

Southern Province's Chief, I might drop by and speak here today." A more permanent site was proposed in the parking lot across from the Territorial Museum, which drew the comment from critics, "Hardly born, already mummified!" (Caillard and Caillard 2003; NC, 26 Sept 2003; PIR, 26 Sept 2003).

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### SOLOMON ISLANDS

The period from late 1998 to 2003 was the most challenging for Solomon Islands since independence in 1978. Violent civil unrest on the island of Guadalcanal, which led to a coup on 5 June 2000, had an adverse impact on the country, bringing to the fore

political, social, and economic issues that had long existed but had not been adequately addressed by successive governments.

However, despite the dramatic events of the previous four years, perhaps the highlight of 2003 was Canberra's decision to lead a Pacific Islands Forum intervention force to restore law and order and rebuild Solomon Islands. Although the most troops and police came from Australia, other Forum member countries also contributed, resulting in the largest military and police deployment in the region since World War II. Canberra's decision reflected concerns that the events in Solomon Islands could become a security threat for Australia (ASPI 2003). The action illustrates how internal instability was viewed as a potential source of external threat, and highlights the changes in global security discourses following the terrorist attacks on the United States on 11 September 2001. The intervention also marked a dramatic change in regional politics; it was the first time that the Forum played an assertive role in the domestic affairs of a member country.

By the beginning of 2003, although Solomon Islands was no longer experiencing the overt violence that characterized the period from 1999 to 2000, problems with law and order, a declining economy, an inefficient public service, and a relatively weak state persisted, contributing to low public morale and a lack of trust in the state.

The law and order problems were worsened by the fact that, despite the October 2000 signing of the Towns-

ville Peace Agreement with its requirement for militants to surrender their arms, many continued to hold on to weapons, which they used to commit crimes. The ability of the police to enforce the law was weakened because some police officers had either joined or were sympathetic to the two major militant groups involved in the conflict: the Isatabu Freedom Movement (IFM) and the Malaita Eagle Force (MEF). Furthermore, in 2000 and 2001 many former militants (who did not have appropriate qualifications or training) had been recruited as special constables. This compromised the professionalism of the police.

Economically, the government's capacity to collect revenue and manage the economy was severely weakened by the inefficiency of the public service and the lack of finance. Hence, by mid 2003 the country's debt was registered at A\$352 million, more than three times the country's annual budget. The Central Bank of Solomon Islands (CBSI) described the situation vividly: "Since 2000, the Solomon Islands economy had severely contracted causing a fall in incomes, increased unemployment and widespread poverty, and the delivery of social services, particularly in the education and health sectors. In fact, without the goodwill of the donor community, services in these two important sectors would have discontinued early in the year" (CBSI 2003, 6).

The poor economic performance was exacerbated by the closure of major industries such as the oil palm plantation and the Gold Ridge mine

on Guadalcanal, in 1999 and 2000 respectively.

At the beginning of 2003, nature added to the country's woes when tropical cyclone Zoe battered the eastern Solomons, especially the remote island of Tikopia. At the national capital, Honiara, people rallied together through fund-raising activities and donations of goods and building materials to assist the Tikopians. However, their ability to assist was limited by the economic problems.

The economic and sociopolitical problems were reflected in the declining ability of the government to provide adequate, quality social services; protect its citizens; and pay its employees. There was also a general decline in the standard of living. Solomon Islands was named as one of four Pacific Island Countries where living standards fell in the decade between 1990 and 2001. The others were Vanuatu, Republic of the Marshall Islands, and the Federated States of Micronesia (UNDP 2003).

Because of the government's inability to pay its employees, 2003 was marked by strikes and threats of strikes by public employees. In January 2003, for example, employees of the Civil Aviation as well as Immigration and Meteorology officers walked off their jobs after the government delayed payment of "harassment allowances" awarded earlier by the Trade Disputes Panel. These allowances were to be paid to public officers who had worked under duress during the heights of the civil unrest. Their example was emulated by teachers who, in March, went on

strike to force the government to pay at least half of the salary arrears they were due.

