identified four basic aspects of globalisation:

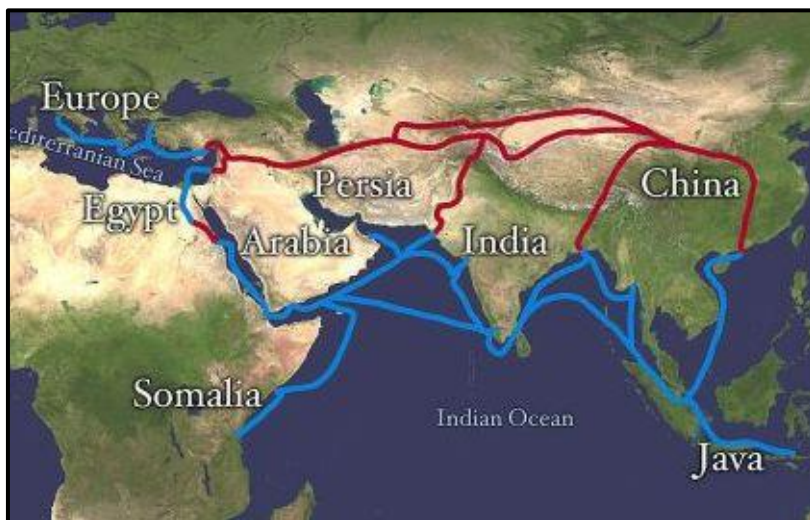
- trade and transactions
- capital and investment movements
- migration and movement of people, and
- distribution of knowledge.

Further, environmental challenges such as global warming, cross-boundary water and air pollution, and over-fishing of the ocean are linked with globalisation. Globalising processes affect and are affected by business and work organisation, economics, socio-cultural resources, and the natural environment.

Humans have interacted over long distances for thousands of years. The Silk Road that connected Asia, Africa, and Europe is a good example of the power of exchange that took place across continents and between native people and traders in the "Old World", in the past centuries. Philosophy, religion, language, the arts, and other aspects of culture spread and mixed as nations exchanged products and ideas. In both the 15th and 16th centuries, Europeans made important discoveries in their exploration of the oceans, including the start of **transatlantic** travel to the "New World" of the Americas. Global movement of people, goods, and ideas expanded importantly in the following centuries. Early on in the 19th century, the development of new forms of transportation (such as the steamship and railroads) and telecommunications that "compressed" time and space



resulted in global **interchange** (that is, trading and exchange). In the 20th century, road vehicles, transport, and airlines made transportation even faster. The advent of electronic communications, mostly mobile phones and the Internet, connected billions of people in new ways by the year 2010.



The Old World consists of Africa, Europe, and Asia, regarded collectively as the part of the world known to Europeans before contact with the Americas. It is used in the context of, and contrast with, the New World (Americas).

Map illustration 12.3.4.2a: Silk Road. Route in red (later ocean routes in blue)

Source: NASA

Fun facts about the Silk Road

- It was over 4,000 miles long.
- Marco Polo traveled to China along the Silk Road.
- Not all that was traded along the Silk Road was good. It is thought that the bubonic plague, or Black Death, traveled to Europe from the Silk Road.
- Very few merchants traveled along the entire route. Goods were traded at many cities and trade posts along the way.
- There wasn't just one route, but many routes. Some were shorter, but more dangerous. Others took longer, but were safer.

Globalisation in PNG

Globalisation has been going on since humans spread out from the African continent. There has been considerable movement in the Pacific over thousands of years – with the spread of Melanesian and more recently Polynesian populations, seeking new horizons. Over the last few hundred years the Chinese, the Portuguese, Dutch, French, British and then Germans have all come to Papua New Guinea in search of trade and business opportunities. But there was traditionally also a fair amount of traditional local trade within PNG, from the highlands to the coast, between islands and along the coast (like the Hiri trade).

Trade involves exchanging goods and services from one person to another, or community to another. It involves some specialisation, so that communities in the highlands produce

vegetables in exchange for something else they need, like coconuts or betelnut from the coast. Originally trade involved just barter of goods or services for each other, it later embraced the use of money, and allowed many more transactions and players to be involved in the process.

In a modern globalised economy trade has merely become faster and more sophisticated, involving payment by various means and investment has also become globalised, with assets in one company often owned or at least financed elsewhere.

Economic globalisation has been very rapid in terms of communications, which is finally starting to reach rural areas in PNG.

Globalisation affects all markets, finance and investment, goods and other services and labour, with massive movements of people and remittances of money back home, interest payments and dividends.

Globalisation and its impacts on PNG culture

The effects of globalisation can be disastrous for indigenous people and particularly, for their languages.

Language and culture are inseparably bound together. To change one, is to change the other. The extinction of a language, could lead to the extinction of a community.

Papua New Guinean languages are organised into about sixty diverse language families with around ten languages in each family. With globalisation, some of these language families will certainly be pooled into larger groupings, as the Celtic and Germanic language families among others have been combined to form the Indo-European language family.

It is important that these languages (and cultures) are documented and a plan to preserve is put in place.

Papua New Guinea is Australia's biggest and most populous Asia-Pacific neighbour and shares a border with Indonesia. It was granted independence from its former status as a colony of Australia in 1975.

Papua New Guinea, thought of as fragmented, as well as its language differences, serves as a barrier to the aid program and to globalisation.

At this time, the government and international NGOs and other partners must work to protect and promote the varying PNG languages and cultures by empowering and giving ownership of the communication process to the indigenous people.

It is vital that Australia recognises the importance of language and culture if it is to develop a stronger working relationship with PNG and the aid program can put this recognition into practice. If no recognition or action is taken, the language and culture of PNG will almost certainly change.

