

Crawford School and Foundation for Development Co-operation

PNG Update, 8 June 2007

Speaking Notes 'Election Politics, 2007'

Dr Bill Standish, College of Arts and Social Sciences, ANU

We often hear of the limits of power being demonstrated in the Iraq war.

Prof. Hugh White recently wrote of the limits of Australian power being shown in the countries of Melanesia, including Fiji.

Despite its best efforts, Australia's well-intentioned interventions are not always welcome in the post-colonial era. Australia clearly has met resistance in its attempts to change some entrenched patterns of governance in some South Pacific countries.

In PNG the state demonstrates the limits of its power all the time, but especially during elections.

The elections starting on 30 June are being run by PNG, nobody else.

But the locally-based officials, and police and soldiers doing security work, have to rely on a co-operative public.

To get the co-operation of its people the state has to earn their respect and co-operation – in what should be a social contract. To win legitimacy and obedience a government needs to deliver basic services and a secure environment for the people. It needs 'soft power', political, moral and cultural authority, not just police and money.

PNG leaders hate being told their state is 'weak' (whether politically or administratively weak), or fragile, or vulnerable, or failing, or in places collapsing. Or indeed having their governance criticised by anyone, but especially by former colonial rulers whose own governments aren't perfect.

*** These assessments are my personal views.**

This month PNG has started its formal election campaign but the campaign is not really frenzied. Yet. There's 'very little noise', as people say ...but it will escalate rapidly.

In my piece in the latest *Pacific Economic Bulletin* I talk about some structural and cultural factors that help explain some of the dysfunctional aspects of PNG's democracy, trying to show how and why the elected parliament and cabinet don't always work in the ways Australians would expect. Or the voting systems.

Today I want to update that article. I will:

- **Mention three major reforms to electoral system, the Integrity Laws, preferential voting, and very recently the constitutional authority to cancel an election which is irreparably compromised an option not available in the turbulent elections of 2002;**
- **List the major national political issues of the last year;**
- **Note the complexities of electoral administration;**
- **Highlight some security issues; and then finally**
- **Raise some issues which might have policy relevance for Australian interests in PNG, both business, and government.**

There have been major legislative reforms in recent years.

Reform # 1. The Integrity Laws (OLIPPAC) have been revised.

These are about 'integrity' of political parties, in the sense of wholeness, aiming to strengthen the parties, and thereby create stability in politics, and eventually better governance.

In theory, party members have to stick together, on really major issues like constitutional change, the budget, and the Prime Ministership. For years from 2002 that did not happen among five parties.

The government now claims to have created stability, but many ministers were sacked, there were 4 Deputy PMs, and a vacancy fro DPM for about a year. Sir Mekere Morauta's PNG Party saved the government in May 2004 by crossing the floor.

OLIPPAC requires the registration of parties, and aims to prevent splits in parties, party-hopping or ‘yo—yo politics’, in order to create solid coalitions, and hopefully policy consistency.

There were 15 parties registered last August, down from 43 in 2002. There are currently 34 parties.

- **The major parties have tried to enlist candidates in most electorates they have not always always endorsed the best local candidates.**

Nonetheless the majority of candidates in this election are Independents, 1463 of 2760.

So many winners will be Independents; the largest category (‘party?’) is always the Independents. They can jump wherever they like, to join the winning team, at any stage, so could have real bargaining power if they coalesce quickly.

All governments in PNG have been coalitions, and that could still empower Independents during the ‘horse-trading’ phase before the new House meets.

But OLIPPAC forces parties to try to get as many party-endorsed candidates elected. So parties are much more active than before, but it seems most haven’t yet worked out how to use preferential voting.

In the formation of government,

- 1. The Party with the largest number of formally endorsed MPs elected to the new House is offered chance of the PM ship. His or her name is put to the House to be confirmed as PM, on a simple majority of the 109 MPs. This can cause a bandwagon effect, as in 2002 when Somare received 88 of 103 votes;**
- or**
- 2. The leader of largest party (if brave enough) could just say ‘the first thirty to get behind me will get into government, and the rest stay out in the Opposition’. Possibly causing stampede but antagonising lots, and not necessarily leading to a geographically balanced government team.**
 - 3. But a hypothetical scenario is that the leader of biggest party could be rejected if a majority of the House do not like the policies or leader of that party, in which case it’s back to the old game: then whoever can get a simple majority in the House would become the next PM;**

Reform # 2. Limited Preferential Voting, LPV.

It is ‘limited’ because only 3 preferences are marked and counted.

There have been ten by-elections using LPV, in most of those campaigning was more relaxed, a candidates could visit each other's base areas peacefully seeking minor preferences, but there was an escalation of campaign 'gifting', also known as bribery. That can cause problems later, when it becomes clear that the promised votes were not delivered.

In late May early signs were that after showy nomination parades candidates were still working out how to use preferences, and apart from a few incidents were campaigning peacefully and widely across their entire electorates, but there are also many reports of large scale expenditures by wealthy candidates, especially sitting Members.

This year there is a new way of expressing those preferences which will probably cause delays in polling, intended as one day at each polling place. (*Discussed later*).

