FIJI

This was the year of the new constitution, promulgated by President Gami­lan on 25 July 1990. For those unable to keep count, this was Draft Four of a document originally drawn up in 1988. Draft One had been publicly scruti­nized through the work of the 1988–89 Constitutional Enquiry and Advisory Committee. The resulting Manuelli Report, submitted to the Interim Gov­ernment in August 1989, formed the basis of Draft Two. The document was further modified at the June 1990 meet­ing of the Great Council of Chiefs (the Bose Levu Vakaturaga), when urban Fijian representation was cut and that of (eastern) rural Fijians augmented. This third draft was approved and sent to cabinet for final reworking. The end result, Draft Four, was officially launched by the president a month later in a lengthy address to the nation. It is expected to pave the way for par­liamentary elections in either late 1991 or early 1992.

Two days after the promulgation of the new constitution, Interim Prime Minister Ratu Sir Kamisese Mara hosted a “thanksgiving” dinner to honor those public servants, business people, and politicians who had assisted his government to fulfill its pri­mary objective—the adoption of a new constitution. The prime minister’s mood was clearly one of jubilation as he summed up the political situation in Fiji: “It’s all over, bar the shouting.” Indeed, to the Interim Government and its supporters, the constitution cemented the new political order ushered in by the military coups of 1987. Its ethnic Fijian and chiefly biases were causes for celebration.

The new constitution was perhaps the high-point for the Interim Govern­ment in a year that saw the consolida­tion of its power and control of the political agenda. The trend was dis­tinctly conservative, despite a con­certed push by the labor unions to con­front the government on a range of issues. This trend was established when the new Interim Government was announced in January. There were no new faces, and the only change was the removal of the three army officers (including Major General Rabuka) and one of the two Indo-Fijian ministers.

In a series of actions throughout the year, the government deftly (at times ruthlessly) took on its opponents, both within Fiji and abroad. It ordered the Pacific Islands News Service (PAC­NEWS) and the Pacific Islands Broad­casting Training and Development Project (PACBROAD) out of Fiji in May. The official explanation was that these German-funded organizations had violated the terms of their work per­mits. Unofficially, the expulsions were seen as government retaliation for calls made by a companion organization, the Pacific Islands News Association (PINA), for greater freedom of informa­tion in the Pacific Islands. This was construed as criticism of the Fiji gov­ernment’s treatment of journalists, especially the foreign press.

A second offensive by the govern­ment was the expulsion (also in May)
of the Indian embassy staff and the closure of the embassy office following the announcement that India would launch an international campaign against Fiji for its treatment of Indo-Fijians. Such a campaign would include raising the Fiji issue at world forums (such as the United Nations Human Rights Commission) and continuing to block Fiji's readmission to the Commonwealth of Nations. The embassy expulsion was the culmination of a long and increasingly bitter feud between India and Fiji. The view from New Delhi is that Indo-Fijians are victims of a racist, undemocratic regime. In November 1989 India withdrew its ambassador from Suva on the grounds that it no longer recognized a government in Fiji. (India remains the only country with a formal policy of nonrecognition of and noncooperation with the Interim Government). Coincidentally, this move immediately preceded a Fiji decision to downgrade the Indian embassy to consular status. Fiji claims political interference by India in its internal affairs, with allegations that the Indian government has provided funds to the opposition Coalition.

A third and perhaps most sinister offensive by the Interim Government was the promulgation in September of the Fiji Intelligence Service Decree. This established a National Security Council chaired by the prime minister, an Intelligence Advisory Committee, and a Fiji Intelligence Service. The last is given special powers of surveillance, entry and search, interception of mail, and the use of electronic listening devices. Its main functions are to provide information and assessments to the National Security Council on all matters affecting national security, to combat sedition and foreign intervention, and to compile forecasts of world economic and political trends affecting Fiji. In the hands of an unaccountable government, this service could prove a powerful, if not dangerous, instrument of control. Many observers have expressed disquiet at the implications of this decree.

The Interim Government was able to assert itself on a number of other fronts during the year. It seemed to effectively silence the more radical and militant elements of the Fijian nationalist (Taukei) movement. One maverick group, the Soqosoqo i Taukei, mustered only two hundred marchers in late June for a demonstration calling for the expulsion from Fiji of twelve individuals accused of being “anti-Fijian.” It was later chastised by the government and president for abusing the term taukei.

The government also seemed to have its way in its dealings with the army. Pressure was brought on the army commander to cut spending after an auditor general's report revealed a fourfold increase in the military budget for the period 1987–1988. This issue was particularly embarrassing for the government, given that spending on health and education had fallen or remained constant. In November, the government directed the military to demobilize 1000 soldiers as a cost-cutting measure. This will be carried out over a period of two-and-a-half years.

In foreign relations, the Interim Government scored a significant victory by swinging Australian and New Zealand policy toward acceptance of the new constitution. At the South
Pacific Forum meeting in Port Vila, Australian Prime Minister Bob Hawke declared that the Fiji constitution was better than that of many other Commonwealth countries, and urged the Coalition to contest future elections. (Admittedly, the Australian government has continued to pursue two policies on Fiji, much to the confusion of the Coalition). The election of the National Party to government in New Zealand also promised improved relations with that country.

There was both bad and good economic news for the government. The bad news was a burgeoning trade deficit that grew by 20 percent in 1990. This was accompanied by a slowing down in the export sector and a rise in inflation. Hurricane Sina in late November wreaked havoc with the cane harvest, already suffering from inordinate delays caused by a farmer boycott and mill breakdowns. As a result, a significant loss in export earnings is expected in 1992. The good news was a steady economic growth rate of 5.3 percent in 1990, with a rate of 3.4 percent projected for 1991. Several successful trade missions promoted Fiji exports within the Pacific region. The government also pushed ahead with its policies of deregulation, privatization, and a review of the tax system.

The principal challenge to the Interim Government in 1990 came from the trade unions, but even here the government seemed to hold its ground. The strike by cane farmers over the terms of the new Master Award (governing the distribution of proceeds from the export of sugar) succeeded in winning some government concessions. However, it failed in one fundamental objective, which was to force the government to hold elections for the Cane Growers Council—a strategically vital arm of the sugar industry. Elections have been repeatedly postponed by the government, largely because they would bring to power a council politically aligned with the opposition Coalition.

