Civil society and the National Integrity System in Papua New Guinea

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In August 2005, two Bills were introduced into the Papua New Guinea Parliament: the first aimed to raise the level of MPs' discretionary funds ('slush funds') by one million kina each, and the second provided for the exemption of MPs from dismissal for breach of the Leadership Code, the code of ethics for Papua New Guinea, enforceable under the Organic Law on the Duties and Responsibilities of Leadership. Transparency International (PNG) played a central role in coordinating the public side of a civil society campaign against enactment of these Bills. This article is an anatomy of that campaign.

The central issue of the 2005 campaign was the National Integrity System (NIS). The NIS is a concept developed by Jeremy Pope and Transparency International during the 1990s, and encompasses the key institutions, laws and practices that contribute to integrity, transparency and accountability in a society.

The National Integrity System Framework

This paper draws on the TI Source Book: Confronting Corruption—the elements of a National Integrity System, and indeed, TI PNG draws heavily on the theory of the NIS to develop our strategies and work plan. The term 'NIS' is not used formally in Papua New Guinea, but under the Westminster-type system the main checks and balances on the Executive should be the Parliament itself and its constitutionally prescribed committees, especially the Public Accounts Committee. In Papua New Guinea the key constitutional components for monitoring the actions of both public and private sectors, and enforcing the laws, are impressive: the Ombudsman Commission, the courts, the Auditor-General, Attorney-General and Public Prosecutor, and of course the Police. Despite these structures, concern that Papua New Guinea's governmental integrity was continuing to weaken led TI PNG to oppose the Bills. Board members of
TI PNG asked themselves, ‘why is it that we so oppose these Bills, of all the many draft laws that go before Parliament that we may not agree with?’ To answer that question, it was necessary to analyse the Bills through the lens of the NIS, as I do below. It was immediately clear that if passed into law these Bills would create deep cracks in the very foundation of the NIS. On that basis alone, they were opposed by TI PNG. Long-standing support for the NIS provided the theoretical foundation for the campaign.

Public policy in Papua New Guinea

The Board’s response also arose from concern regarding the nature of public policy making in Papua New Guinea, that is, it is hardly public. Of course, it would be a hard task to find where policy making is not made at least in some way by the élite. But in Papua New Guinea, with the huge chasm that exists between the grassroots population and the state, it is found that sometimes public policy emerges by taking a shadowy and winding path, constantly dodging the light of public scrutiny, until it passes through the door of Parliament House late at night and is made law. Critical stakeholders may only get advance warning through the rumour mill. Government-backed Bills require vetting by the National Executive Council, a process which was strengthened under the Morauta government, but these Bills were private Member’s Bills and thus bypass this mechanism. Either way, this paper argues that with the 2005 campaign something different happened: public policy entered the public domain.

It should be stressed further that the Bills in question were constitutional Bills that in order to become law require passing by the unicameral PNG Parliament at two different sittings separated by at least two months. The law they purported to alter was written into the constitution under the Skate Government. This constitutional law (the Organic Law on Provincial and Local level Government) guides the jurisdiction between national, provincial and local-level government in Papua New Guinea. Sooner or later, because of the nature of constitutional amendments, the subject matter of these Bills would have arisen in PNG public discourse.

The emerging space for civil society in public policymaking

This paper also examines the hypothesis that public policy outcomes are almost always strengthened in their quality when stakeholder input is sought and fostered. It will be argued that the capacity for policy decision-making amongst civil society in Papua New Guinea is at least as responsible and well-informed as its equivalent in government, and civil society in Papua New Guinea is ready and willing to take up its role as equal partners in the public policy process with the end view of strengthening the ownership and quality of public policy outcomes.

To deny such a role is to condone the alternative—ad hoc policy, written under the cover of darkness, and kept as much as possible from the view of anyone outside a tiny circle of Ministerial advisers and bureaucrats, and destined to be short-lived once the winds of political change blow through the capital.

Here I argue that civil engagement offers leaders the chance to bring longevity to their policy agenda (see also Campos and Syquia 2006). This concept follows established public policy protocol in more mature democracies where extra-state actors are co-opted into the policy process so as to help sustain policy outcomes.
Civil society in Papua New Guinea

When someone talks about civil society in Papua New Guinea what do they really mean? A working global definition is as follows: ‘the arena of un-coerced collective action around shared interests, purposes and values. In theory, its institutional forms are distinct from those of the state, family and market’.\(^6\) Francis Fukuyama wrote in 1999 about the role of civil society in a liberal democracy.

If a democracy is in fact liberal, it maintains a protected sphere of individual liberty where the state is constrained from interfering. If such a political system is not to degenerate into anarchy, the society that subsists in that protected sphere must be capable of organising itself. Civil society serves to balance the power of the state and to protect individuals from the state’s power (Fukuyama 1999).