Institutions such as the education system in Papua New Guinea teach them in the official language of the country rather than their native language.

As economic and cultural globalisation continues to take hold, more languages will become threatened and perhaps die out.

The forces of globalisation are economic and include trade and the flow of goods, money, natural resources, knowledge and - possibly - people. Resistance to the forces of globalisation depends on indigenous peoples acting, globally.

Access to technology - the Internet for example - and common language is essential if indigenous people are to influence terms of global trade.

Language, technology and globalisation can be extremely damaging to indigenous populations but it also promises opportunities.

The indigenous people must take ownership of the communication process and use any 'progress' to benefit themselves, their communities and their culture. They need shared forms of communication, whilst maintain their own language, culture and identity. For indigenous people, language and communication is the key to maintaining their culture, identity and values.

Through language and communication, indigenous people are empowered to negotiate the terms of their relationship with the outside world and to ensure globalisation works in their interest.

That is why empowering indigenous people with strong communication skills is so important to not purely resist globalisation, as it cannot be resisted forever, but to ensure globalisation serves the needs of the indigenous people.

Globalisation demands conformity and if it is allowed a free hand will become the new face of imperialism.

Positive and negative impacts

But economic globalisation and the growth of trade to remote destinations also provides various concerns.

Positive

- Globalisation breaks down barriers to trade, investment, knowledge and ideas and travel provides many opportunities: it can generate economic growth, including creating income-earning and employment opportunities, so long as we have the products demanded and can compete in the market, for natural resources and exotic products, including tourism to remote parts of PNG.
- It also improves access to more affordable goods and services, including information, through use of the internet.
- Competition and free trade make food more accessible and affordable (and therefore can also improve food security, especially when there are local shortfalls, such as it occurs in PNG seasonally and especially during El Nino years.
- Providing trade or industry protection safeguards infant or 'strategic' industries, particularly traditional food production, and against bullying from dominant companies.

Negative

- There are also environmental implications, including the greenhouse gas emissions from transporting so many goods, services and people around, rather than using local supplies.
- Mass travel across borders also causes the spread of alien pest and diseases, like potato blight, cocoa pod borer or coffee berry disease, (but on the other hand it also brought those valuable, though alien crops, from South America and Africa to Papua New Guinea in the first place).
- But if cheaper imports undermine local food production it can also impose food security risks, especially for those without anything to trade in return.
- Most countries, including PNG, have established domestic legislation against local monopolies or 'anti-competitive' behaviour. In PNG this role is performed by ICCC, but also by some commodity boards. Unfortunately, the PNG government must protect non-performing state-owned monopolies, such as forestry, once companies have been granted effective resource control.
- PNG has many natural resources, but it is remote from markets and has few economies of scale (especially for products which deteriorate), has poorly developed (and maintained) infrastructure and communications, low rates of literacy and technical skills for the modern world, especially for those in rural areas.

Some places and people are naturally advantaged or disadvantaged in terms of competing in production and trade, as a result of more or less accessible natural resources, but also factors like long established infrastructure, services and especially a literate and technically educated workforce.

In summary, globalisation of trade and investment, including freedom of movement and ideas is generally beneficial and provides improved opportunities, but, there are disadvantages and there is need for awareness, caution and standards. Therefore, transparency and international cooperation in setting rules and applying them is critical.

Keeping trade in the open is generally preferable with the illicit globalised trade in drugs, weapons and human trafficking amongst the world's major challenges. It is particularly important to avoid penalising the victims of wars or illegal trade, such as human trafficking – or slavery, which remains widely prevalent worldwide in various forms.

Now read the summary.

- Globalisation is the process of international combination of trading, exchange and transaction of world views, products, ideas, and aspects of culture.
- Environmental problems such as global warming, water and air pollution, and over-fishing are linked with globalisation.
- Globalisation affects and are affected by business and work organisation, economics, socio-cultural resources, and the natural environment.
- Globalisation has been going on since the first humans migrated from the African continent into Europe, Asia, and other parts of the globe.

- Trade involves exchanging goods and services from one person to another, or community to another.
- Economic globalisation has been very rapid in terms of communications, which is starting to reach rural areas in PNG.
- The effects of globalisation can be disastrous for indigenous people and particularly, for their languages.
- Language, technology and globalisation can be damaging to indigenous populations but it also promises opportunities.
- Globalisation of trade and investment, including freedom of movement and ideas is generally beneficial and provides improved opportunities, but, there are disadvantages and there is need for awareness, caution and standards.

Now do Activity.



Activity 12.3.4.2

1. Explain what globalisation means in your own words.

2. Explain in your own words how globalisation affects culture and language.

3. Make a list of globalised technology or development. State whether this technology or development is present in PNG.

4. Find out about the Silk Road. Where is its location? What was its importance in terms of trade? Why is it called the Silk Road?

5. Find out about the New and Old Worlds.

(a) Which continents are referred to as the New Worlds?

(b) Which continents are referred to as the Old World?

6. Write one positive and negative impact of globalisation.

Positive

Negative

Check your answers at the end of Sub unit 12.3.4

Sub topic 12.3.4.3: Role of IMF, World Bank, Organisation of Petroleum Exporting Countries, (OPEC)

In the last sub topic you looked at Globalisation and its impacts. In this topic, you will look at the major international organisations namely, the International Monetary Fund (IMF), the World Bank, and the Organisation of Petroleum Exporting Countries. The IMF and World Bank play very important roles in the provision of financial support and delivery of goods and services to poor and less developing countries. OPEC is an organisation made up of oil-exporting countries. Its aims are to coordinate policies, provide technical and economic support to member countries.