The government faced most opposition in the garment industry. Garment workers, who are subject to some of the worst industrial conditions in Fiji, began to organize effectively in 1990. Strike after strike drew attention to their plight and finally drew a response. After repeatedly labeling the industrial actions as "politically motivated destabilization," the government in November published a proposed order regulating conditions in the garment industry. This order recommended minimum conditions governing pay, holidays, and overtime. In another move aimed at controlling labor, the Interim Government announced its intention to deregulate wages, while at the same time reviewing trade union legislation to ensure that "unions are answerable for their actions under the law."

The two arms of the Coalition, the Labour and National Federation parties, jointly and separately maintained their opposition to the Interim Government’s policies. Adi Kuini Bavadra, who succeeded her late husband Dr Timoci Bavadra as leader of the Coalition, made several overseas trips to drum up support for her cause. A group of Indo-Fijians traveled to India to meet with government officials and address public gatherings about the sit-
uation in Fiji. As with Adi Kuini's overseas missions, the message from India was sympathetic but not wholly encouraging: don't expect too much and be prepared to solve your own problems.

The survival of the Coalition as a political force in Fiji seemed increasingly to hinge on its position regarding participation in future elections. A decision to boycott elections held under the new constitution had been strongly backed by separate conventions of the National Federation and Labour parties. However, it was questionable how much grassroots support such a boycott would generate, and a move to reactivate the Labour party's educational program (Operation Sunrise) was taken in November. Concern mounted that the Coalition risked becoming completely irrelevant if it boycotted future elections, especially with the emergence of political parties committed to working with the new constitution.

The formation of a General Voters' party in late 1990 aimed to unite all those who were neither ethnic Fijian nor Indo-Fijian. Meanwhile a section of the Indo-Fijian community calling itself the Group of Moderate Indians pledged its support for the Interim Government in a meeting with Major General Rabuka. While posturing as "new generation" political groupings, both these groups seemed to be offshoots of the former Alliance party machinery. They inspired little excitement and certainly represented no challenge to the Interim Government.

The burning of the new constitution at a gathering of Indo-Fijians on the Hindu holiday of Diwali in late Octo-ber shocked the public out of its apparent complacency. The vicious retaliation against the leader of this protest, university lecturer Dr Anirudh Singh, revealed just how far the political rules had changed in Fiji in the last three years. It was perhaps no surprise when five army officers admitted to the crime, but nor was there any surprise when the courts handed down suspended prison sentences. The general sentiment seemed to be that Dr Singh's action had invited the abduction and torture, and that this somehow made the crime excusable.

As Fiji passed its twentieth anniversary of independence and entered the 1990s, many troubling questions clouded the horizon. The prime minister's optimistic assessment that all was now over "bar the shouting" could hardly have been more misplaced. For Ratu Mara, it may well be over soon. He has indicated his intention to step down as prime minister once elections are held, and to serve in an "unelected" position. This may be the post of president. No clear successor to Ratu Mara has emerged, although Major General Rabuka has declared his desire to occupy the position.

The future of Fiji under the new constitution remains acutely problematic. Confusion reigns over the precise interpretation of the clauses of the document, even among its architects. Notwithstanding the unambiguous discrimination against Indo-Fijians and those of other races, the implications for ethnic Fijians (especially Fijians living in urban areas) are disturbing. Moreover, many Fijians may find themselves unable to vote because of the incomplete state of the Fijian regis-
ter, the *Vola ni kawa bula*. And, as judicial commentators have noted, the constitution fails ultimately in protecting the inalienable political rights of the individual. It vests most power in an unelected president, an unaccountable chiefly class, and the military.

The greatest paradox of this new constitution is that it cannot guarantee the outcomes desired by its supporters. A strong, united opposition could overcome a fractious, divided Fijian community with the result being precisely that which the coup sought to revoke. The question What then? requires little imagination to work through. The new constitution may have a rather short life-span.

SANDRA TARTE

NEW CALEDONIA

The transfer of power to the provinces was the main focus of attention during 1990 in New Caledonia. The process of “provincialization” was supposed to have been completed by July 1989, but the last administrative capacities were not transferred from Noumea to the three provinces until January 1990. Nine months later, the North Province was still not completely set up and was operating with only 70 percent of its appointed staff, some of whom had previously been based in Noumea.

In April, news broke of the impending sale of a mining company by Jacques Lafleur, leader of the *Rassemblement Pour la Calédonie dans la République* (RPCR), to the North Province, which is controlled by the *Front de Libération Nationale Kanak et Socialiste* (FLNKS). By the time the sale of *Société minière du sud Pacifique* was completed in October—partly through metropolitan government funding—the North Province had set up an investment corporation, the *Société de financement et de participation du Nord* (SOFINOR). The province subsequently helped finance a hotel project in the Islands Province through a subsidiary of its newly acquired mining company. It also created a development agency to identify and assess development projects in the province.

The first *Conseil coutumier de Province* (Provincial Custom Council) was set up in May, and the first *aire coutumière* (custom area) in October. These institutions are concerned with matters of Kanak custom and tradition, and are represented within the territorial congress by the *Conseil consultatif coutumier* (Custom Consultative Council). They soon became active, especially in respect to land questions. Traditional representatives were included in an *Agence de développement et d’aménagement foncier* (ADRAF) mission to Fiji to investigate land regulations. By the end of the year, the decentralization law designed to strengthen municipalities in New Caledonia was still before the French Parliament.

ADRAF, which is responsible for buying and helping develop land, redistributed some forty-two thousand hectares between April 1989 and July 1990. Over 76 percent of the total went to Melanesians and 21 percent to Europeans. These transactions were channeled through provincial land commissions and custom councils, as well as through the appropriate municipal land commissions. The municipal com-
missions, set up during the first half of the year, are composed of representatives from the municipality and from various occupational groups, including Caldoche farmers as well as traditional leaders. Noumea has been kept out of the process.

The difficult relations between the component parts of the FLNKS were reflected in problems with selecting a replacement for assassinated president Jean-Marie Tjibaou and restructuring the movement. In January, a party congress failed to confront these two issues but managed to reestablish internal working relations. A second congress in March resulted in the election of Paul Néaoutyne, from the Parti de libération kanak (PALIKA), as president, and Rock Wamytan, from the Union calédonienne (UC), as vice-president with responsibility for international relations.