PNG civil society is very fragile, weak and in its very early days. The great majority of the population—about 80 per cent—live in village-based societies and reserve their greatest loyalties for their clan, their tribe, and their wantoks. While a lesser, but rapidly growing, number live in the cities. Any analysis drawn along demographic or cultural or political or sociological lines will discern immediately that Papua New Guinea is in the throes of massive social, economic and political change. Civil society may be limited, but it is growing and evolving fast. It is scrambling furiously to fill the void that exists currently between the state, and the values and identities of its citizens.

The churches have always been influential in Papua New Guinea, often rivaling the government administration in their capacity to deliver services. The greatest allies in the 2005 campaign were the mainline PNG churches. It can be argued that there is no greater medium for speaking to and for the grassroots of Papua New Guinea than the churches, mainly because the media does not have the capacity to reach large areas of the population. Airtime at the pulpit cannot be bought, but is priceless. The Papua New Guinea mainline churches are fiercely policy independent and came to be a major partner of the campaign through dialogue and distillation of the campaign rationale that was first put together by TI PNG.

An important exception to the policy independence of PNG churches is the emergence of new churches that are closely aligned with political personalities. Like King Henry VIII, PNG politicians are fast learning that the best strategy to manage a mainline church that opposes your view of the world is to create a new church and divert public resources in its direction.

Non-church civil society takes three main forms in Papua New Guinea. The first are grassroots civil society groups located in the villages and the towns. These are formed around local issues such as water supply associations and literacy groups. Women’s and youth groups are particularly strong in the villages, and less so provincially and nationally. The National Council of Women network exists more so in some provinces than others. For TI PNG, rural women and youth are the agents of change at the grassroots level and are therefore best placed to carry forth the Transparency International vision of governance reform. The second tier of civil society association is based on newly emerging landowner / environmental groupings. Undoubtedly this will only grow further into the future, however there is concern that they may become subject to active state-sponsored suppression. The third major form of civil society is peak bodies which exist at the national level. Most of these groups are business associations and exist to represent the interests of the private
sector. These groups are drawn primarily from the urban educated elite, and TI PNG is counted amongst this grouping.

Where do PNG civil society groups get their funding from? There is no one answer, except to say both domestic and international sources. As an example (perhaps atypical) we can examine TI PNG, which has core funding largely from domestic contributors, and programs and projects that largely come from international donors such as the Australian Agency for International Development (AusAID) and the New Zealand AID. By far the largest, longest, most reliable, and consistent supporter of TI PNG has been its domestic membership base. Papua New Guinea corporate contributions make up by far the largest member contributions (in 2005 domestic corporate contributors supported 97.64 per cent of core operating costs). In addition for other PNG non government organisations there are international donors like Greenpeace, World Wildlife Fund, the churches and foreign foundations (mostly German). Major donors to PNG non-government organisations (including TI PNG) have also included the European Union, the World Bank and to a lesser extent other international financial institutions such as the Asian Development Bank.

The National Integrity System in Papua New Guinea

In 2003 a NIS study was carried out in Papua New Guinea by local academics Daniel Aloi and Albert Mellam, in conjunction with TI PNG Chairman Mike Manning, under the direction of Alan Doig and Stephanie McIvor from the University of Teesside in the United Kingdom. In summary it found that corruption in Papua New Guinea was caused by the rapid transition from the traditional ethnic-based social networks to the supra-ethnic nation state. The study identified an almost completely merged political and administrative world. Of particular concern were the links between the forestry private sector and the funding of political parties. It found that Papua New Guinea has an Executive without enough political will or authority to abolish the ‘slush funds’, and that there is little or no support for an Independent Commission Against Corruption (ICAC). The Parliament was characterised as ‘the avenue through which transactions of favour and support flow between the Executive and Legislature’.

Of positive consequence was the creation of the parliamentary Public Accounts Committee and the enactment of the 2001 Integrity Law known as OLIPPAC. The Public Accounts Committee combined with an effective Auditor-General was seen as the greatest opportunity to deter corruption in the near future. TI PNG is pleased that the Public Accounts Committee continues to strengthen its role despite many obstacles, and it is currently unearthing some of the many grand corruption schemes that permeate every aspect of public life in Papua New Guinea. Convictions for grand corruption under the criminal code are still non-existent, but TI PNG hopes the ground work for future convictions are being laid right now in places like the Public Accounts Committee.

The NIS study found that the multitude of political parties (43 in 2002, currently about 18) were not distinguishable based on ideology, and were posited around individual personalities. It found that on balance the judiciary was functioning, but that some critical schisms were starting to appear. The Ombudsman Commission stands out as a strong pillar, again despite the odds due to limited financial and human resources, and the media is robust and relatively independent from government, at least. However it found that civil society was ‘passive’, and largely
confined to Port Moresby. The report’s summary recommendations were to

- establish an Independent Commission Against Corruption (ICAC)
- increase the powers of the Ombudsman
- strengthen the interest and enthusiasm of the general public in the fight against corruption.

