PRECONDITIONS FOR ECONOMIC GROWTH – A PAPUA NEW GUINEAN PERSPECTIVE.

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Outline

- Abstract
- Introduction
- Rostow’s 5 stages of growth
- Observation & Preconditions
- Preconditions
- Conclusion
- Recommendation
Abstract

- Papua New Guinea [PNG] is at the crossroads of development coupled with internal struggles to contain social, political and economic dilemmas. The nation is greatly endowed with multiple revenue generating resources both sourced through the agricultural and mineral/mining industries.

- The ensuing discussions attempts to express Walt Rostow’s (1960) theoretical stages of economic growth and development. The theory very much relates to the many preconditions that PNG should acquire prior to its progressive economic, social and infrastructural growth. Traditional and conservative values such as compensation, customary landownership, cultural obligations and gender roles prohibit national economic growth. In contrast, national policies such as the Medium Term Development Strategy [MTDS], Millennium Development Goals [MDG] and National Education Plan [2005 – 2014], law and order, sectoral and governance issues are discussed to shed light on the current status of growth in PNG.
Introduction

- PNG @ crossroads of development coupled with internal struggles. Endowed agricultural and mineral/mining industries.
- Walt Rostow’s theoretical SEG
- Preconditions that PNG should acquire prior to its progressive economic,
- National policies MDG & NEP & order, sectoral & governance issues are discussed
In 1960, W W Rostow (1916 – 2003), developed the Rostovian take-off model of economic growth, one of the major historical models of economic growth. The model argues that economic modernization and economic growth occurs in 5 basic stages of varying lengths:

- Traditional Society
- Preconditions for take-off
- Take-off
- Drive to Maturity
- High Mass Consumption
Observations & Preconditions

- 87% of Papua New Guineans live in rural village settings,
- Over the last three and a half decades, have there been vigorous and tangible developments experienced nationwide?
- Does PNG experience propagated or selective development?
- Does the devolution of governmental institutions, services and the bureaucracy allow for smooth delivery of goods and services beneficial to the PNG population?
- Rural population engages in subsistence economy producing for sustenance with little influence of capital & revenue generation. This is directly contradicting when the nation’s economics of developmental conventions requires otherwise.
- Many perceived preconditions exist but discussion focus on six concerns.
Precondition One – National Roads

- PNG national roads are in a dilapidating state despite governmental injection of multimillion kina earmarked for rehabilitation sends out a worrying signal indeed.

- Estimated 27,000 kilometers of roads, and land transport plays an important role in the country’s economy.

- Country is mountainous, geologically unstable and subject to high, torrential rainfall. Rapid deterioration of roads is a constant risk and road construction and maintenance is exceedingly costly.
The constructs of the National Agriculture Development Plan [NADP] proposes for a vision of sustainable transformation of the country’s agriculture sector into a vibrant and productive economic sector that contributes to economic growth, social wellbeing, national food security and poverty alleviation.
Precondition Two - Agriculture

- NADP’s vision of sustainable transformation of the country’s agriculture sector into a vibrant and productive economic sector that contributes to economic growth, social wellbeing, national food security and poverty alleviation.
- NADP’s mission of enhancing and improving the quality of life for over 87% of the rural population through increased productivity, sustainable and quality production coupled with integrated planning and environmental sustainable management is questionable.
- The Green Revolution had suddenly come to an abrupt halt.
Precondition Three - Health Department

- Substandard state of the National Health Department is revealing signs of declining and demising standards of this crucial national institution.
- The media report of “K200 million for Health projects removed”
- The case above reflects the encompassing state of the Health Department and the conniving influences of shadowy deals and decisions outside of due processes and procedures.
- Hospitals are in dire need of basic pharmaceutical drugs and reusable items. The Health personnel are overworked and underpaid.
- Furthermore, the National Health Department had to seek the community and private enterprise assistance in cash and kind. A reflection of poor management capabilities displayed by the health authorities.
Precondition Four - Law & Order

- The prevalent intolerable and multifaceted levels of law and order, conflicts violence and crimes in PNG signify the necessity to contain this situation immediately before it reaches unimaginable proportions.

- In spite of coverage of daily reports of criminal activities, there seem to be little or no concerted effort being made to address the issue. Concerns about the unprecedented rise in organized crime and corruption in the country are a real threat to PNG’s stability and rule of law.

- Enforcing agencies must act now to rid these insurgencies to avoid widespread distribution and duplication in the communities.
Precondition Five - Gender Issues

- Promoting women’s rights as indicated by Dr Ray Anere of the National Research Institute is no longer a women’s issue but a national issue.
- This is a key agenda as women are equal partners in development.
- With PNG’s overwhelming traditional patrilineal dominance and the subjugation of women, national and international conventions now require that women are treated and given the same preference as men.
- Report from the media depicts otherwise – women are still subjected to harassment sexual violence and exploitation in varying degree.


Precondition Six - Education

- PNG’s education system offers non-compulsory education from ages 6 through 15.
- The main objectives include universal access of education, improved retention, and improvement of teacher deployment for primary schools, improvement of quality, curriculum, and teacher development for secondary schools, and emphasis on shorter, more concise vocational courses. The Plan also includes issues of teacher education, management within the Department of Education- including representation from communities, and financing of the Plan.
- One of the goals NEP states that by 2015 all children have access to free and compulsory primary education of good quality. The current statistics indicate otherwise. A lot of school age children are missing classes for a variety of reasons such as: unpaid school fees, family related issues that contribute to the children not in school, living conditions and many more.
Conclusion

As much as possible, the discussions above are in brief details. This is done purposely to illustrate an overview of the preconditions that PNG should work on to address its economic growth agenda. In assessing and applying Rostow’s stages of growth, it is clear that PNG oscillates between Stage One - Traditional Society and Stage Two – Preconditions for Takeoff. Of course the economy is seen to be progressive but there are other vital conditions which must be achieved prior to actual progress being openly measured. There is mining/mineral boom but are the people ready to accept and adapt to the change agenda? National policies, plans, strategies and foresights are all there. Other preconditions such as land tenure, sustainable development, tourism, governance and security are not discussed, but are also crucial preconditions. Only when the general populace is ready to receive change then and only then, will they embrace development with understanding and proactive participation.
Recommendation:

- Education must be *universal* for Papua New Guinea to experience real practical economic development.
References

- Eroro, S. (2009). ‘Education has no records’ in the Post Courier 08.04.2009 (p5);