Paul Néaoutyne was born in 1951, holds a DEA degree in economics, is a former professor, and has been an important member of PALIKA. After serving as Tjibaou's political director in the northern region from 1985 to 1988, he was elected mayor of Poin­dimié in 1989 and later became a member of the provincial council. Rock Wamytan also was born in 1951 and holds an economics degree. A former assistant to parliament member Rock Pidjot, he became chief civil servant in 1979, then director of such rural development services as FADIL in 1979 and ODIL in 1983. In 1987 he was appointed to the Central Region. In 1989, he was elected to both the South Province Council and the Mont Dore Municipal Council. He has been a member of the executive commission of the UC since 1988 and has frequently acted as the FLNKS representative in international forums.

The election of Paul Néaoutyne as FLNKS president caused some uneasiness among UC militants, who had decided that the president should be a member of their party. But during the second congress, in the face of charges of hegemony, UC leaders were willing to compromise in the interests of unity. Throughout the year, there was conflict among indépendantistes in municipalities such as Ponedihouen, Yaté, Poum, Houailou, Ouvea, Ile des Pins, and Hienghène. On the island of Lifou a dispute between the high chiefship of Gaica and the Islands Province resulted in the provincial staff being locked out for a whole week in October.

The annual congress of the Union progressiste mélanésienne, held in October, and those of PALIKA and UC in November, revealed uncertainties and disagreements about the functioning of the FLNKS, as well as the implementation of the Matignon Accord. François Burck was reelected president of the UC. Verbal skirmishes during the year between the Union océanienne (UO) and the RPCR, resulted from the efforts of the UO to attract Wallisian voters away from the RPCR. The UO claims that Wallisian interests are bypassed by the terms of the Matignon Accord, but is portrayed by the RPCR as just another part of the “third force” being encouraged by the socialist government.

On the international front, Australian Prime Minister Bob Hawke made his first official visit to New Caledonia in July and met with Louis Le Pensec,
French minister for the Départements et territoires d’outre-mer (DOM-TOM). In the same month, the FLNKS attended the South Pacific Forum meeting in Vanuatu, after earlier participating in the Melanesian Spearhead group meeting in March. In November, the General Assembly of the United Nations adopted a resolution on decolonization that included New Caledonia.

A dramatic increase in industrial strife during 1990 at times forcibly demonstrated the differences between the Union syndicale des ouvriers et des employés de Nouvelle-Caledonie (USOENC) and the Union syndicale des travailleurs kanak et exploités (USTKE). As a result, a local Code of Work Regulations should be promulgated soon.

Economic growth, fueled by the exceptional performance of the mining sector in 1989, slowed to a more normal level during the first half of the year. But the economy remained buoyant, as witnessed by the gross profit of 21.7 billion CFP reported by the Société le Nickel (SLN) for the first half of 1990. In spite of a thirty-six-day strike and a slump in the value of the US dollar, the results for the second half of the year were expected to be as good. With the DOM-TOM still a budget priority of the central government for 1991, the prospects for funding from metropolitan France were good. In November, the DOM-TOM budget was increased by 5.4 percent to 2.17 billion French francs. Of this, 588.39 million was allocated to New Caledonia, an increase of 15.3 percent. This caused some discomfort among representatives from other DOM-TOM, notably Emile Vernaudon, an independent deputy from French Polynesia, who decided to change his established pattern and vote against the socialists. He and Jacques Lafleur supported a motion of censure against the Rocard government in November. The RPCR deputy for New Caledonia, Maurice Nenou, voted against the motion, which was narrowly defeated by five votes.

PATRICK PILLON

Papua New Guinea

The secessionist crisis in Bougainville continued to dominate events in Papua New Guinea during 1990. It put unprecedented strain on the constitutional order and precipitated an economic downturn that forced some fundamental changes in development policy. The crisis also exposed Papua New Guinea to intense international scrutiny from aid donors, investors, human rights groups, and neighboring countries. Despite the gravity of the situation, national politics remained as volatile as ever. Prime Minister Rabbie Namaliu faced several attempts to unseat him during the year and survived only by some skillful, but highly controversial, maneuvering.

By the end of 1989 it was abundantly clear that the national government's Bougainville peace initiative had failed to win the support of Francis Ona and the leaders of the Bougainville Revolutionary Army (BRA). They had declined to take part in the peace ceremony of October 1989, ignored the 10 November deadline to sign the Bougainville Development Package Agreement, and continued to demand the withdrawal of the security forces as a prerequisite for negotiations. The
prospects for such a withdrawal faded rapidly as violence in the province escalated in December, and support in the Namaliu cabinet swung decisively in favor of “the military option.”

On 12 January 1990, Parliament voted in favor of extending, for the fourth time, the constitutional state of emergency first invoked in June 1989. Prime Minister Namaliu said that the vote gave the government “the green light [to] rid Bougainville of this terrorist scourge,” to restore peace to the province, and to reopen the Panguna copper and gold mine, closed since May 1989 (AB, 19 Jan 1990). Rather than eliminating the BRA, however, the military offensive known as Operation Footloose unleashed a new level of violence, destruction, and terror on Bougainville. In the next few weeks, the BRA attacked the Panguna police station, killed six people and released all the prisoners at Kuveria jail, burned most government facilities outside Arawa, and forced the last of the large plantations in the province to close. On 28 February, with the death toll rising rapidly, no military victory in sight, the national economic conditions worsening, and the March session of Parliament approaching, the national government reached a ceasefire agreement with the BRA.

The agreement reflected the work of a “think-tank” of prominent Bougainvilleans (including the expatriate director of the North Solomons University Centre, Graeme Kemelfield) who had actively sought ways to mediate the conflict since late 1988. In January 1990, the group gained the approval of the provincial government (and the concurrence of the national government) to invite a team of three overseas mediators to Bougainville. Professor Peter Wallensteen, head of the department of Peace and Conflict Research at Uppsala University in Sweden, was the only one able to accept the invitation. After extensive consultation, Wallensteen and members of the think-tank came up with a ceasefire formula acceptable to the BRA and the national government. The agreement came into effect on 2 March and required the government to withdraw its security forces by 16 March. For its part, the BRA agreed to cease all acts of violence and to order its members to surrender their arms. An international team of observers was to monitor the implementation of the agreement. In a supplemental letter, the parties agreed to help restore disrupted supplies of food and medicine to rural areas (PR, 1 Mar 1990; Avery 1990, 418–421).