This is a technical analysis, based on the NIS framework mentioned above. To analyse the 2005 campaign, however, we must look to the philosophical approach embodied in the NIS model. The words ‘horizontal accountability’ are oft-used when describing how the NIS works. The NIS is not a system that can be sustained within a dictatorial political system. It requires a large degree of political consensus for its authority to be recognised and that legitimacy can usually only be generated by a democracy.

TI PNG’s first strategic plan from 1999 was called the ‘10 point National Integrity Action Plan (NIAP)’, and used the NIS as its starting point. The NIAP met with limited success—most successful were the legislative reforms—the OLIPPAC and the 2002 electoral law reforms introducing Limited Preferential Voting (LPV). When we look back now on what was attempted the obvious missing link whose absence worked against further success was ‘horizontal accountability’. The will to drive further institutional reform across the pillars of the NIS simply wasn’t there. Kpundeh (2004) tells us that ‘a fervent civil society…reinforces the political will needed for reform’. Perhaps this is the strongest lesson that has emerged from the campaign, and from the fight against corruption in the last ten years.

The Community Coalition Against Corruption

The Community Coalition Against Corruption (CCAC) is an issue-based advocacy network (see Aitsi 2004; Marsh and Smith 2000). It started before the 2002 elections as a joint effort of the Media Council of Papua New Guinea and TI PNG, and included all the major churches as well as some public agencies. CCAC’s highly visible 2002 campaign against corruption involved frequent television and radio spots against corruption and major rallies in Port Moresby and Lae, and it sought pledges to reject corruption from election candidates. It was then fairly moribund for a few years due to administrative capacity constraints within both the coordinating bodies, but it has re-emerged in the last twelve months as the legitimate voice of the wider community around governance issues. Its formation and development is based firmly on the mission of Transparency International—mobilising coalitions against corruption. It is important to note that it is not solely a civil society group, as its membership includes public agencies as well.

At the 10 March 2006 CCAC forum in Kokopo, the Governor of East New Britain, as well as the Provincial Administrator, spoke both formally as part of the program, as well as informally. Additionally the Director of Operations of the Ombudsman Commission, Mr John Toguata, spoke at length. This underlies the philosophy that sustained governance reform is simply impossible without the combined efforts of citizenry and the state. Only the state can implement governance reforms, and only citizenry can generate the energy that will sustain reforms through the many political obstacles they will face if effective. In many ways the 2005 campaign was a revival of the CCAC, with a much more focused set of
objectives than the more generalised ‘motherhood’ statements against corruption of the 2002 campaign.

The campaign against the two Bills

The political environment in Papua New Guinea during 2005 to a large extent determined both the timing and nature of these Bills. An active Ombudsman Commission has seen an increasing number of MPs being referred to the public prosecutor for breach of the Leadership Code in the last year. The Ombudsman Commission, which monitors MPs activities and recommends prosecutions before a Leadership Tribunal, reports that from 1976 to the time of writing there have been eighty-two referrals of leaders—eighteen of those since 2003, the most recent eleven of which have all been MPs. The investigations that these referrals were based on would have been active 12 months earlier, leading to much discontent amongst some members regarding the role of the Leadership Code, the Ombudsman Commission and its inquiries into their affairs. In 2005 the Parliament was moving into the second half of its five year span, with the Government looking like being the country’s first to last the distance, thanks in no small part to the OLIPPAC laws (and some fast footwork by the Government’s exploitation of Parliamentary adjournments). The next election in mid 2007 was already being discussed and preparations, that for many Members and candidates means the gathering of war chests, had moved into a more serious mode. However a climate of fiscal prudence and discipline over public funds was being maintained by the then Treasurer and Finance Minister the Hon. Bart Philemon. This means there was less public cash sloshing around liberally on the shadier edges of politics. Having a regime of fiscal discipline over public funds and a government which was as secure in its place as perhaps any in the history of Papua New Guinea should reduce the market demand for the ongoing support of backbenchers. However the fast approaching elections and the need for electioneering money increased the eagerness of MPs to seek rewards for lending their political support. There is a pool of increasingly desperate members who are outside the Executive and think they need cash fast if they are to have any hope of getting voted back in by their electorates. This demand fuelled the first Bill that proposed an increase to the Members’ existing District Support Grants of K500,000 to K1,500,000 (approx. US$487,500). It must be noted in regard to this Bill that public service delivery in Papua New Guinea, especially into the more remote Districts, is virtually nil. The District Support Grants can be seen as a legitimate policy solution for MPs looking to address this problem rapidly. The issue goes to the core of the debate around the proper roles of the legislature, the political executive, and the administrative executive. One side of the debate says that if members are to be held accountable for service delivery in their electorates, then they should at least be given the resources to respond to that demand. The other side of the debate says that when the legislature, the political executive, and the administrative executive merge then the only long-term result is the de-professionalisation of the civil service and the further deterioration in the capacity of the state to deliver services.