Reform # 3. The power to cancel elections, to withdraw the writs
Under the new S96A of the Organic Law on elections, a writ can be withdrawn if it is not possible to conduct a proper election. That would be a huge punishment for all candidates, who have invested their fortunes and those of their supporters in campaigning, and any other funds they can get hold of. Someone whose actions cause the cancellation of an election can be disqualified for life.

**That sanction is not well known, yet.
 The complication might be finding someone brave enough to give solid evidence, and officials willing to pursue the case.**

ISSUES in the elections.

Elections are often decided by very local factors, clan membership or even whether someone is a good church-goer.

But there are national issues, significant to members of the educated elite and newspaper readers. There can be national trends in PNG.

Unpopular governments, like that of Morauta in 2002, can be defeated.

Current national topics, essentially GOVERNANCE issues, include:

Erratic decision-making in government, a signs of weak governance, and the cabinet not functioning well. Limited advice, poor legal

work in government (which caused the termination of the State of Emergency in the Southern Highlands recently);

The recent removal of several departmental heads and Provincial Administrators for political reasons;

- Splits in the police force (and government) about the appointment of the Police Commissioner.

Strange decisions seem to be being made re LNG Gas;

the PM Grand Chief Sir Michael Somare is seen as too close to loggers; and also

to new miners (the Chinese government-owned Ramu Nickel has been given 10 year income and import duty tax breaks).

The Finance Department has been under investigation, with some K360 million being distributed in unjustified payments. It was described as “a house of thieves” by former Finance Secretary, Central Banker and PM, Sir Mekere Morauta.

(Incidentally, the Former Treasurer Bart Philemon is seen as personally clean, and has set up a New Generation Party attacking the lack of fiscal control in government. But Thaddeus Kambane, his Finance Secretary, and now a leading candidate in Philemon’s NGP party, has been identified in the press as part of the problem with the K360 million payouts.)

The ‘Julian Moti Affair’, and who ordered his removal to the Solomon Islands by Defence Force aircraft while under bail and possible extradition to Australia. People thought it might damage the aid relationship with Australia.

This has damaged the careers of several respected senior public servants, the PNGDF Commander and acting Police Commissioner, the Defence Minister, and harmed the intelligence agencies.

One press comment said “All fingers point towards” PM Somare, and he has denied involvement but would not give evidence, and has rejected the findings of a judicial inquiry which he has refused to release.

The PM is seen as being ruled by emotion (anger against John Howard’s government), and by his MP son Arthur and Forests Minister Patrick Pruaitch , who reportedly also meddled in the row over police commissioner.

The Somare ‘family’ itself is a political target; there is talk about the need to block a dynasty. Son Sana runs the businesses, Arthur is minister for state enterprises, and one daughter Betha does the

PM's PR. Insulting letters to editor and reported speeches by candidates show a loss of respect to the nation's founding father.

Parliament has not functioned properly: not scrutinising government; passing significant bills without debate; not even reading legislation (such as the recent election reforms).

The numerous cases brought by the Ombudsman Commission where MPs are found to have violated the Leadership Code of ethics damages almost all sitting MPs.

In fact most MPs are damaged by the misuse of 'slush funds' for their electorates; there are always people who miss out. MPs become targets, and that maybe why 80% lost their seats in 2002.

'Quote the CARITAS 'politician's prayer' here. Reoughly: 'deliver my annual slush funds but lead me not unto the Ombudsman'.

There is criticism of poor fiscal management in relation to the 2006 and 2007 Budget 'windfalls' which arise from high minerals prices. These are funds which *should* stay in consolidate revenue. They are causing what JW Howard calls an election year 'splurge' of spending on poorly conceived and managed 'phantom' projects. 'Giamon roads'. The IMF has identified a pre-election spending spree before elections over 15 years. In 2002 this splurge (of about K600m) nearly bankrupted the country.

The Chief has made lavish spending promises on his tours around the country: K50M for roads in Lae, 'pothole city'; K100 m free education; K600m for East Sepik Province. These pledges are seen as 'Irresponsible', and deeply resented by those who miss out.

There is another underlying issue, which has been raised on the hustings (e.g. Sir Pita Lus, *The National* 1 June) – concerning relations with the Chinese government, and claims of major corruption in the issuing of visas to Chinese people.

Deep resentment of Chinese is mentioned by senior PNG businessmen, politicians and former politicians, students and 'street people' – the urban unemployed. All levels of society have raises this topic with me, in almost every conversation, and late last year there were 20 press stories about it.

ELECTION ADMINISTRATION in PNG is extremely complex.

Australian EC officers often make the point that you can't have a free and fair election if people don't want it; and are determined to cheat.

In particular, there's a culture in much of the main island of 'stacking the rolls'. Allegedly organised in some areas by officials who are working for MPs or local big-men.

The electoral roll is actually 6, 200 rolls, one for each local council ward. The 2002 roll of 5.2 million names was well padded in 2002, about twice the adult and eligible population. In the NG Islands, only 65% of names were used. Dead people don't vote there. In the Highlands, every ballot paper not stolen was used. PNGEC now has the ability to remove 'ghost names'. A new roll has been created, with only 3.2 million names in March, but it's up to 3.9 million now. Allegedly a lot of fraud has been involved in stacking the rolls over the last few months.