The ceasefire agreement represented a significant victory for the BRA. The organization received official recognition for the first time, and all the concessions were on the government’s side. The manner of implementation increased the BRA’s advantage even more. Apparently unhappy with the terms of the agreement, the controller of the state of emergency, Paul Tohian, defied his political masters and withdrew the regular police and prison guards as well as the military and riot police. This left the BRA free to set up its own rudimentary system of law and order in Bougainville. Furthermore, the hastily assembled team of “neutral international observers” led by Ghanaian diplomat E. M. Debrah, which arrived in Bougainville just in time to see the last of the security forces
depart, had neither the authority nor the means to impound weapons surrendered by the BRA. There may have been an expectation that the observers would play a facilitating role in subsequent negotiations, but in the event the mandate of the observers was limited to overseeing the ceasefire itself (Avery 1990, 420–421).

The ceasefire agreement did not lead quickly to substantive negotiations, as its architects had hoped. Even after the national government abandoned attempts to negotiate the return of police to Bougainville, the protagonists could not agree on a suitable venue for talks. The national government’s position received a further setback when it became apparent that the provincial government was no longer an autonomous force in the province. BRA Commander Sam Kauona indicated in March 1990 that he was “not really worried about the politicians taking over, because as the saying goes when you have the firepower, you have the ability to command and control” (IB, Apr 1990, 25). Provincial Premier Joseph Kabui apparently recognized this harsh reality when he threw in his lot with the secessionists. When the “Republic of Bougainville” was declared independent on 17 May 1990, the “interim government” included Kabui and other provincial politicians as well as representatives of the major churches.

The announcement of “selective economic sanctions” against Bougainville immediately after the declaration of independence formalized and strengthened an existing government policy. The strategy was designed to deprive Bougainvilleans of export markets for their produce as well as imported supplies and services. The sanctions were “selective” in that supplies of medicine and electricity to Arawa hospital were supposed to be maintained, but this was not in fact the case. Except for a trickle of goods that continued to filter in from Solomon Islands, the blockade was complete and seems to have had the desired effect. In July 1990, with calls for international recognition unanswered, the secessionists agreed to talk with a team of government representatives, led by Foreign Minister Sir Michael Somare and including Attorney-General Bernard Narakobi, on board a New Zealand naval ship, HMNZS Endeavour. The restoration of services proved to be the government’s main bargaining chip at the talks (IB, Sep 1990, 54–58).

The negotiations lasted eight days and were rescued from complete failure by a last-minute agreement that deferred discussion of Bougainville’s political status, the issue that the Bougainville delegation continued to insist was non-negotiable. In return for this “concession,” the government agreed that “at the earliest opportunity it would take all practical steps consistent with the Constitution . . . to bring about the return of services to Bougainville” (TPNG, 13 Sep 1990, 16).

Although the Endeavour Accord was hailed as “one of the most important agreements to be signed by Papua New Guinea,” subsequent events demonstrated the fragility of the “on-going process of dialogue” that had been initiated (TPNG, 9 Aug 1990, 4).

After considerable delay, three ships
carrying relief supplies and personnel sailed into the narrow passage between Buka Island (also part of North Solomons Province) and Bougainville in early September. When it became apparent that the government intended to land army and police personnel on Buka, ostensibly to help restore services, BRA leaders indicated that they would resist this “invasion” with force. The ships and their cargoes returned to Rabaul after a three-day standoff.

BRA accusations that the government was following another agenda may not have been entirely groundless. At the end of September, security forces already established on Nissan Atoll, northwest of Bougainville, regained control of Buka after fighting that left more than twenty people dead. According to the government, the operation was conducted in response to appeals for help from the Buka Liberation Front, a group that had been formed to fight the BRA. Its leaders included Sam Tulo, former member of the national Parliament, and James Togel, a former senior official in the North Solomons Provincial Government. In a memorandum of understanding with the national government, the Buka leaders rejected secession and condemned the BRA’s “reign of terror and fear” (TPNG, 18 Oct 1990, 30). They later claimed that “the war against the BRA is now on and no doubt will gather support” in other parts of the province (TPNG, 11 Oct 1990, 4). To the BRA, these actions were evidence that the recommendations of the leaked “Naisy Report,” which outlined a strategy to establish zones of government control in the north and the south of the province, were being implemented.

Although the government claimed that the Endeavour Accord had not been violated, secessionist leaders indicated in December that the complete withdrawal of security forces from Buka was a precondition for further talks, that independence was still non-negotiable, and that they no longer wanted the government to restore services. Meanwhile, reports of serious health problems in Bougainville began to surface, and the government faced increasing domestic and international pressure to allow supplies of food and medicine into the province (SMH, 13 Oct 1990). There were warnings that the blockade was further damaging a human rights record already sullied by the actions of the security forces on Bougainville in 1989 and early 1990 (Amnesty International 1990).

The Bougainville crisis has starkly illustrated problems of staffing, training, and discipline in the security forces. It has also demonstrated the heavy dependence of the Papua New Guinea Defence Force (PNGDF) on Australia, which means, according to an Australian Department of Defence document, that Australia is “inextricably linked with any PNGDF operation” (Australian, 23 July 1990, 2). This was clear in September 1990 when Prime Minister Namaliu and his Australian counterpart, Bob Hawke, agreed to undertake a joint review of the role of the PNGDF in light of the Bougainville experience (TPNG, 6 Sep 1990, 5). In fact, plans were already well underway to expand the military by more than a thousand men (to a total of 5200) by 1994. Earlier in the year, Australia had agreed to equip the first batch of new recruits, and in June the first of eighty Australian military instructors arrived.
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to help with training (TPNG, 21 June 1990, 1).