The second Bill proposed that members be exempted from dismissal for breach of the Leadership Code. It was as simple as that. The whole Bill proposed the addition of six words to s. 27(5)(a) of the Code which allows a Leadership Tribunal comprising National Court judge and two magistrates to recommend dismissal of a Leader from office. The added words were ‘other than a member of Parliament’. 
Neither Bill was accompanied by an Information Memorandum, media statement, press release, or similar. They were both gazetted on the 2 August 2005, and there was no formal, legal or any other apparent link between the Bills, and no evidence available to suggest they were framed and gazetted with each other in mind.

The 2005 campaign: phase 1

The Bills were brought to the attention of the TI PNG Board around mid August by Board members who peruse the gazette as a matter of course, and also by parties external to TI PNG. The Board held an extraordinary meeting on 7 September and resolved to oppose the Bills in their own right. This is when the first phase of the campaign began. They also resolved to put the issue to the CCAC (see Appendix 2 for an indicative list of members) with a view to wider mobilisation. On 22 September about 50 members of the CCAC were called together in Port Moresby, and resolved as a group to oppose the Bills, and to support a public campaign that would revolve around a media campaign, and a petition. On 26 September at a media conference the campaign was launched publicly with the assistance of the Governor of Western Province, the Hon. Dr Bob Danaya, who agreed to lodge the petitions in Parliament at its next sitting due to begin 25 October (‘CCAC launches petition against changes’, The National, 27 September 2005; see also Appendix 1 for a timeline of campaign media). It was Parliament which would have to accept or reject the two Bills, if they were eventually introduced, and so parliamentarians were the penultimate focus of the 2005 campaigns. Around this time, Papua New Guinea was celebrating its 30th anniversary of independence (16 September). The anniversary celebrations motto of ‘Putim PNG I Go Pas’ was quickly adopted by the campaign. It means simply ‘Put PNG First’, implying, perhaps, not personal or sectional interest. Hence it embodied the plea that was being pitched to Parliament from the CCAC.

The campaign soon gathered momentum and publicity. University students (the UPNG Political Science Students’ Association) organised a successful public forum on 6 October at the main lecture theatre of UPNG in Port Moresby. The forum was attended by a number of TI PNG Directors, and spoken to by Professor Allan Patience from UPNG, TI PNG Chairman Mike Manning, and Professor John Nonggorr, a TI PNG Director. The sponsor of one of the Bills, Hon. Andrew Kumbakor, was also present, and spoke informally from the floor.

The role of the NIS in shaping the argument against the Bills

TI chapters advocate for the strengthening of the NIS. This is a challenging task anywhere, but in a country such as Papua New Guinea which has poor literacy rates, the task is made even harder. The NIS is an abstract concept that requires a basic understanding of concepts such as legislature, executive, and judiciary. The campaign relied on the following messages to convey to the public why the NIS is important, and subsequently that the Bills attacked the core of the NIS:

- ‘The rightful role of MPs is to determine policy and oversee its administration by the Executive. The slush funds turn the watchdog into the burglar.’
- ‘Exempting MPs from dismissal is introducing one rule for MPs and another for all other leaders. Does kastom work if it doesn’t apply to all people in the village? Neither does the rule of law’.

Luckily for the campaign the slush fund messages were not based on any predictions—almost everyone in Papua New
Guinea knew what the slush funds were about, and many had even been recipients of the largesse at some stage. But almost universally the public recognised that the slush funds mostly represented gross waste and abuse of public funds, whether it be the memory of an extravagant pre-election feast, the body of a big-man helicoptered into a village for his funeral, or the rusty hulks of never repaired outboard motor boats lying around the village—all paid for with slush funds.

**Counter arguments**

This forum was the first time a public position was put forth in support of either of the Bills by their sponsors. The position put forth in support of the slush fund Bill can be summarised as this: ‘public services (roads, schools, health clinics) do not reach outside the major towns and MPs are hearing the cries of their people and wish to bring them services. The critics of the Bill are from the elite and do not know what it is like to live in a village with no government services.’ This is a legitimate position if MPs use their funds in the electorates, according to the spirit and letter of the law, and on genuine development expenditure. However history shows that this was the exception and not the rule. As noted above, many of the cases pursued by the Ombudsman Commission since its inception have been for abuse of the slush funds, and this has accelerated dramatically in the last decade. Because of the very existence of the slush funds, and the fact that electors know of them, MPs are under enormous pressure to use them for their political advantage, and many lack the skills or political will to use, account for and acquit these funds according to the guidelines. At a recent seminar at which one of the Ombudsman spoke, an angry Highlands MP said to the Ombudsman

> Yu mas skul longy univesiti long save long rotbilongyusim ol mani stre. Taim ol i givim sek mani long mipela, nogat lain i train longskulim mipela long rot longyusim stre. Na bihain Ombudsman Komisin i tok mipelamas sanap long Lidasip Traibunal o kot bilong ol lida bilong wanem mipela i mekimrong. Tasol mipela no bin save olsem wanem samting mipela mekim i rong

which can be roughly translated as

You need a university education to understand how to use the funds correctly, and when we are given the cheque, nobody makes any effort to tell us how to use it properly…and then the Ombudsman Commission refers us to the Leadership Tribunal for doing something wrong that we did not know about!