By the end of this sub topic, the students should be able to:

- understand the history and purpose of the IMF, World Bank and OPEC.
- describe these three international organisations' current roles, major challenges and opportunities.

Similarities between the World Bank and the IMF

- ✓ Owned and directed by the governments of member nations
- ✓ Almost every member on earth is a member of both institutions
- ✓ Both concern themselves with economic issues
- ✓ Both focus on broadening and strengthening the economies of their member nations
- ✓ Hold joint annual meetings
- ✓ The Headquarters are in Washington, DC, USA
- ✓ Share joint task forces, sessions and research efforts

The World Bank and the IMF are twin international pillars supporting the structure of the world's economic and financial structure.

The World Bank and the IMF are distinct from one another. The main difference is this: the World Bank is mainly a development institution; and the IMF is a cooperative institution that tries to maintain an orderly system of payments and receipts between nations.

The IMF and the World Bank,

- have a different purpose
- have a distinct structure
- receives its funding from different sources
- assists different groups of members
- strives to achieve distinct goals.

Origin of IMF

The origin of the IMF goes back to the days of international chaos of the 1930s. During the Second World War, plans for the construction of an international institution for the establishment of monetary order were taken up.

The IMF is a global organisation founded at the Bretton Woods Conference in 1944. It aims to help stabilise exchange rates and provide loans to countries in need. Nearly all members of the United Nations are members of the IMF with a few exceptions such as Cuba, Lichtenstein and Andorra.

The IMF commenced financial operations in 1947, though it came into official existence in 1945. It has almost all membership of 188 member countries in the world. India is one of the founder- members of the Fund.

The IMF is independent of the World Bank although both are United Nations agencies and both are aiming to increase living standards. The World Bank concentrates on long term loans to developing countries.

	
	Coat of arms
Abbreviation	IMF
Formation	27 December 1945
Type	International financial institution
Purpose	Promote international monetary cooperation, facilitate international trade, foster sustainable economic growth, make resources available to members experiencing balance of payments difficulties
Headquarters	Washington, D.C., United States
Coordinates	 38°53′56.42″N 77°2′39.21″W﻿ / ﻿38.8990333°N 77.0445000°W﻿ / 38.8990333; -77.0445000
Region	Worldwide
Membership	188 countries
Official language	English
Managing Director	Christine Lagarde
Main organ	Board of governors
Parent organization	United Nations
Staff	2,600
Website	www.imf.org



Illustration 12.3.4.3a: IMF Headquarters 1 in Washington D. C., USA.

Source: IMF, 2011

Functions of IMF

- *Economic Surveillance*
IMF produces reports on member countries' economies and suggests areas of weakness or possible danger. The idea is to work on crisis prevention by highlighting areas of economic imbalance.
- *Loans to Countries with financial crisis*
The IMF has \$300 billion of loanable funds. This comes from member countries who deposit a certain amount on joining. In times of economic crisis, the IMF may be willing to make available loans as part of a financial readjustment. The IMF has arranged more than \$180 billion in bailout packages since 1997.
- *Technical assistance and economic training for countries requesting it*
The IMF produces many reports and publications. They can also offer support for local economies.
- *help deal with economic crisis by providing international coordination.*

How is the IMF Financed?

The IMF is financed by member countries who contribute funds on joining. They can also increase this throughout their membership. The IMF can also ask its member countries for more money. IMF financial resources have risen from about \$50 billion in 1950 to nearly \$300 billion last year, sourced from contributions from its 183 members. This initial amount depends on the size of the country's economy. For example, the US deposited the largest amount with the IMF. The US currently has 16 per cent of voting rights at the IMF, a reflection of its **quotas** deposited with IMF. The UK has 4 per cent of IMF Voting rights. Loans are also available to developing countries to 'deal with poverty reduction.'

Criticism and challenging areas for IMF

The IMF supports many developing nations by helping them overcome monetary challenges and to maintain a stable international financial system. Despite this clearly defined purpose, the carrying out of its work can be very complicated and can have wide consequences for the recipient nations. As a result, the IMF has both its critics and supporters. The challenges for organisations like the IMF and the World Bank centre not only on some of their operating deficiencies but also on the global political environment in which they operate. The IMF has been criticised on the conditions of its loans, its lack of accountability, and its willingness to lend to countries with bad human rights record.

World Bank

The International Bank for Reconstruction and Development (IBRD), commonly referred to as the World Bank, is an international financial institution whose purposes include:

- assisting the development of its member nation's territories
- promoting and supplementing private foreign investment, and
- promoting long-term growth in international trade.

The World Bank was established in December 1945 at the United Nations Monetary and Financial Conference in Bretton Woods, New Hampshire. It opened for business in June 1946 and helped in the reconstruction of nations devastated by World War II. Since 1960s the World Bank has shifted its focus from the advanced industrialised countries to developing third-world countries.

The World Bank is an international financial institution that provides loans to developing countries for capital programs. It comprises two institutions: the International Bank for Reconstruction and Development (IBRD) and the International Development Association (IDA). The IBRD lends to governments of middle-income and creditworthy low-income countries. The IDA provides interest free loans, called credits, and grants to governments of the poorest countries.

Together, IBRD and IDA make up the World Bank.

Functions

World Bank is playing main role of providing loans for development works to member countries. The World Bank provides long-term loans for various development projects of 5 to 20 years duration.