Tensions between political and security force leaders, which have been apparent since the conflict began, erupted dramatically during 1990. On 14 March, Police Commissioner Paul Tohian, recently reprimanded by Cabinet for his handling of the withdrawal of security forces from Bougainville, ordered police mobile squads to assemble at Parliament to overthrow the government. Some two hundred police answered the radio call, but loyal officers intervened before any government leaders could be located. Prime Minister Namaliu later told Parliament that Tohian had acted impulsively while under the influence of liquor. Nevertheless, Tohian was arrested and charged with treason.

Early in 1990, government officials were forced to accept that the Bougainville mine was not going to reopen in the near future, if at all. Furthermore, prices for Papua New Guinea's other major export commodities (copra, cocoa, and coffee) continued their downward slide, and the stabilization funds designed to insulate primary producers from world market fluctuations were becoming seriously depleted. In dealing with these economic problems, the government’s first priority was to ensure that the Bougainville upheaval was not repeated at other major resource development projects. Efforts to address the concerns of provincial governments and landowners continued during the year, particularly at the giant Porgera gold project in the Enga Province, which started operating in August 1990, and at Ok Tedi in the Western Province, which has experienced periodic industrial and community unrest for some years. Negotiations for the development of the gold project on Lihir Island in the New Ireland Province got underway in July 1990 and involved landowners and provincial and national governments, as well as the joint partners, Kennecott and Niugini Mining.

The Kutubu project, which is to start extracting 100,000 barrels of oil a day from the Iagifu-Hedina field in the Southern Highlands in 1992, encountered a novel challenge in 1990. A local company, Monticello Enterprises Proprietary, whose directors include some of Papua New Guinea's most prominent businessmen, mounted a bid to build and operate the pipeline that will take the oil 270 kilometers to an export facility in the Gulf of Papua. Their proposal was greeted by a howl of protest not only from various government departments and politicians, but also from the joint venture partners (a consortium of oil companies led by Chevron), whose July 1989 agreement gives them exclusive rights over the pipeline (TPNG, 19 July 1990, 1). In July, Cabinet decided that the project would proceed as originally planned.

Early in 1990, the government devalued the kina by 10 percent and appointed a “razor gang” to cut some 100 million kina from the budget. In May, it sought additional help from a formidable array of international agencies and aid donors gathered in Singapore. Chaired by the World Bank, the third annual meeting of the Consultative Group for Papua New Guinea offered a package of assistance for 1990 worth a total of US$710 million, of which US$210 million was untied budgetary support from Australia, US$255 million was to support specific pro-
jects, and US$245 million was to support the balance of payments (TPNG, 24 May 1990, 22). In return, the government committed itself to a "structural adjustment program" that emphasized improvements in public resource management and the promotion of non-mining private sector investment. The first of these goals was to be achieved by cutting some five thousand public service positions as well as abolishing or privatizing several government departments and agencies (TPNG, 19 July 1990, 25).

The second goal was to be pursued by deregulating the private sector and offering a variety of incentives for potential investors. Most significant in this respect is the replacement of the regulatory National Investment and Development Authority by an investment board whose powers will be largely promotional. Its work will be facilitated by, among other things, a five-year tax holiday for infant industries and a "much tougher" government stand on compensation claims by landowners, especially where threats of sabotage or disruption are involved (TPNG, 10 May 1990). One important effect of the new policy thrust is to make the distinction between national and foreign business activity less significant, not least by reducing the share of Papua New Guinean equity required to qualify as a local company from 75 to 50 percent. These changes mark the end of a postindependence era in which foreign investment was subject to a range of controls in the interest of a development ideology that stressed self-reliance, equality, and protecting "Papua New Guinea ways."

It was a busy year for Papua New Guinea on the international front. The Bougainville crisis has been of major concern to the Australian government, and some of the consequent tensions between the two countries became evident during 1990. The low point came in May when Australian Foreign Minister Gareth Evans told a press conference in Port Moresby that Papua New Guinea had to start taking more responsibility for solving its own problems (PR, 10 May 1990, 1). Foreign Minister Somare replied that outsiders, including Australians, should stop meddling in Papua New Guinea's internal affairs (TPNG, 10 May 1990). In September, the prime ministers of the two countries signed an Agreement for the Promotion and Protection of Investment, designed to reassure Australian investors worried about the implications of political instability in Papua New Guinea (PR, 13 Sep 1990, 6).

In March, government approved the text of a fishing agreement with the Soviet Union, and the first resident Soviet ambassador in the Pacific Islands arrived to take up his post in Port Moresby. The major purpose of Prime Minister Namaliu's visit to Washington, DC, and Texas in May was to woo potential investors, as was Foreign Minister Somare's trip to South Korea in late June. Solomon Islands agreed to help Papua New Guinea enforce the blockade of Bougainville, although several misunderstandings developed between the two governments over Bougainville-related issues (see review of Solomon Islands, next).

Clashes between Indonesian security forces and the Organisasi Papua Mer-
deka (OPM), who fight for independence for Irian Jaya, spilled over into Papua New Guinea several times during 1990. Indonesian military incursions provoked an official protest note in August, but the two countries agreed to coordinate more of their security activities at the October meeting of the Joint Border Committee. Port Moresby's new hardline attitude toward border issues was amply demonstrated in June when some one hundred sixty "illegal crossers" were sent back to Irian Jaya (TPNG, 23 Aug 1990, 5). In July, officials arrested OPM leader Mecky Salosa and handed him over to Indonesian authorities, a move that the London-based human rights organization TAPOL claimed would most likely lead to his demise (TPNG, 13 Sep 1990, 7). The OPM seized six hostages, most of them expatriates, inside Papua New Guinea in November to protest these actions. They were released unharmed after the personal intervention of the head of the prime minister's department, Paul Bengo.

The turbulent events of 1990 did not deter the parliamentary opposition from periodically attempting to topple the government with votes of no confidence. Namaliu and his multiparty coalition easily weathered the first attempt in March. In May, he managed to survive some serious internal dissent over the appointment of Ted Diro to the position of deputy prime minister, despite the serious charges raised against him by Judge Barnett in his inquiry into corruption in the forestry industry. The prime minister approached the July sitting of Parliament strengthened by several defections from the opposition, including the sponsor of the abortive March vote, Utula Samana, accompanied by four members of his Melanesian United Front party.