Staff from both the Ombudsman Commission and the Office of Rural Development (responsible for disbursements) would dispute the claim that no efforts are made to inform MPs of their responsibilities under discretionary expenditure program—the more accurate position may be that it’s difficult to attract MPs interest when they already have the cheque in their hand. In a few cases MPs hand over the funds to the local-level governments and district administrators; in most cases when the legislators have become executive decision-makers their electorates as a whole have not benefited.

Of course, if human beings were made of different stuff the slush funds would present no problem in the past, now and into the future. But James Madison told us ‘if men were angels no government would be necessary. If angels were to govern men, neither external nor internal controls on government would be necessary’. The slush funds record indicates that Papua New Guinea, as elsewhere, is yet to be governed by angels.
The campaign spreads: phase 2

By early October the petitions were flying around the country in any number of ways and formats. This is when the campaign took on a life of its own, bigger than anyone member of the CCAC. A deadline of 14 October had been affixed to the petitions (one petition for each Bill). They spread like wildfire around the PNG élite through email, both domestically and internationally and the church networks. This is where message traction and debate first took place. Informal email replies from the TI PNG office to queries from this network were cut and paste and re-inserted into group emails asking for support of the petition. This email network was a critical medium, and credit must be given to the Kumul Foundation, a young PNG professionals networking group, that took up the campaign within their own cohort. This is no small feat when one examines the nature of corruption—the educated young élite, who are the leaders of tomorrow, are sometimes also a part of today’s misappropriation. Similarly, a complicit political and business élite are sometimes more an obstacle than to governance reform. But with the Kumul Foundation, the campaign had a firm ally.

Another group with considerable traction were educated public servants, many in the outlying regions of Papua New Guinea. This group made up of teachers, nurses, research scientists, and university lecturers grasped very early the petition and the campaign and pushed it in their own spheres of influence. This comes as no surprise as the meritocracy has diminished beyond recognition within the PNG public service over the last decade, and political appointees still hold the reins of power in some places.

The current government has made efforts to address the collapse of the meritocracy, but they face entrenched opposition. Public service professionals are one of the many groups whom are marginalised by the cultural shift away from merit-based appointment, and so a movement towards better governance and accountability can only benefit people in their position.

The petition was also taken up by women’s groups in the Highlands. One such NGO called Meri Kirap Sapotim (’support women’s advancement’) warrants particular mention. It held public rallies in Kundiaw a town to oppose the bills and promote the petition. The photos of this rally make for an interesting insight into governance and grassroots citizenry in Papua New Guinea.

In the cities of Lae and Port Moresby the demographic that took up the petition and the campaign on a mass scale were the urban settlement youth. The TI PNG office coordinated a group of young unemployed men and students to take the petition out onto the streets of Port Moresby. Again this re-affirms the theory that agents of governance change in Papua New Guinea are those who do not benefit from the current system of political power. Public and private sector professionals, women, youth, and the legitimate private sector are the groups who will initiate and promote reform and change in Papua New Guinea, and these groups are the main supporters of TI PNG and the CCAC.

The campaign message had been set by late September and the petition was moving around the country amongst all the CCAC networks. Jointly, the CCAC represents more than two million people, and thus if harnessed, the network is a very powerful tool for public opinion (Papua New Guinea’s population is approximately 5.2 million). The petition ended up being an excellent mobilisation tool as well. Papua New Guinea has low literacy levels and most people expected TI PNG to get very few signatures, but the total number of signatures for both petitions was close to 70,000 when tabled on the floor of Parliament. Governor Danaya
told the TI PNG office of his surprise to be confronted by people in very isolated parts of his Province who were asking him about his position on the Bill. He said it was the first time he’d heard legislation being spoken of in such an isolated place. The people had, of course, learnt about the campaign through their local churches.

Talkback radio and the newspapers picked up the campaign as their own, with editorials focusing on the campaign, and in particular the slush funds issue. Outrageous slush funds stories were emerging from the public all over the country and finding their way onto the radio or into ‘letter to the editor’ columns. Popular talkback radio host Roger Hau’ofa was routinely criticised by some MPs for calling both Bills ‘stupid’.

The impact on MPs: phase 3

The campaign quickly entered a new phase in mid October. This is when the message to MPs began to hit home and meet resistance. This became obvious due to both the informal messages being received by TI PNG Directors through their membership of other forums and through formal media statements and interviews with MPs. The MPs’ sentiments were mostly in opposition to the campaign, and ranged from the relatively benign, to threats to haul critics of the Bills before Parliament to be charged with contempt.