While many public servants were either not paid or owed outstanding wages and allowances, police officers were consistently being paid their normal salaries plus “allowances.” In April, for example, they demanded and received S\$26 million “allowance” after threatening employees of the Ministry of Finance.

The economic problem and people’s desperation for income led to the emergence and persistence of “pyramid schemes” that promised lucrative financial returns. Thousands of people, mostly (but not exclusively) low-income earners, market vendors, and betel nut sellers, poured their savings into these schemes. The most popular was the Family Charity Fund (FCF) which promised to pay contributors S\$2 million (US\$285,000) each in return for S\$250 (US\$36) membership. Despite warnings from the CBSI governor, the prime minister, and other public officers, membership of the scheme rose to about 18,000 in early 2003. But contributors were never paid and it wasn’t clear where the money went. The FCF leaders provided many excuses and blamed the prime minister, the CBSI governor, and commercial banks for delaying the payments. This led to death threats against employee of the ANZ Bank, resulting in the closure of commercial banks in Honiara in early May 2003. The FCF leaders were subsequently arrested and charged with fraud and threatening public safety, and by the end of 2003 most of them had been convicted and jailed.

However, not only private citizens were trapped by dubious financial schemes that promised riches. The government, with its desperate financial situation, also bought into such a scheme. In January 2003 the media reported that the national government had signed a memorandum of understanding with a little-known organization called the Royal Association of Nations and Kingdoms, led by a Bougainvillean, Noah Masingku. The memorandum stated that the association would give the government “a grant” of US\$2.6 billion.

This attracted widespread criticism from the public, the Parliamentary opposition, and the CBSI governor. It was later revealed that the arrangement involved the government being required to pay the Royal Association of Nations and Kingdoms S\$10 million before the grant was to be released. Furthermore, it was uncovered that Masingku was wanted for fraud relating to a pyramid scheme in Papua New Guinea and had entered Solomon Islands without a passport. The authorities in Port Moresby requested that he be arrested and deported back to Papua New Guinea to face charges.

Although this was an embarrassment for the government, no investigation was carried out to determine who was responsible or whether they had done anything wrong in committing the government to such a deal.

The continuing law and order problem and the inability of the state to protect citizens compounded the country’s economic woes. While most parts of the country were relatively peaceful, certain areas continued to

suffer lawlessness. The Guadalcanal Liberation Front, led by the notorious Harold Keke, for example, ruled parts of the Weather Coast of Guadalcanal, and throughout 2002 and the first half of 2003, Keke and his followers threatened and murdered more than twenty people in the areas they controlled. This included seven members of the Melanesian Brotherhood, a religious order in the Church of Melanesia (Anglican Church). Ten Malaita men who were allegedly sent to capture Keke were also killed.

Atrocities and human rights abuses were also committed by police officers and civilians sent to capture Keke and his followers. Incidents occurred elsewhere in the country as well. On 18 May, for example, an Australian missionary, Lance Gersbach, was murdered at Atoifi Seventh Day Adventist Hospital on Malaita.

Despite the problems mentioned above, some people and organizations continued to work to try and bring normalcy back to the country. These included both local and international organizations, as well as village leaders working to rebuild relationships and restore peace. The Solomon Islands Christian Association, for example, worked on a proposal to establish a Truth and Reconciliation Commission. The National Peace Council continued its work in assisting reconciliation at community levels as well as encouraging people to return weapons. Village leaders and women's organizations continued to facilitate reconciliations between communities. In September 2003, for instance, a group of Guadalcanal women traveled to Malaita and had a reconciliation ceremony with women

from the Takwa Catholic Parish in North Malaita (SIBC, 15 Sept 2003).

The United Nations Development Program (UNDP) facilitated discussions on constitutional reform to help establish a federal system of government. It was also instrumental in the Special Constables Demobilization Project, which aimed to retrieve guns from special constables and involve them in economically and socially productive activities. By January 2003 about 800 special constables had been demobilized. The project, however, suffered a setback on 10 February 2003, when a member of the demobilization team, former Commissioner of Police Sir Fredrick Soaki, was assassinated at Auki by a police officer. This shocked the entire country, especially given Sir Fred's status.