On 4 July, exactly two years after the vote that put Namaliu in office, the opposition tabled another vote of no confidence. In the center of the ensuing scramble for advantage was a group of disgruntled government backbenchers, four of whom had recently been dropped from Cabinet. The group stayed loyal to Namaliu, and the vote was withdrawn. It was later revealed that the former ministers had demanded K400,000 to keep them from crossing the floor. Indeed, the *Times of Papua New Guinea* claimed (but the government vehemently denied) that some K2.5 million had been distributed to government MPs just before the scheduled vote (TPNG, 26 July 1990, 1). These revelations sparked the largest ever public demonstration outside Parliament. On 16 July, Ereman Tobaining, Alois Koki, Esorom Burege, and John Kaputin, all MPs from the prime minister's province, East New Britain, expressed their extreme displeasure with Namaliu and his government in a full-page newspaper advertisement (TPNG, 19 July 1990, 26).

Namaliu adopted a more dramatic tactic to avoid the next vote of no confidence in November. The government passed the 1991 budget less than three hours after it had been introduced, and then abruptly voted to adjourn Parliament until 16 July 1991. This was the fourth time such a ploy had been used since 1985, except that the length of this adjournment was unprecedented. Opposition leader Paias Wingti claimed that the move was unconstitu-
tional, but the issue was still before the supreme court at the end of the year (SMH, 14 Nov 1990). The adjournment frustrated legislative attempts to reduce the frequency of these unseemly maneuvers. The session was terminated before the necessary second vote (the first was in July) could be taken on a constitutional amendment that would extend an incoming prime minister's period of immunity from votes of no confidence from six to eighteen months.

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Some of this material appears in my article, “Papua New Guinea in 1990: A Year of Crisis.” Asian Survey 31 (Feb 1991:188–195.)

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SOLOMON ISLANDS

At the beginning of 1990, there was still much optimism about the ability of Prime Minister Solomon Mamaloni’s Peoples Alliance Party (PAP) government to direct events in Solomon Islands at the dawn of a new decade. Things turned out somewhat differently.

In January, the Public Service Commission appointed new officers to the three top administrative posts in each of the country’s seven provinces. The posts of provincial secretary, deputy provincial secretary, and provincial treasurer had been upgraded toward the end of 1989 in order to attract qualified personnel to the provinces. The move was in line with the government’s decentralization policy and its promise to serve the rural majority (SS, 12 Jan 1990).

The only notable privatization exercise to take place in 1990 was the sale of National Fisheries Development Limited to a Canadian firm, British Columbian Packers. The sale was a relief to the government, which regarded the company as a burden because of its inability to generate profits. The remaining 20 percent of the shares in the Kitano Mendaiia Hotel, previously reserved for indigenous Solomon Islanders, were also sold. Japan’s Kitano Corporation bought a majority of the shares in 1989.

As the drive to develop the tourist sector continued, the minister of Tourism and Aviation commissioned a national development plan with help from the Suva-based Tourism Council of the South Pacific. The government hoped to improve on the previous plan,
which it described as "limited and inadequate to allow for a significant expansion of visitor traffic" (BN, June 1990).

The Anuha Island Resort, off northern Nggela, Central Province, was re-opened during the year. It had been closed in 1988 following protracted disagreements between the landowners and the Australian operator, Pacific Resorts Limited, over compensation payments (SN, 14 Aug 1990). The government was instrumental in getting the landowners and the new operator, Core Consolidated Limited, also of Australia, to the negotiating table. A new five-year lease agreement was signed, allowing the resort to reopen.

The addition of a Boeing 737 aircraft to Solomon Airlines' small fleet in June is expected to enable the carrier to bring in more money-spending tourists from more overseas markets. Guadalcanal Province also demonstrated its ambition to develop tourism. In June, Premier Eric Seri led a delegation to Australia to negotiate funds of about SI$360 million for hotel, casino, and resort projects near Honiara (ST, 5 July 1990).

A report released mid-year by the Public Accounts Committee revealed massive illegal government expenditures of SI$81.254 million between 1985 and 1987. The committee, chaired by MP for Rennell and Bellona and former trade unionist Joses Tuhaika, concluded that part of the problem rested with an "ineffective and unrealistic" budgetary process, but noted that "successive governments were unwilling to control expenditure." The committee recommended that three appropriation bills be introduced in parliament to legalize the expended money, and that charges be brought against any accounting officer who overspends the authorized budget in future (SS, 5 July 1990).

The Solomon Islands government continued to support Papua New Guinea as the Bougainville conflict lingered on. In March, the two countries agreed to close their common border until the conflict was resolved. At a later meeting they agreed on combined border surveillance for the purpose of monitoring the movement of illegal border crossers, especially those with ulterior motives (SN, 14 Aug 1990). In September, the minister responsible for immigration, Edmond Andresen, banned the entry of all Bougainvilleans. In the same month, nine members of the Bougainville Revolutionary Army (BRA) paid an unexpected visit to the premier of Western Province, Jerry Buare. Buare later disclosed that the unofficial visitors to Gizo urged him to be tough with "rascals" who crossed the border in the name of the BRA. In the previous month, the BRA had handed over seven alleged criminals to Solomon Islands police. In December, the High Court in Honiara sentenced them to an average of ten years in prison for illegal entry and robbery.

The BRA does not view Solomon Islands as neutral ground, as was evident mid-year when it refused to send its delegation to proposed peace talks with the Papua New Guinea government. Concerns about safety on the part of the BRA may have been well founded. On the eve of the proposed talks, two Papua New Guinea patrol boats sailed into Point Cruz harbor without prior warning and were
ordered to leave by the government. Police also found that an advance party from Papua New Guinea were armed with high-powered rifles and complete communications equipment, suggesting different intentions (ss, 22 June 1990).

On 28 July 1990, private businessman and former diplomat Francis Bugotu was appointed to a three-year term as Solomon Islands permanent representative to the United Nations, ambassador to the United States, and high commissioner to Canada. The post had been vacant since the former incumbent, Francis Saemala, was elected MP for Central Malaita in 1989. The country’s second office abroad was established in June 1990 in Brisbane, Australia, in order to attract foreign investment and promote trade.