‘We’ve fought free elections to be in this privileged position’, the Hon. Nick Kuman (Gumine, Chimbu) said. ‘It is therefore not right for anyone to intimidate us in any way or form into taking a particular stand over any proposed new laws...Anyone wishing to contribute to the law-making processes should either go through his or her elected MP or stand for elections’ (‘MP slams critics’, Post Courier, 12 October 2005).

Political resentment about the campaign was already growing when the Transparency International Corruption Perceptions Index (CPI) was released on 18 October 2005, and stirred further controversy. The release of the CPI, which reported that Papua New Guinea had dropped further in terms of international rankings, became a lightning rod for MPs’ discontent with both TI PNG and the level of public attention that the campaign was stimulating, with resultant pressure felt by MPs. Leading politicians roundly condemned Transparency International, including the Opposition Leader Hon. Peter O’Neill releasing a media statement saying that ‘I believe there is in existence a foreign funded mafia bent on dragging down the country through selective and malicious dissemination of information calculated to undermine the country’s leadership and destroy Papua New Guinea’s international reputation (O’Neill 2005).’ At the National Press Club in Canberra, Australia on the 19 October, Prime Minister Sir Michael Somare, when questioned by an Australian journalist about statements on the TI PNG website that admitted the existence of corruption in Papua New Guinea, struck back by saying that ‘Those guys at TI are not worthy—I know them...I would not employ any of them’ (‘Chief strikes back’, Post-Courier, 20 October 2005). The position of the Prime Minister on the slush funds Bill was never made public at anytime throughout the campaign. But it must be mentioned that there was also support for the campaign both within Parliament, and within Cabinet. This support was expressed through informal channels to the TI PNG Directors and other members of the CCAC. However, public media commentary by these senior members was limited. It affirmed that the agents of change for governance reform in Papua New Guinea are to be found everywhere, and that all is required for reform to get a foothold and develop momentum is for a coalition to galvanise itself around an issue and to pursue it in every forum where the coalition
operates. Many senior PNG leaders in Cabinet, in Parliament and in the public service are working every day to improve governance and fight corruption in Papua New Guinea. Without civil energy to underpin their efforts, their efforts are fruitless. Venal public officials who desire to benefit from the public purse as much as possible and as rapidly as possible will resist these efforts with all their might, and to oppose these people can sometimes be a lonely job. The lonely job of fighting corruption can be made a little easier with the support of a civil society coalition. In fact the record shows that there is no alternative if governance reform efforts are to be successful.

By early November the National Parliament’s 2006 Budget sitting was in full swing. The campaign had entered the legislature and it was up to its supporters inside Parliament and Cabinet to do their work. The public debate subsided. This is a result of a clear decision on the part of the CCAC leadership\textsuperscript{25} to leave the work to Parliament, as enough had been said publicly to ensure that decision-makers knew where public opinion stood on the Bills and why. This decision was based on the respect held for the role of Parliament and the Executive as an institution by those who led the campaign. After all, this is, in the end, about the National Integrity System. The nation’s political leaders inside Parliament, and Cabinet played their role and the results spilled forth over the next few weeks.

The role of government leaders

The campaign was finally carried by senior leaders within government who convinced the Members concerned and their supporters that their needs would be better addressed through the normal budgetary process. A K109 million increase to the slush funds\textsuperscript{26} would end up in a lose-lose scenario for all concerned. This argument won on the day, but the debate is by no means over (‘Ministers clash over slush funds’, The National, 31 March 2006). In late November the mover of the ‘slush fund’ Bill quietly withdrew his proposal from Parliament’s agenda. The Chairman of TI PNG thanked the Member concerned saying

[t]his demonstrates common sense, democracy and political leadership in Papua New Guinea... We will oppose wherever and however we can, the idea that our leaders have unlimited power that cannot be questioned, and we will work with our coalition partners to continue to pursue our charter of transparency, accountability and good governance in the village, in the towns, across the country, and all over the world (Transparency International 2005).

The Bill to exempt members of Parliament from dismissal is still formally ‘alive’, even though the sponsoring MP said publicly in November 2005 that he will not present it to Parliament as the debate had been ‘hijacked by the media and some NGOs’.

Conclusion

Six months later, what is different about civil society governance in Papua New Guinea, compared to twelve months ago? This paper argued that the campaign against the two Bills was a seminal point for the growth of Papua New Guinea democracy and the strengthening of the National Integrity System, and there are a number of changes that are taking place right now in Papua New Guinea

- TI PNG has developed a strong dialogue with leaders within government interested in developing a genuine coalition to support improved public governance
- reports indicate that political activism at the village level is on the increase
• the CCAC is a tighter and more focused advocacy network, and has set its sights on electoral awareness for the 2007 elections, in partnership with the PNG Electoral Commission and the Ombudsman Commission, with particular interest in the integrity of the Electoral Rolls.