The success of the peace-building process was greatly limited by the continuing presence of weapons in the communities. Many of the former militants refused to give up arms because it was their only source of status and power.

Despite its domestic problems, Solomon Islands continued to maintain its links with the outside world and participate in regional and international forums. For example, although the government defaulted on its contributions to the University of the South Pacific (USP), its students continued to be accepted; they make up the second largest student population (after Fiji Islanders) at the University. This was possible because of the understanding and acceptance of other USP member countries.

Furthermore, Solomon Islands continued to participate at the Pacific Islands Forum and other regional

organizations as well as international organizations such as the United Nations. This demonstrated that despite its domestic problems the Solomon Islands state was recognized and accepted in the international arena. Hence, despite its relative weakness at home, the government was able to draw strength and legitimacy from the international community.

Its bilateral relations were also maintained. On 20 May, for example, the Indonesian ambassador, based in Port Moresby, Papua New Guinea, arrived in Solomon Islands for an official visit in which the countries agreed to technical cooperation. This visit led to the signing of an agreement on 15 July outlining a mutual technical agreement between Indonesia and Solomon Islands, including cooperation in areas such as marine, forestry, agriculture, journalism, and cultural exchanges.

At the end of May—only days after the visit of the Indonesian ambassador—Honiara again hosted a delegation of the Senate Foreign Affairs, Defence and Trade Reference Committee of the Australian Parliament. This was part of a visit by the committee to five Pacific Island countries (Papua New Guinea, Fiji, Tonga, Tuvalu, and Solomon Islands) to conduct an enquiry into Australian relationship with the Pacific Islands.

In spite of the relative strength and legitimacy drawn from international interactions, at home the government's authority continued to be challenged, especially by those with guns who knew that the government's ability to apprehend them was slim. Consequently, since the signing of the Townsville Peace Agreement, Solo-

mon Islands remained in a state of "latent peace"—a situation where there was fear for the potential for violence in society.

Things began to change dramatically on 4 June, when Solomon Islands Prime Minister Allan Kemakeza and some officials were summoned to Canberra. The Australian Government sent an Australian Air Force plane to airlift the delegation to Canberra where, on 5 June, they met with Australian Prime Minister John Howard. At that meeting the Australian government offered to assist Solomon Islands restore law and order and rebuild the country.

Canberra's decision came amid ongoing discussions in Australia regarding security in a post-September 11th era, and Australia's role in the region. The Australian Strategic Policy Institute (ASPI), a conservative think tank, for example, argued that Australia needed to intervene in Solomon Islands to prevent the state from "failing." There were concerns that a failed state could be used by terrorists to threaten Australia (ASPI 2003).

The news of Australia's plan to intervene and the Kemakeza government's acceptance of the offer received different reactions in Solomon Islands. Those with guns who benefited from the way things were did not want the intervention. When they realized that it was inevitable, some attempted to extort as much money from the government as they could before the intervention forces arrived. On 11 July, for instance, armed police had to disperse about 200 MEF militants at the Office of the Prime Minister and Ministry of Finance where they had

gathered to demand S\$1.4 million “to help them return to their villages on Malaita” (SIBC, 11 July 2003). On the Weather Coast of Guadalcanal, Harold Keke and his followers took about 400 people hostage at Marasa Village amid fears that he would use them as a human shield to fight off the intervention forces (SIBC, 17 June 2003).

For weeks the Australian intervention plan dragged slowly because Canberra required an official request from the Solomon Islands governor-general on the advice of the Cabinet, and the Solomon Islands National Parliament needed to pass an enabling act to make the intervention legal. Secondly, Canberra was reluctant to go it alone because of the likely political repercussions. It insisted on rallying the support of the Pacific Islands Forum (PIF) so that a regional exercise would be covered under the Forum’s Biketawa Declaration of 2000, which “recognized the need in time of crisis or in response to members’ request for assistance, for action to be taken on the basis of all members of the Forum being part of the Pacific Islands extended family” (PIF 2000).