In September, the government terminated all serving permanent secretaries in an attempt to get rid of “dead wood” and make the public service more effective and efficient. These top public service jobs were then advertised as contract positions, with annual salaries of $59,255, free housing, vehicles, 36 days’ annual leave, and a 20 percent gratuity after four years of service. Only two of the fifteen former permanent secretaries decided not to reapply, and there was a total of seventy-two applicants. The Public Service Commission took three working days to interview all the applicants. Seven of the former permanent secretaries were reappointed, and the remaining six challenged the termination procedures in the High Court.

Among the new appointees was Francis Saemala, MP for Central Malaita, but he turned down the top job in the Ministry of Foreign Affairs and Trade after “careful consideration.” He was replaced by Phyllis Taloikwai, the first woman ever to be appointed permanent secretary. As the newly contracted permanent secretaries took up their positions, another contract employee entered the light. East Honiara MP Bart Ulufa’alu resigned his seat in parliament to take up a two-year contract as a government consultant. Ulufa’alu had been Mamaloni’s finance minister in the 1981–1984 government. His appointment is in line with the government’s policy of employing national, rather than foreign, consultants.

The parliamentary strength of the PAP was first tested in May when opposition leader and MP for Are Are, Andrew Nori, moved a motion of no confidence in Prime Minister Solomon Mamaloni. The motion was overwhelmingly defeated, indicating the party’s coherence, at least in parliament. To support the motion, Nori relied on his revelation in parliament of a suspicious US$250 million loan proposal involving the prime minister, Finance Minister Columbus Abe, Alex Bartlett, MP for Small Malaita, and a representative of an Italian financial institution, Robert Coppola. The prime minister challenged the opposition to prove that his involvement in the deal was illegal. Nori promised to take legal action against the prime minister and continued to warn of “ghost money.” The Central Bank also warned of “phony loans” (ss, 8 June 1990). However, the government was keen to obtain the loan “to finance priority development projects in Solomon Islands” and was not deterred (ss, 4
May 1990). In September, with a plan in the pipeline to send two ministers, their permanent secretaries, and Alex Bartlett to Italy to sign the loan deal, news broke that Robert Coppola was in the hands of the Italian police (ss, 28 Sep 1990).

On 9 October, Solomon Mamaloni resigned from the PAP and from the parliamentary leadership, but took advantage of a constitutional peculiarity to retain the prime ministership. His resignation came a few weeks before a likely attempt to remove him as parliamentary leader at the annual PAP conference, and allowed him to abandon the party’s Programme of Action and the 1988–89 Election Manifesto (st, 13 Oct 1990). To secure his political survival, Mamaloni masterminded a coalition that he dubbed a “government of national unity and political reconciliation.” Five PAP ministers, including Deputy Prime Minister Danny Philip, were dropped from the government, but nine were retained. The new cabinet included two former prime ministers, Sir Peter Kenilorea and Ezekiel Alebua, both members of the United Party and former rivals of Mamaloni. By 17 October three of the new ministers had been sworn in. Sir Peter, who was abroad when his appointment was announced, was sworn in on 26 October, despite the disapproval of his party. Only Alebua refused to be sworn in. Instead he joined forces with the remaining opposition members and the ousted PAP ministers, who vowed to vote Mamaloni out of office in the parliamentary session that began on 12 November.

While the new government was beginning to settle down, the Solomon Islands Public Employees Union called on its members to stage a sit-in strike on 2 November. The union demanded a pay structure based on the package offered to the new permanent secretaries. The strike was called off on the following Monday, when the government referred the matter to the Trade Dispute Panel. However, one trade union official warned that the panel will not be able to deal adequately with the dispute.

The much awaited motion of no confidence against Prime Minister Solomon Mamaloni, to be moved by Danny Philip, the former deputy prime minister, was ruled out of order by the Speaker, Waia Ben, on 16 November. Standing orders forbid such a motion to be moved against the same person in two consecutive sessions of a parliament, and one had been moved in May. The ruling proved again that Mamaloni is a master survivor. It will take a united opposition with an agreeable leadership to remove him, characteristics not evident in the present group. Given that the government is likely to continue to implement the major policies set in motion by the previous all-PAP government, the emphasis on the private sector will continue into 1991 and beyond.

JOHN IPO

ABBREVIATIONS

bn  Bisnis Nius
sn  Solomon Nius
ss  Solomon Star
st  Solomon Toktok
In July 1990, Vanuatu marked the tenth anniversary of independence from France and Britain with a reenactment of the initial raising of the Vanuatu flag in Independence Park, accompanied by the obligatory 21-gun salute, brass band music, and a fly-past of planes from government-owned Vanair.

The twenty-first meeting of the South Pacific Forum was held in Port Vila to coincide with the independence celebrations, and was chaired by Prime Minister Walter Lini. Lini deflected some of the island nations’ resentment toward Australia and New Zealand over the Johnston Atoll issue (see review of the region, preceding this article) by observing that, while the two countries naturally belonged in the Forum, they approached some issues with a limited “European perspective.” He also attempted to build bridges between Australia and the island nations on the issue of New Caledonia by inviting Prime Minister Hawke to sit on the Forum’s ministerial committee to oversee the implementation of the Matignon Accord, but Hawke declined.

Given Vanuatu’s continuing support for the Front de Libération Nationale Kanak et Socialiste (FLNKS), its relationship with France is unlikely ever to be exactly companionable. However, the prospect of increased financial and technical aid has encouraged a rapprochement with the former colonial power in recent years. Following Secretary of Foreign Affairs Nike Nike Vurobaravu’s official visit to Paris in November 1989, Prime Minister Lini made a brief stopover in Noumea in March 1990, on his way to independence celebrations in Namibia. In August, Foreign Affairs Minister Donald Kalpokas visited Paris to prepare the way for the reinstatement of a French ambassador to Vanuatu. Ambassador Crespin-Leblond had been expelled in 1987 for allegedly providing election funds to the francophone opposition party. Kalpokas capped his visit with the revelation that Crespin-Leblond had been framed by former Vanua’aku Pati (VP) Secretary-General Barak Sope, now leader of the opposition Melanesian Progressive Party (MPP).