Some questions that remain unanswered include

• If it was just one Bill, and not two, would it have been passed into law? Inside the campaign we were confident that the ‘exemption from dismissal Bill’ would get voted down, but we were told over and over again by insiders that ‘the PNG Parliament has never voted down a slush fund Bill’, and they’re not going to start less than two years before an election.

• was this a victory for transparency? ...accountability? ...good governance? Commentators may say that the campaign was a Pyrrhic victory, and that the slush still remains everywhere one cares to look. In response we use the same argument that diverted all the resources of the TI PNG office towards the campaign in September 2005—’the passage of these Bills attacks the very core of what TI is about. If we don’t stand on this, we may as well close down the chapter.’ The critical difference in the end was the brazen nature of this legislation being both private member’s Bills, and also being accompanied by only a limited attempt by their proponents to justify the Bills. There are no silver bullets in the struggle for good public governance, but victories seldom come as easy as this campaign. For those interested in working for human development, there is no alternative—exercise constant vigilance, identify your priorities and focus your scarce resources there.

To summarise the lessons of the 2005 campaign,

• paradox—the PNG National Integrity System and democracy is now stronger for the campaign against the two Bills (when the Bills were aimed at weakening both). The ability for extra-state (civil society) actors to engage in the ‘big’ issues at both village and national levels has improved marginally. The campaign created elbow-space for those who had had little voice in contemporary PNG politics. The mainline churches are influential policy actors in Papua New Guinea, and it is likely under their current leadership that they will continue to oppose any act by either the government or any other party that attempts to undermine the NIS in any fundamental way

• for those interested in raising awareness for the 2007 elections, the campaign was a lightning rod on which to galvanize civil society around governance issues. The idea that the National Integrity System is ‘stable’ is a non-sequitor—the NIS by definition must be in a constant state of flux

• the political stability laws of OLIPPAC helped protect the Government, by allowing breathing space to win the debate amongst MPs, without having to give away the fiscal gains of the previous three years for political expediency. The paradox in this matter is that it can be argued that the OLIPPAC laws weaken the NIS by strengthening the Executive, and reducing the influence of individual MPs.
Notes

1. Through their influence over District Budget Committees and District Administrators, MPs can effectively control the distribution of various other funds and allowances. Under this system, introduced in 1995, legislators become part of the local executive and influence government operations in their districts, and essential services such as health, schools and roads and bridges often suffer for lack of resources.


4. The Consultative Implementation and Monitoring Council (CIMC) was set up in 1997 and can be considered the current best model of public policy consultation by the public service in Papua New Guinea. Its success may be attributable to the fact that its operations are ‘outside’ the public service, but with a direct policy route ‘into’ the public service.

5. In Papua New Guinea, the term ‘grassroots’ refers to that section of the population that generally does not have a post-primary formal education, is mostly rural, with many members drifting towards rapidly increasing urban settlements.


8. The ‘slush funds’ have featured strongly in Papua New Guinea politics for the last 25 years, and are part of the ‘horse-trading’ that is required for the Executive to maintain support on the floor of Parliament.


10. The OLIPPAC (Organic Law on the Integrity of Political Parties and Candidates) of 2001 (modified in 2003) was enacted to strengthen the political party system, and to prevent ‘party-hopping’ by Members seeking the maximum rent for their vote. Ultimately the aim was amore stable executive, hence more consistent public policy and improved governance generally (Baker 2005).

11. The 21 volume Barnett Forestry Inquiry in 1988 resulted in the removal of Deputy Prime Minister Ted Diro (who resigned before his dismissal was effected), and the Barnett Inquiry into the National Provident Fund in 2001 resulted in some high profile referrals, but to date, no high-profile convictions.

12. One of the two main daily newspapers (The National) is owned by Rimbunan Hijau, the Malaysian forestry company.

13. Limited Preferential Voting was introduced in 2002 but not used until after the 2002 elections.

14. The Leadership Code, a code of ethics, is the shortened name given to the Organic Law on the Duties and Responsibilities of Leadership.

15. Under the Leadership Code, MPs can be dismissed from office if found to have breached the Code. Often this is the only legal sanction imposed on leaders who misappropriate public money, as the pursuit of justice through the criminal code is often beyond the current capacity of the PNG criminal justice system.


17. The application of the OLIPPAC laws since their enactment by both the current Speaker and the Registrar of Political Parties is worthy of further critical examination.

18. The Ministerial portfolio of Finance was removed from Hon. Bart Philemon 4 April 2006 and handed to Minister for Forestry and Minister for National Planning, Hon. Patrick Pruaitch. Philemon was removed from the Treasury portfolio soon after. He is currently contesting the 2007 elections as leader of the New Generation Party.

19. These ‘slush funds’ are not the only source of discretionary funds for MPs—the granting and maintenance of natural resource concessions (mainly fisheries and forestry) also provide ample opportunity for public officials in the right position to exploit rent-seeking opportunities.