The main functions are explained with the help of the following points:

- World Bank provides various technical services to the member countries.
- Grant loans to a member country up to 20 per cent of its share of capital.
- The amounts of loans, interest rate and terms and conditions are decided by the Bank itself.
- Generally, Bank grants loans for a particular project properly submitted to the Bank by the member country.
- The borrower nation has to repay either in reserve currencies or in the currency in which the loan was approved.
- Bank also provides loan to private investors belonging to member countries on its own guarantee, but for this loan private investors have to seek prior permission from those countries where this amount will be collected.

In Depth

The World Bank is a component of the World Bank Group, and a member of the United Nations Development Group.

The organisations that make up the World Bank Group are owned by the governments of member nations, which have the ultimate decision-making power within the organisations on all matters, including policy.

Each autumn, the Boards of Governors of the World Bank Group and International Monetary Fund hold annual meetings to discuss a range of issues related to poverty reduction, and international development.

The Boards of Directors consist of the World Bank Group President and 25 Executive Directors to consider and decide on loans, credits and grants; private sector support and political risk.

The World Bank Annual Report records the Bank's work in supporting its partner countries around the world and includes information on lending and full financial statements.

The World Bank's official goal is the reduction of poverty. According to its Articles of Agreement, all its decisions must be guided by a commitment to the promotion of foreign investment and international trade and to the facilitation of Capital investment.

	THE WORLD BANK IBRD • IDA WORLD BANK GROUP
	World Bank logo
Motto	<i>Working for a World Free of Poverty</i>
Formation	July 1944; 71 years ago
Type	Monetary International Financial Organization
Legal status	Treaty
Purpose	Crediting
Headquarters	Washington D.C., United States
Region	Worldwide
Membership	188 countries (IBRD) 172 countries (IDA)
Parent organization	World Bank Group
Website	www.worldbank.org



Illustration 12.3.4.3b: The World Bank Group headquarters building in Washington, D.C, USA.

History

The World Bank was created at the 1944 Bretton Woods Conference, along with three other institutions, including the International Monetary Fund (IMF). The president of the World Bank is, traditionally, an American. The World Bank and the IMF are both based in Washington, D.C., and work closely with each other.

Although many countries were represented at the Bretton Woods Conference, the United States and United Kingdom were the most powerful in attendance and dominated the negotiations.

Brief History-OPEC

The Organisation of Petroleum Exporting Countries (OPEC) is a group consisting of 14 of the world's major oil-exporting nations. OPEC was founded in 1960 to coordinate the petroleum policies of its members, and to provide member states with technical and economic aid.

Throughout its history, OPEC has played a major role in the changing ways oil is sold, purchased and to a certain extent consumed, especially at their peak in the 1970s where they took control of their domestic petroleum industries acquiring a major say in the pricing of crude oil on a world market level.

OPEC's objective is to co-ordinate and unify petroleum policies among member countries, in order to secure fair and stable prices for petroleum producers; an efficient, economic and regular supply of petroleum to consuming nations; and a fair return on capital to those investing in the industry.

OPEC is a **cartel** that aims to manage the supply of oil in an effort to set the price of oil on the world market, in order to avoid fluctuations that might affect the economies of both producing and purchasing countries.

OPEC Membership

According to its statutes, OPEC membership is open to any country that is a substantial exporter of oil and that shares the ideals of the organisation. Along with the five founding members, OPEC has 9 additional member countries, as of 2016. They are: Qatar, Indonesia, Libya, the United Arab Emirates, Algeria, Nigeria, Ecuador, Gabon and Angola.

It is notable that some of the world's largest oil producers, including Russia, China and the United States, are not members of OPEC, these countries pursue their own objectives.

OPEC Policies

Officially, OPEC's mission is to "coordinate and unify the petroleum policies of its Member Countries and ensure the stabilisation of oil markets in order to secure an efficient, economic and regular supply of petroleum to consumers, a steady income to producers, and a fair return on capital for those investing in the petroleum industry."

OPEC's influence on the market has been widely criticised. Because its member countries hold the vast majority of crude oil reserves (about 80 per cent), and nearly half of natural gas reserves in the world. As a cartel, OPEC members have a strong incentive to keep oil prices as high as possible, while maintaining their shares of the global market.

The coming on of new technology, especially in the United States, has had a major effect on worldwide oil prices and has lessened OPEC's influence on the markets. As a result, worldwide oil production has increased and prices have dropped significantly, leaving OPEC in a delicate position. As late as June 2016, OPEC decided to maintain high production levels, and consequently low prices, in an attempt to push higher-cost producers out of the market and regain market share.

Now read the summary.

Summary

- There are important differences and similarities between the World Bank and the IMF.
- The World Bank and the IMF are international leaders in supporting the world's economic and financial structure.
- The IMF and the World Bank are different in these ways: have a different purpose, and structure; receives its funding from different sources, assists different groups of members, and strives to achieve distinct goals.
- The IMF is a global organisation founded at the Bretton Woods Conference in 1944.
- The IMF aims to help stabilise exchange rates and provide loans to countries in need.
- Nearly all members of the United Nations are members of the IMF with a few exceptions such as Cuba, Lichtenstein and Andorra.
- The IMF is financed by member countries who contribute funds on joining.

- The IMF helps developing nations to overcome monetary challenges and maintain a stable international financial system.
- The World Bank was established in December 1945 at the United Nations Monetary and Financial Conference in Bretton Woods, New Hampshire. It opened for business in June 1946 and helped in the reconstruction of nations devastated by World War II. Since 1960s the World Bank has shifted its focus from the advanced industrialised countries to developing third-world countries.
- The World Bank is an international financial institution that provides loans to developing countries for capital programs.
- The World Bank is made up of two institutions: The International Bank for Reconstruction and Development, and the International Development Association.
- World Bank provides loans for development works to member countries, and long-term loans for various development projects of 5 to 20 years period.
- The Organisation of Petroleum Exporting Countries is a group of 14 of the world's major oil-exporting nations.
- OPEC was founded in 1960 to coordinate the petroleum policies of its members, and to provide member states with technical and economic aid.
- OPEC has played a major role in the ways oil is sold, purchased and to a certain extent consumed, especially at their peak in the 1970s.