VP initiatives in reestablishing relations with France reflect the further dilution of the old francophone-anglophone schism and the forging of new political alliances among ni-Vanuatu. Late in the year, George Carlo resigned as MPP secretary-general and applied for readmission to the VP, with the intention of contesting the next general election as the VP candidate for Tongoa-Shepherds. Prior to his resignation, Carlo apologized in the party’s newsletter, Freedom and Justice, which he edited, for the many anti-VP articles it had published. Carlo’s about-face followed the decision of former Union of Moderate Parties President Jean-Marie Leye to flout his party’s boycott and serve on the VP-controlled Constitutional Review Committee.

The establishment of the Constitutional Review Committee represents the most important political development in Vanuatu during 1990, with the potential to transform both the practice and meaning of politics in the republic. The committee, chaired by
Deputy Speaker Tele Taun, with Leader of the Opposition Vincent Boulekone as vice-chair, comprises twenty members of the ruling Vanua’aku Pati, four Tan Union delegates, and single representatives of the Council of Chiefs, the Christian Council, the National Council of Women, the Youth and Sports Council, charitable organizations, and the two extra-parliamentary opposition parties (with the MPP maintaining its boycott of the committee’s work).

Lini’s expressed hope was that the committee would radically overhaul what he termed Vanuatu’s “foreign, Western Constitution,” particularly in the areas of individual rights and freedom, the administration of justice, and the constitutional role of the president (Pacific Report, 12 April 1990). For him, the revised constitution should acknowledge that the role of the head of state is essentially ceremonial and perhaps should be open only to “the highest traditional . . . chief or a retired religious leader.” Lini also advocated a greater role in the country’s eleven local government councils for customary chiefs, church leaders, and women’s leaders, believing that the present electoral system “seems to almost isolate the chiefs, the religious leaders and the community leaders.” Customary chiefs, according to Lini, should be given power under the Constitution to administer justice in their own villages and islands. Perhaps his most far-reaching proposal is that the redrafted constitution should recognize only those Christian churches that “were there when we were struggling for independence.”

For Lini’s political opponents, such as Barak Sope and the MPP, the constitutional review represents further evidence that the VP is set on creating a one-party state. For others, such as Jack Keitadi, curator of the National Museum, the concern is that any further attempts to enshrine “traditional chiefly powers” in the constitution might force customs of only limited applicability (such as the automatic succession of chiefly titles from father to son) on the entire country.

While the Constitutional Review Committee will take heed of such warnings, there can be little doubt that it will recommend fundamental changes to the constitution. The Vanua’aku Pati as a whole is committed to going beyond the inherited Western parliamentary model. Lini also expressed the party’s collective view when he argued that independence, if it is to be more than political rhetoric, has to extend right down to the village level. The party is acutely aware that for many young ni-Vanuatu the political achievements of the past decade are less significant than the government’s inability to meet their rising material expectations. With their eyes on the 1991 national elections, the party’s hope would seem to be that the process of constitutional review will provide a new independence struggle for Vanuatu’s disaffected youth to identify with.

The extent to which the review committee’s recommendations endorse the prime minister’s own reform proposals will reflect the degree to which he controls the Vanua’aku Pati. At the end of the year he seemed better placed than ever before with respect to day-to-day government business. A major reallocation of cabinet positions in Novem-
ber gave him the key portfolios of foreign affairs, energy, fisheries, civil aviation, and tourism, in addition to public service, planning, and immigration. Although this reshuffle was ostensibly to give senior ministers more time for the Constitutional Review Committee, and for the upcoming election campaign, Lini made it clear that it reflected dissatisfaction with the performance of ministers. Some hit back at what were effectively their demotions. Notwithstanding Lini’s endorsement of him as his eventual successor, Kalpokas made clear his resentment about losing the foreign affairs portfolio. Education Minister Sethy Reganvanu was one of only two ministers to emerge unscathed from the reshuffle. Despite generally poor relations with the country’s teachers, Reganvanu appears to be “untouchable” within the government.

Lini’s move against his ministers followed the departure in October of his long-standing secretary, Grace Molisa, after her public opposition to his serving of deportation orders (“green letters”) against seven expatriate businessmen in Port Vila. The men were deported ostensibly because they posed a threat to security, but this was interpreted to mean that they had links with Barak Sope. Molisa is reported to have objected in particular to the expulsion of two New Zealanders and the government’s refusal, on fairly technical grounds, to allow them to engage a New Zealand lawyer to challenge the expulsion orders. The expulsions became a key topic at the Vanua’aku Pati Congress in October, which had been preceded by reports of a leadership challenge by Grace Molisa’s husband, Sela Molisa. He subsequently lost the housing portfolio in the November Cabinet reshuffle.

In the event, there was no direct challenge to Lini, and, given his stated intention to step down as party leader and prime minister by the next elections, it is unlikely that any will be forthcoming. However, key figures in Vanuatu public life were known to be extremely concerned about some of the government’s actions during 1990. Religious and women’s leaders spoke out strongly against government support for the establishment of the Tusker brewery by the Swedish brewer Pripps, which commenced operations in August. There was also opposition to the government’s encouragement of casinos. Newspaper pictures of the prime minister trying his hand at the official opening of the Radisson Palms Resort Casino in July (and before the introduction of any legislative controls over casino operations) did not endear the former Anglican priest to the Vanuatu Christian Council.

The brewery and the casinos promise to be lucrative money-spinners for a government still heavily reliant on foreign aid (though not, as it often points out, for its recurrent expenditures). Three weeks after the brewery opened, Tusker presented the government with the first monthly payment of 4.1 million vatu in excise duty, and Radisson will make over 10 percent of the casino’s turnover each month. However, in encouraging this kind of foreign private investment, the government has been accused of creating long-term problems that political and customary leaders will be unable to cope with, no
matter how much power they might be given by the revised constitution.

Similar disquiet was evident with the government's encouragement of Japanese real estate investment in Vanuatu. During 1990 the Japanese development company Narita Golf added Efate's White Sands Country Club to its Bali Hai Tourism Development Plan, which includes Iririki Island Resort, Fisherman's Wharf, and Club Hippique. White Sands will be redeveloped into a world-class eighteen-hole facility, likely to appeal to Japanese tourists. In July a party of Japanese investors arrived in Vila on a direct flight from Nagoya as guests of the Vanuatu government for the tenth anniversary celebrations. Some ni-Vanuatu feared that the visit might foreshadow further large-scale tourist development and direct access to Vanuatu for Japanese tourists. The fear is that political independence will never be matched by economic independence.

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