On 1 July, PIF foreign ministers met in Sydney to discuss the proposed intervention, which Howard government had by then named “Operation Helpem Fren” (Operation to help a friend). The Forum Island countries unanimously endorsed the proposal and many offered to contribute military and police personnel to make up the regional force.

In Honiara, the government was busy preparing the political and legal frameworks required to enable the

intervention to take place. On 7 July, to mark the 25th anniversary of the country’s independence, the prime minister reminded Solomon Islanders that anniversaries are a time of celebrations, reflections, reconciliation, and resolution for the future development of the country (SIBC, 7 July 2003). The national Parliament eventually met on 9 July to discuss and pass the Facilitation of International Assistance Act 2003, to facilitate the deployment of foreign troops. There was widespread support for the intervention both in Parliament and in the public. Many organizations and individuals publicly expressed their support for the intervention.

Following the passing of the enabling act and the formal invitation from the governor-general, Australian, New Zealand, Fijian, and Tongan troops and police gathered at the Australian city of Townsville and prepared to move into the Solomons. On 21 July, the first regional troops and police left Townsville for Solomon Islands on board the Australian Navy ship, HMAS *Manoora*.

Perhaps in reaction to the deployment of foreign troops, on 23 July, Harold Keke and his followers released three hostages whom they had held for weeks: two Melanesian Brothers and a novice of the Church of Melanesia. At that time it was not known that Keke had killed seven other members of the same religious order.

On 24 July, the first regional troops arrived in Solomon Islands, some by the HMAS *Manoora* and others by air. Accompanying them was the Australian civilian leader of what by then was being referred to as the Regional

Assistance Mission to Solomon Islands (RAMSI). He was Nick Warner, a senior Australian diplomat. On his arrival, Warner stated that the first task of the assistance mission was to restore law and order, and he appealed to those who possessed weapons to give them up (SIBC, 24 July 2003).

On 30 July, Warner met with former MEF commanders Jimmy “Rasta” Lusibaea and Moses Su’u to discuss the return of arms. This was followed by the prime minister’s 31 July announcement that amnesty would be given for weapons returned between midnight 1 August and 21 August, allowing people to return arms without the threat of being prosecuted.

RAMSI officials then met with other militants on Guadalcanal and Malaita to discuss the return of arms. Also included in the discussions was Keke, who in early August admitted to Warner and his officials that he and his followers had murdered the six members of the Melanesian Brothers whom they had taken hostage in April, and another who had been captured earlier. These discussions led to Keke’s surrender, on 13 August, to the RAMSI personnel in return for protection. He appeared in court the day after his arrest.

Two days after Keke’s arrest, the Malaita Eagle Force surrendered ninety-nine guns during the celebrations of the Malaita Day at Auki. In the weeks that followed, more guns were surrendered. The process of disarmament was much more successful than had initially been anticipated.

In August, armed with the success of first few weeks of the regional force’s operations, Prime Minister

Kemakeza headed for the PIF meeting in Auckland, where he thanked regional leaders for assisting his country. The PIF leaders noted the “marked improvement in law and order. They particularly welcomed the initial achievements, especially the weapons surrenders” (PIF 2003, 13). The Forum also received commendation from UN Secretary General Kofi Anan, who commented on the efforts of Pacific Island countries in Solomon Islands.

While the initial stage of the intervention was successful, RAMSI leaders realized that for peace to be sustainable, Solomon Islanders must actively participate. During the “Talking Truth Program” on the Solomon Islands Broadcasting Corporation (SIBC), for instance, RAMSI Deputy Special Coordinator Peter Noble said that sustainability depends on the skills and the ability of people to do any tasks for the country; whether working for nongovernmental organizations or the government or performing technical tasks, these jobs must be done by Solomon Islanders (SIBC, 20 Aug 2003).

On 24 August, Australian Prime Minister Howard visited Honiara for five hours to give moral support to the troops and see for himself their achievements. During his visit Howard said that the next stage was “to consolidate the gains in law and order with a frontal assault on corruption and poor governance” (SIBC, 25 Aug 2003). He also announced an additional A\$25 million as part of Australia’s economic package to help fund the Solomon Islands 2004 budget. Howard also pledged support for Kemakeza, despite local calls for the

Solomon Islands prime minister to step down because of allegations about his involvement with militants and misuse of public money.