Now do Activity.



Activity 12.3.4.3

1. Explain in your own words, why the World Bank and IMF are called twin international pillars?

2. What is the main difference between the World Bank and IMF? Explain.

3. When and where was the IMF and World Bank founded?

4. Which two institutions make up the World Bank Group?

(a) What are the roles of these two institutions?

(b) Do you think PNG has borrowed from the World Bank or the IMF? Find out.

5. Which type of countries make up the OPEC? When was OPEC founded, and what are its functions?

6. Make a list of the OPEC's objectives.

7. Why is the OPEC referred to as a cartel?

8. Do you think all the oil producing countries are members of the OPEC? Name a few oil producing countries that are not members of the OPEC.

9. Explain why the OPEC is widely criticised?

10. How has the start of new technology in the U.S lessened the OPEC's influence on world oil prices?

Check your answers at the end of Sub unit 12.3.4

Sub topic 12.3.4.4: Migration of people

In the last sub topic, you looked at the IMF, World Bank, and OPEC. These international institutions play important roles in providing economic, technical and financial support to the third world and oil producing countries. In this topic, you will look at Human Migration. You will define and discuss the types of migration that takes place.

By the end of this sub topic, the students should be able to:

- define migration and the different types
- identify the factors that cause migration
- discuss the impacts of migration

The English word migration comes from the Latin verb *migrare*, meaning "to move from one place to another." Migration may mean either a temporary or a permanent change of residence by one person or by a group of people.

What is Human Migration?

Migration (human) is the movement of people from one place in the world to another for the purpose of taking up permanent or semi-permanent residence, usually across a political boundary. An example of "semi-permanent residence" would be the seasonal movements of migrant farm labourers. People can either choose to move ("voluntary migration") or be forced to move ("involuntary migration"). Migrations have occurred throughout human history, beginning with the movements of the first human groups from their origins in East Africa to their current location in the world.

The largest migration in history was the so-called Great Atlantic Migration from Europe to North America, the first major wave of which began in the 1840s with mass movements from Ireland and Germany. In the 1880s a second and larger wave developed from eastern and southern Europe; between 1880 and 1910 some 17 million Europeans entered the United States. The total number of Europeans reaching the United States amounted to 37 million between 1820 and 1980.

From 1801 to 1914 about 7.5 million migrants moved from European to Asiatic Russia (i.e., Siberia), and between World Wars I and II about 6 million more, not counting innumerable deportees to Soviet labour camps, voluntarily migrated there. Since World War II the largest voluntary migrations have involved groups from developing countries moving to the industrialised nations. Some 13 million migrants became permanent residents of Western Europe from the 1960s through the 1980s, and more than 10 million permanent immigrants were admitted legally to the United States in that same period, with illegal immigration adding several millions more.

Slave migrations and mass expulsions also have been part of human history for many years. The largest slave migrations were probably those compelled by European slave traders operating in Africa from the 16th to the 19th century; perhaps 20 million slaves were consigned to the Americas, though substantial numbers died in the appalling conditions of the Atlantic voyages. The largest mass expulsions have probably been those imposed by Nazi Germany, which deported 7 to 8 million persons during World War II (1939-1945), and by the Soviet Union,

which forcibly expelled 9 to 10 million ethnic Germans from eastern Europe into Germany in the closing year of the war and afterwards. Some 14 million people fled in one direction or another during the partition of British India into India and Pakistan in the late 1940s. The largest migrations in the second half of the 20th century have consisted of refugees fleeing war, such as the estimated 3 to 4 million people who fled Afghanistan in the 1980s.

The dominant trend in internal migration during the 20th century has been the movement from rural to urban areas. As a consequence, urban growth since World War II has been very rapid in much of the world, particularly in developing countries.

Migration occurs at a variety of scales

Some of these scales of migrations are;

- inter-continental (between continents)
- intra-continental (between countries on a given continent), and
- inter-regional (within countries).

One of the most significant migration patterns has been rural to urban migration-the movement of people from the countryside to cities in search of opportunities.

Why Do People Migrate?

People move for a variety of reasons. They consider the advantages and disadvantages of staying versus moving, as well as factors such as distance, travel costs, travel time, modes of transportation, terrain, and cultural barriers.

So, why do people migrate? The most basic way to divide up the many reasons is into categories of **push and pull**.

Push Factors: Reasons for emigrating (leaving a place) because of a difficulty (such as a food shortage, war, and flood, or other reasons not mentioned).

Push factors are those factors which force people to leave their current home. Across history, push factors have included a diverse range of situations, including drought, famine, war, invasion, disease, lack of job opportunities, lack of religious or personal freedoms, or discrimination.

Pull Factors: Reasons for immigrating (moving into a place) because of something desirable (such as a nicer climate, better food supply, and freedom, or other reasons not mentioned).

Several types of push and pull factors may influence people in their movements (sometimes at the same time), including:

- Environmental (e.g., climate, natural disasters)
- Political (e.g., war)
- Economic (e.g., work)
- Cultural (e.g., religious freedom, education)

Pull factors are things that attract people to a new area. These could include job opportunities, education opportunities, freedom, safety, food, climate, or established networks of family and friends.