20. A Bill was tabled in Parliament at its April 2006 sitting by the Hon. Peter O’Neill that purports to create a new entity called ‘District
Authorities’. This Bill aims to bring further clarity to district (electorate) level expenditure.


22 International schooling and full-fee paying degrees in Australian universities are expensive, and sometimes the recipients of an elite education that provides access in to the professional classes are already partially compromised by the source of their financial support. The nature of their work amongst the professional classes in Port Moresby sometimes furthers this ethical compromise.

23 Legislation was passed early in the Somare government’s term to strengthen merit-based appointment in the public service and statutory authorities. This has made inroads in limited areas, but by no means has it been conclusively effective in de-politicising the PNG public service.

24 The Prime Minister Sir Michael Somare came out publicly against the Bill attempting to exempt MPs from dismissal for breach of the Leadership Code.

25 The CCAC is co-Chaired by TasMaketu, General Secretary of Caritas PNG and Mike Manning, Chairman of TI PNG, and jointly coordinated by the Media Council and TI PNG.

26 There are 109 members in Parliament, and a million kina each increase would take the slush funds program to nearly K156 million. By comparison, the 2003 national budget appropriation to run all hospitals and primary health facilities was K155 million.

References


Appendix 1  Campaign media timeline

12 September 2005  ‘Open letter to all MPs’, advertorial from TI PNG
14 September 2005  ‘TI PNG to launch petition against Yarka Bill, and the ‘slush fund’ increase Bill’, media release from TI PNG
27 September 2005  ‘CCAC launches petition against changes’, The National
28 September 2005  ‘Open letter to all members of the national Parliament of PNG’, Post-Courier
4 October 2005  ‘Slush funds’ media statement from TI PNG
4 October 2005  ‘Kumbakor bill has merit’, letter to the editor, The National
5 October 2005  ‘Wenge dares rivals to debate proposals’, The National
6 October 2005  ‘Kumbakor defends Bill’, The National
9 October 2005  ‘3 more MPs support proposals’, and ‘Priests, chamber of commerce against Bills’, The National
10 October 2005  ‘Open letter to Governor Wenge accepting debate challenge’ from TI PNG
12 October 2005  ‘‘Slush funds’ fact sheet’ from TI PNG
12 October 2005  ‘Wenge denies calling for public debate on bills’, The National
12 October 2005  ‘MP slams critics’, Post-Courier
15 October 2005  ‘Save our local MP’, cartoon in The National
18 October 2005  ‘Bill before Parliament can ‘destroy democracy’’, op-ed from Dr Unage, The National
20 October 2005  ‘TI responsible for failed state label’, media statement from Opposition Leader
21 October 2005  ‘MPs back Chief’s call’, Post-Courier
9 November 2005  ‘Results of petition’, advertorial, Post-Courier and The National
24 November 2005  ‘TI PNG thanks Kumbakor’, media statement from TI PNG
Appendix 2  The Community Coalition Against Corruption

ABC Radio Australia                      National Council of Women
Arch Diocese of Port Moresby               National Union of Students
Arnotts Biscuits Ltd                      National Youth Commission
Assemblies of God                           New Ireland Chamber of Commerce
AusAID                                       Ombudsman Commission
Badili Club                                   OSW-HR
Bank South Pacific                         Oxfam International
British American Tobacco                   PAPA Assurance
Business Council of PNG                   PNG Certified Accountants
Caritas PNG                                PNG Chamber of Commerce
Catholic Bishop Conference                 PNG Council of Churches
Catholic Church                            PNG Institute of Directors
CDI Foundation                             PNG Law Society
Clean PNG Campaign                        PNG Maritime Workers Union
Destiny Foundation Inc                     PNG Trade Union Congress
Divine Word University                     POM Archdiocese Office
Electoral Commission                      Port Moresby Chamber of Commerce and Industry
EWRDA                                      Port Moresby City Mission
Goroka Chamber of Commerce                 Port Moresby National High School
Help Resources                             Prison Fellowship of Papua New Guinea
Institute of National Affairs              Public Employees Association
Insurance of Papua New Guinea             Public Prosecutors Office
Jubilee Catholic Secondary School          Rabaul Chamber of Commerce
Kasela Pabu Group                          Red Cross of Papua New Guinea
Lae Chamber of Commerce                    Rural Industries Council
Madang Chamber of Commerce                 SP Brewery
Manufacturers Council of Papua New Guinea  The National
Media Council of Papua New Guinea          TI PNG (Lae Sub Chapter)
Media Council of Papua New Guinea          University of Papua New Guinea
Meri Kirap Sapotim Highlands Association   Wabag informal sector
Morobe Provincial Youth Council            Wantok
MRA–IOFC                                    YWCA
Mt Hagen Chamber of Commerce               
NAS Fund West New Britain Public Service   

Note: This list is indicative only, as the Community Coalition Against Corruption (CCAC) is a loose coalition and does not apply strict membership criterion.