While the Regional Assistance Mission was working on the issues of law and order, the United Nations Development Program continued its work on the constitutional review, which had started about two years earlier. This was in relation to the establishment of a federal system of government, which, according to UNDP survey reports, received overwhelming support. They toured all the provinces of the country, consulting people on the constitutional review and the proposal for federalism.

Despite the restoration of law and order, the recovery of the economy was much less visible. In September it was reported that the government had, by the end of August, already spent 87 percent of its total budget for 2003. This was over S1\$30 million, or 30 percent ahead of the budgeted expenditure. The Ministry of Finance reported that the principal driving force behind the higher than forecast expenditure was massive spending by the Ministry of Police, National Security, and Justice (SIBC, 22 Sept 2003). In November, the government also confirmed that its borrowing from the Central Bank of Solomon Islands up to the end of October stood at S1\$203.84 million, more than S1\$105 million above the normal ceiling under the Central Bank Act and more than S1\$72 million above what Minister of Finance Francis Zama referred to as “the enhanced ceiling” under the same act (SIBC, 24 Sept 2003).

Although the economy may have improved slightly overall, this is not

visible at the rural areas where social services did not get better. While most people did not expect the economy to improve dramatically, they did expect that the millions of dollars of aid money being poured into the country would have some immediate impact.

In September the government set up a task force, headed by former Prime Minister Bartholomew Ulufa'alu, to formulate an economic recovery plan. This was also in preparation for the 2004 budget. To assist in the economic recovery, the Australian government paid over US\$3 million in debt arrears owed by Solomon Islands: US\$2.65 million to Asian Development Bank and US\$388,000 to the World Bank. This allowed the banks to resume operations in the Solomons (SIBC, 12 Sept 2003).

In September, Honiara again hosted another regional leader. New Zealand Prime Minister Helen Clark and Minister of Defense Mark Burton visited the Solomons to meet with the government and visit New Zealand troops. During her visit, Clark stressed the importance of the restoration of law and order (SIBC, 23 Sept 2003). In October New Zealand announced that it was donating S1\$40 million for education.

One of the major events of 2003 was the passing of the 2004 budget in November. The more than S1\$1 billion budget was the largest thus far in the country's history and was funded largely by aid donors. For example, aid donors fund 24.6 percent of the revenue estimate and 100 percent of the estimated development expenditure (SIG 2003).

By December 2003, the impasse



between the government and the Solomon Islands Public Employee Union, which started in September, was still unresolved. Public employees had requested a pay rise, which was approved by Cabinet, but then turned down by the prime minister. This issued spilled over into 2004.

While much of the media coverage and commentaries on Solomon Islands concentrated on the negative impacts of the civil unrest, the events of the past five years have also had a positive twist: they have forced Solomon Islanders to come to terms with the challenges of building a nation-state out of culturally and ethnically plural societies, and reflect on the social, political, and economic challenges for the future. Governor-General Sir John Lapli, for instance, said that among the “pillars of national unity and nation building” must be “good beneficial reasons for people of diverse and scattered islands of Solomon Islands to want to belong to this country.” The reasons for staying together, the governor-general said, “must be sound, attainable, sustainable and tolerated by these diverse people” (SIBC, 23 Sept 2003).

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### VANUATU

At the beginning of 2003 Vanuatu was governed by a coalition of the Vanua‘aku Party (VP), headed by the prime minister, Edward Natapei, and the Union of Moderate Parties (UMP), headed by the deputy prime minister, Serge Vohor. Politics in Vanuatu were dominated by events in three main areas during that year: the management of the Vanuatu Commodities Marketing Board (VCMB); the management of the Vanuatu Maritime Authority (VMA); and the fortunes of Barak Sope, the former prime minister who was jailed for forgery in 2002. These events generated increasing dissatisfaction with the Union of Moderate Parties as a governing party and contributed to another change of national government in December 2003.

Before considering these events, three postscripts to the police commissioner affair, which dominated politics in 2002, should be mentioned. To briefly recap, problems arose over appointments to the post of police