Place Utility

The desirability of a place based on its social, economic, or environmental situation, often used to compare the value of living in different locations. An individual's idea of place utility may or may not reflect the actual conditions of that location.

Intervening Opportunities

Opportunities nearby are usually considered more attractive than equal or slightly better opportunities farther away, so migrants tend to settle in a location closer to their point of origin if other factors are equal.

Distance Decay

As distance from a given location increases, understanding of that location decreases. People are more likely to settle in a (closer) place about which they have more knowledge than in a (farther) place about which they know and understand little.

Geographer E.G. Ravenstein developed a series of migration 'laws' in the 1880s that form the basis for the modern migration theory. In simple language, these principles state that;

- most migrants travel only a short distance.
- migrants traveling long distances usually settle in urban areas.
- most migration occurs in steps.
- most migration is rural to urban.
- each migration flow produces a movement in the opposite direction ("counter-flow").
- most migrants are adults.
- most international migrants are young males, while more internal migrants are female.

Types of Migration

Internal Migration: Moving to a new home within a state, country, or continent.

External Migration: Moving to a new home in a different state, country, or continent.

Emigration: Leaving one country to move to another (e.g., the Pilgrims emigrated from England).

Immigration: Moving into a new country (e.g., the Pilgrims immigrated to America).

Population Transfer: When a government forces a large group of people out of a region, usually based on ethnicity or religion. This is also known as an involuntary or forced migration.

Impelled Migration (also called "reluctant" or "imposed" migration): Individuals are not forced out of their country, but leave because of unfavourable situations such as warfare, political problems, or religious persecution.

Step Migration: A series of shorter, less extreme migrations from a person's place of origin to final destination—such as moving from a farm, to a village, to a town, and finally to a city.

Chain Migration: A series of migrations within a family or defined group of people. A chain migration often begins with one family member who sends money to bring other family members to the new location. Chain migration results in migration fields—the clustering of people from a specific region into certain neighborhoods or small towns.

Return Migration: The voluntary movements of immigrants back to their place of origin. This is also known as circular migration.

Seasonal Migration: The process of moving for a period of time in response to labour or climate conditions (e.g., farm workers following crop harvests or working in cities off-season; "snowbirds" moving to the southern and south western United States during winter).

One other important distinction between types of migration is the idea of *voluntary versus involuntary*. It is a basic idea: if you make the choice to move, based on whatever push and pull factors matter most to you, it is a *voluntary migration*. But if you are physically forced to relocate, that is an *involuntary migration*. The most obvious example of this is slavery. A group of people are forcibly taken from their home and relocated, with no ability to decide where they are going. That is an involuntary migration. For better or worse, each of these forms of migration have been important throughout history, moving people into new areas, mixing gene pools, and integrating cultures.

People Who Migrate

Emigrant: A person who is leaving a country to reside in another.

Immigrant: A person who is entering a country from another to take up new residence.

Refugee: A person who is residing outside the country of his or her origin due to fear of persecution for reasons of race, religion, nationality, membership in a particular social group, or political opinion.

Internally Displaced Person (IDP): A person who is forced to leave his or her home region because of unfavourable conditions (political, social, and environmental) but does not cross any boundaries.

Migration Stream: A group migration from a particular country, region, or city to a certain destination.

Impacts of Migration

Human migration affects population patterns and characteristics, social and cultural patterns and processes, economies, and physical environments. As people move, their cultural traits and ideas diffuse along with them, creating and modifying cultural landscapes.

Diffusion: The process through which certain characteristics (e.g., cultural traits, ideas, disease) spread over space and through time.

Relocation Diffusion: Ideas, and cultural traits, that move with people from one place to another and do not remain in the point of origin.

Expansion Diffusion: Ideas, and cultural traits, that move with people from one place to another but are not lost at the point of origin, such as language.

Cultural markers: Structures or artifacts (e.g., buildings, spiritual places, architectural styles, and signs) that reflect the cultures and histories of those who constructed or occupy them.

Now read the summary.

Summary

- Migration means moving from one place to another.
- Human migration is the movement of people from one place in the world to take up permanent or semi-permanent residence, usually across a political boundary.
- There are different types of migration in history.
- There are people from all walks of life that migrate.
- Human migration affects population, social and cultural patterns and processes, economies, and physical environments.

Now do Activity.



Activity 12.3.4.4

1. What does migration mean?

2. What is human migration?

3. Explain in your own words what it means by “semi-permanent residence”.

(a) Find out and give an example of “semi-permanent residence” occurring in terms of farming activities between Australia and PNG.

(b) Explain in your own words voluntary and involuntary migration.

4. Where did the first human migration take place?

5. According to your notes, where did slave migrations and mass expulsions take place?

6. Differentiate between pull and push factors.

Push factors

Pull factors

7. Differentiate between emigration and immigration.

8. Explain what Population Transfer is. What type of migration can Population Transfer cover?

9. Find the correct words for the following definitions.

(a) A person who is residing outside the country of his or her origin due to fear of persecution for reasons of race, religion, nationality, membership in a particular social group, or political opinion.

(b) A person who is forced to leave his or her home region because of unfavourable conditions, but does not cross any boundaries.

(c) A group migration from a particular country, region, or city to a certain destination.

(d) The process through which certain characteristics spread over space and through time.

(e) Ideas, and cultural traits, that move with people from one place to another but are not lost at the point of origin, such as language.

(f) Structures or artefacts that reflect the cultures and histories of those who constructed or occupy them.