PNG has very rugged terrain and poor infrastructure.

Elections are the biggest organisational effort ever undertaken in PNG, all in 10 days of voting and 3 weeks of counting.

There are only 55 people working in the PNGEC. During elections they are meant to manage 30,000 election workers, through provincial and district officials. Many of these workers are not even public servants or teachers.

There are 9000 polling stations, and 5000 polling teams; plus 11 thousand of police (and auxiliary police) and soldiers providing 'security'.

**The Election Administration budget is K80 m (+K30 m for LLGs).
The Security budget is K50m.**

These are double the 2002 amounts, but may not be sufficient. There are signs of delays in cash flow to election staff. (e.g., Morobe officials threat to resign over lack of funding for ‘ LPV awareness’ work)

A key factor in 2007, different from 2002, is preferential voting. The voting and counting system have changed with LPV.

MPs clearly did not read the law when they modified it in both 2002 and in 2006.

Few people understand the counting, which affects how everyone should use their vote.

Counting and distributing preferences (until someone gets an absolute majority of remaining votes) will be slow and complex.

One by-elections (with 26 candidates to be eliminated before there was a result) took three weeks to count, and allocate preferences.

The new voting system is to create posters, with pictures of candidates, their party, etc. Each candidate has a code number. These posters can be huge.

Voters, about half of whom are illiterate, have to copy the code number, or candidates names, onto a small piece of paper beside the letters 1, 2, 3. It will be slow. Law graduates in a trial run made many errors (informal votes). And in other trials between 6-10 minutes per voter.

There is a massive awareness campaign under way across the country. Few people understand the system, beyond the need for 1, 2, 3 to have a formal vote.

It is likely that there will be delays. In the Highlands, ‘Helpers’ will take over, as in this picture.

(SHOW PHOTO of 6 people at voting compartment)

Who is the voter here? In August last year 100% of votes from this place Kureri village went to a single candidate. It is called ‘controlled voting’, done in the name of consensus.

LPV may lead to more representative MPs, with higher mandates, and an interest in thinking nationally and helping their entire electorate, but there will be some administrative costs.

Voting and counting will cause delays, will test the patience of candidates and their supporters, and carry heavy expenses for counting and security.

SECURITY

was a huge issue in 2002: the state could not cope with the pressures, mainly in the Highlands. The PNG state lost control.

- **There are still a lot of firearms in the Highlands. The police are out-gunned. (Most police on election duty are unarmed – wisely so, to prevent theft of weapons.)**
- **Guns are used by candidates to intimidate people before elections, and to show their strength in defending the clan.**
- **Most election-related fighting occurs *after* the results become clear. Dozens were killed – probably 100 – in 2002.**
- **This year the roads are 5 years worse.**
- **So helicopters are needed for secure transport of ballot papers, boxes and personnel.**
- **Most choppers are already on hire to mining explorers and two aviation companies have refused to fly for the Electoral Commission because of threats.**

- **Australian government helped with funding for choppers before the 2003 supplementary by-elections; setting a precedent.**
- **This is core business for the PNG state. No doubt Canberra would not want to be held responsible for a messy election.**
- **PNG Police and Electoral Commission have obtained the use of sufficient helicopters now, but funding remains a concern.**

- **Australia is helping with Electoral Support Program in many technical aspects of the election. Public Awareness through NGOs/CSO; IT; and accountants in provinces to control expenditure on workers and resources.**

Lastly, some POLICY ISSUES for Australian business and government

- **There is real danger in PNG perceptions of partisanship. PM Somare believes ‘Canberra’ favoured the incumbent Morauta in 2002; and is bitter about that still. That’s probably part of his row with Australia over the Enhanced Co-operation Package, and the Julian Moti Affair.**
- **“The Bite” on foreigners for campaign funding. Under OLIPPAC rules candidates and parties can accept donations up to K0.5 m are allowed; both sides must report these. There**

is pressure on business to assist. It's a risky business, but there's also resentment if you say no.

- **Security issues** could affect mining and petroleum industries; this caused problems in the Hela area of SHP in 2002. (Gas field, power lines.)
- **Resentment against the Chinese is a sleeper; it could be used to cause problems by opponents of a new government,**
- **In some places and with some candidates there's anger at foreign capital, especially among youth. There are some radicals in PNG, among youth and intellectuals**
- **And there are many unemployed people easily stirred up, who are just opportunists and can convert a demonstration into a riot. (The police often exacerbate situations themselves.)**
- **I have heard radical talk of attacking Aust *bisnis* in order to embarrass the Somare government.**

OUTCOME

- **Only a fool would predict the outcome in the land of the unexpected.**
- **For a state with limited capacities, elections are a major test – administratively, logistically, and politically.**
- **They will test the limits of power of the PNG state.**
- **A test of the people.**
- **A significant test for the legitimacy of the entire PNG state.**
- **And there is very little the Australian government can do about that.**

WILL the elections deliver

- **better representatives?**
- **better governance?**
- **more stability? and**
- **more policy consistency?**

I do hope so.