Check your answers at the end of Sub unit 12.3.4



Answers to Activities 12.3.4

Activity 12.3.4.1

1. The OBE is a curriculum and style of teaching whereby students' knowledge are measured and achieved through outcomes.
2. The OBE was a failure because our schools systems were not equipped with adequate facilities, relevant teaching and learning materials, and trained specialist teachers to teach the content of newly introduced subjects. Also, without knowing and understanding the implementation process was another contributing factor to the failure of OBE. Teachers and facilitators also lacked the ability to understand how they can translate the theory and philosophy of outcome based education into practical action in their instructional planning, teaching and student assessment.
3. The International Education Agency (IEA). This is because new concepts that have been agreed in the IEA are distributed as information to everyone. In the PNG public schools, there was not sufficient awareness for students, teachers, parents and stakeholders about outcome-based education. This very crucial part of the implementation process was not well done, leading to a failure.
4.
 - self-direction
 - effective communication
 - Ethical behaviour
 - collaborative work
 - analyse and solve problems

Activities 12.3.4.2

1. Globalisation is the process of international combination of trading, exchange and transaction of world views, products, ideas, and aspects of culture.
2. Language and culture are bound together. To change one, is to change the other. The extinction of a language, could lead to the extinction of a community.
3. Steam locomotive, jet engine, container ships, telegraphs, internet, and mobile technology such as mobile phone.
4. The Silk Road connected Asia, Europe and South East Asia. The Silk Road was a trade route that went from China to Eastern Europe. It went along the northern borders of China, India, and Persia and ended up in Eastern Europe near today's Turkey and the Mediterranean Sea. It was important because it helped to generate trade and commerce between a number of different kingdoms and empires. This helped for ideas, culture, inventions, and unique products to spread across much of the settled world. It was called the Silk Road because one of the major products traded was silk cloth from China. People throughout Asia and Europe prized Chinese silk for its softness and luxury. The Chinese sold silk for thousands of years and even the Romans called China the "land of silk".
5.
 - (a) North and South America

(b) The Old World refers to Africa, Europe, and Asia.

6.

Positive

-It improves access to more affordable goods and services, including information, through use of the internet.

Negative

- Greenhouse gas emissions from transporting so many goods, services and people around, rather than using local supplies.

Answers 12.3.4.3

1. Because they are the world's leading international organisations that support the world's economic and financial structure. This means they provide financial aid and support to countries that need them.
2. The main difference is this: the World Bank is mainly a development institution; and the IMF is a cooperative institution that tries to maintain an orderly system of payments and receipts between nations.
3. The IMF was founded at the Bretton Woods Conference in 1944. The World Bank was established in December 1945 at the United Nations Monetary and Financial Conference in Bretton Woods, New Hampshire.
4. The World Bank Group is made up of two institutions: The International Bank for Reconstruction and Development (IBRD) and the International Development Association (IDA).
 - (a) The IBRD lends to governments of middle-income and creditworthy low-income countries. The IDA provides interest free loans, called credits, and grants to governments of the poorest countries.
 - (b) Yes, PNG has borrowed and received financial support from these institutions.
5. OPEC is a group of 14 countries that are the world's major oil-exporting nations. OPEC was founded in 1960 to coordinate the petroleum policies of its members, and to provide member states with technical and economic aid.
6. OPEC's objectives:
 - to co-ordinate and unify petroleum policies among member countries, in order to secure fair and stable prices for petroleum producer
 - to ensure an efficient, economic and regular supply of petroleum to consuming nations;
 - and to give a fair return on capital to those investing in the industry
7. This is because the OPEC manages the supply of oil, to avoid fluctuations that might affect the economies of the countries that buy and produce oil.
8. No, not all oil producing countries are members of OPEC. Some of the world's largest oil producers, including Russia, China and the United States, are not members of OPEC.
9. The OPEC is criticised because its member countries hold the vast majority of crude oil reserves (about 80 per cent), and nearly half of natural gas reserves in the world. As a cartel,

OPEC members have a strong incentive to keep oil prices as high as possible, while maintaining their shares of the global market.

10. The coming on of new technology, especially in the United States, has had a major effect on worldwide oil prices and has lessened OPEC's influence on the markets. As a result, worldwide oil production has increased and prices have dropped mostly, leaving OPEC in a delicate position.

Answers 12.3.4.4

1. Migration means moving from one place to another.
2. Human migration is the movement of people from one place in the world to another for permanent or semi-permanent residence, usually in another country.
3. To move to a place but not to stay or live permanently there.
 - (a) Papua New Guinean youths are contracted as labourers to work in Australian farms picking fruits during harvesting seasons
 - (b) "Voluntary migration" means people choose to move to a place. "Involuntary migration" means people are forced to move.
4. The first human migration began from East Africa.
5.
 - Slave migrations took place between Africa and America. Slaves were taken from Africa and sent to America on large ships.
 - The Soviet Union expelled German people living in Russia back to Germany.
 - People fled into India and Pakistan, when the British divided the land area into these two countries.
 - Immigrants fleeing war in Afghanistan in the 1980s.
6.

Push factor:
Push Factors are things that make people want to leave a place. For example: food shortage, war, drought, famine, flood, war, disease, lack of job opportunities, religious or personal freedoms, and discrimination. (Any of these answers are correct)

Pull factor:
Pull factors are things that attract people to a new area. This could include job opportunities, education opportunities, freedom, safety, food, climate, or established networks of family and friends. (Any of these answers are correct)
7.
 - Emigration* is leaving one country to move to another.
 - Immigration* is moving into a new country.
8. *Population Transfer*
When a government forces a large group of people out of a region, usually based on ethnicity or religion. This is also known as an involuntary or forced migration.
9.
 - (a) Refugee
 - (b) Internally Displaced Person

- (c) Migration stream
- (d) Diffusion
- (e) Expansion diffusion
- (f) Cultural markers

Glossary

Aid	help or support (someone or something) in the achievement of something
Bilateral	Trade between two nations or parties
Capitulate	to yield to the control or power of enemy forces
Constitutional Monarchy	A system of government recognising the Queen of England as the Head of State represented by a Governor General in the country.
Decentralisation	handing down of powers to the provincial and local level governments
De jure	existing or holding a specified position by legal right
Demand	The amount of a particular economic good or service that a consumer or group of consumers will want to purchase at a given price
dilemma	an argument presenting two or more equally conclusive alternatives against an opponent
Economy	the state of a country or region in terms of the production and consumption of goods and services and the supply of money
Globalisation	The process by which businesses or other organisations develop international influence or start operating on an international scale.
Home-grown constitution	A constitution designed and created in one's own country.
Human migration	movement by people from one place to another with the intentions of settling temporarily or permanently in the new location. The movement is often over long distances and from one country.
Interdependence	is mutual dependence between things
intricate	having many complexly interrelating parts or elements
jurisdictions	the power that a court of law or someone in authority has to carry out legal judgement or enforce laws
Mandate	an official order or commission to do something
Marshal	assemble and arrange (a group of people, especially troops) in order
Multilateral	Trade involving more than two nations or parties
Multinational corporation	a business that has its facilities and other assets in at least one country other than its home country. Such companies have offices and/or factories in different countries and usually have a centralised head office where they co-ordinate global management.
Neocolonialism	the economic and political policies by which a great power indirectly maintains or extends its influence over other areas or people

Quotas	a limited or fixed number or amount of people or things, in particular:
Repatriate	to restore or return to the country of origin, allegiance, or citizenship
Soft loan	a loan, typically one to a developing country, made on terms very favourable to the borrower
Supply	stock or amount of something available for use
Tied aid	is foreign aid that must be spent in the country providing the aid (the donor country) or in a group of selected countries. A developed country will provide a bilateral loan or grant to a developing country, but dictate that the money be spent on goods or services produced in the selected country.
Transnational corporation	a company that operates in at least 2 countries. The HQ is generally located in the country that the corporation was founded in while remaining assets, mainly the manufacturing plants, are located in LEDCs where labour is cheap and readily available.
Tyranny	a government in which absolute power is vested in a single ruler
Unicameral	having one chamber or house of parliament

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16	KAVIENG	P. O. Box 284, Kavieng	9842183	72228136	The Coordinator	Senior Clerk	72229069
17	BUKA	P. O. Box 154, Buka	9739838	72228108	The Coordinator	Senior Clerk	72229073
18	MANUS	P. O. Box 41, Lorengau	9709251	72228128	The Coordinator	Senior Clerk	72229080
19	NCD	C/- FODE HQ	3230299 Ext 26	72228134	The Coordinator	Senior Clerk	72229081
20	WABAG	P. O. Box 259, Wabag	5471114	72228120	The Coordinator	Senior Clerk	72229082
21	HELA	P. O. Box 63, Tari	73197115	72228141	The Coordinator	Senior Clerk	72229083
22	JIWAKA	c/- FODE Hagen		72228143	The Coordinator	Senior Clerk	72229085

SUBJECT AND GRADE TO STUDY

GRADE LEVELS	SUBJECTS/COURSES
Grades 7 and 8	1. English
	2. Mathematics
	3. Personal Development
	4. Social Science
	5. Science
	6. Making a Living
Grades 9 and 10	1. English
	2. Mathematics
	3. Personal Development
	4. Science
	5. Social Science
	6. Business Studies
	7. Design and Technology- Computing
Grades 11 and 12	1. English – Applied English/Language & Literature
	2. Mathematics - Mathematics A / Mathematics B
	3. Science – Biology/Chemistry/Physics
	4. Social Science – History/Geography/Economics
	5. Personal Development
	6. Business Studies
	7. Information & Communication Technology

REMEMBER:

- For Grades 7 and 8, you are required to do all six (6) courses.
- For Grades 9 and 10, you must study English, Mathematics, Science, Personal Development, Social Science and Commerce. Design and Technology-Computing is optional.
- For Grades 11 and 12, you are required to complete seven (7) out of thirteen (13) courses to be certified.

Your Provincial Coordinator or Supervisor will give you more information regarding each subject.

GRADES 11 & 12 COURSE PROGRAMMES

No	Science	Humanities	Business
1	Applied English	Language & Literature	Language & Literature/Applied English
2	Mathematics A/B	Mathematics A/B	Mathematics A/B
3	Personal Development	Personal Development	Personal Development
4	Biology	Biology/Physics/Chemistry	Biology/Physics/Chemistry
5	Chemistry/ Physics	Geography	Economics/Geography/History
6	Geography/History/Economics	History / Economics	Business Studies
7	ICT	ICT	ICT

Notes: You must seek advice from your Provincial Coordinator regarding the recommended courses in each stream. Options should be discussed carefully before choosing the stream when enrolling into Grade 11. FODE will certify for the successful completion of seven subjects in Grade 12.

CERTIFICATE IN MATRICULATION STUDIES		
No	Compulsory Courses	Optional Courses
1	English 1	Science Stream: Biology, Chemistry, Physics
2	English 2	Social Science Stream: Geography, Intro to Economics and Asia and the Modern World
3	Mathematics 1	
4	Mathematics 2	
5	History of Science & Technology	

REMEMBER:

You must successfully complete 8 courses: 5 compulsory and 3 optional.