Graffiti written during the Abepura riots in support of Kelly Kwalik were widely reported by the media.

The same general discontent over jobs and other opportunities for Irianese that underlay both the Timika and Abepura riots surfaced again in the northern coastal town of Nabire. Noting that Irianese represented only 15 percent of the province's civil service in the lower ranks and "even less" at higher ranks, Administrative Reform Minister T B Silalahi had announced in April that a further two thousand Irianese would be recruited as civil servants in 1996. When a limited number of appointments were made in Nabire on 2 July, a disappointed crowd of two thousand attacked government offices, the regent's house, and the local jail; there were no fatalities, but thirteen people were wounded, and Suharto himself reprimanded the local authorities for mishandling the situation. One consequence of the riots at Timika, Abepura, and Nabire has been the announcement by General Feisal Tanjung that the Timika area will now become a major regional center for the armed forces, with an airforce base and a permanent army garrison of 1850 troops at Timika, and a new naval base at the adjacent port of Amamapare.

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# New Caledonia

The process of negotiating a "consensual solution" for the future of this French overseas territory took a new turn in 1996, as French Premier Alain Juppé rejected the options of either independence or association and proposed instead "autonomy" with French Polynesia as a model. This apparent abrogation of the Matignon Accords of 1988 (which provided for a referendum on sovereignty in 1998) led to intensified mobilization by proindependence groups and the temporary marginalization of Jacques Lafleur's loyalist *Rassemblement pour* la Calédonie dans la République (RPCR). By year's end, however, they agreed on "sovereignty shared with France."

After the July 1995 provincial elections, and the rise in the Territorial Congress of dissident loyalists such as Didier Leroux, Lafleur had become more conciliatory. In January 1996 his talks with nationalist leaders of the *Front de Libération Nationale Kanak et Socialiste* (FLNKS) produced agreement that control over immigration and mineral and marine resources should devolve from Paris to the local government. Yet the FLNKS continued to demand independence in 1998, whereas Lafleur sought a "thirty-year pact" with no guarantees of separation from France. Meanwhile, the Union Syndicaliste des Travailleurs Kanak et Exploités (USTKE), a multiethnic leftist labor movement that openly supports Kanak independence, organized strikes ranging from the docks to the public broadcasting organization.

In February, French Minister for Overseas Territories Jean-Jacques de Peretti seemed to have agreed with the FLNKS and RPCR to move up the referendum to 1997 and to discuss what degree of sovereignty was feasible and what paths to follow to develop New Caledonia's economy. Then in April, the follow-up committee established by the Matignon Accords met in Paris. Premier Juppé—whose political style has made him unpopular in France (European, 17-23 Oct 1996)shocked the Kanak nationalists by proposing only greater "autonomy." Rock Wamytan of the FLNKS withdrew his delegation from the talks, denounced the perceived breach of the Matignon agreements and reaffirmed his party's call for an "irreversible process leading to an accession of sovereignty," beginning with a temporary sharing of power through some form of association as a transition to full independence (Maclellan and Boengkih 1996, 5). Lafleur, who has pursued a hope that economic development will create more jobs and less discontent, accused the FLNKS of seeking an impasse in order to make more demands later.

In fact, the reference to "association" was a compromise, a couching of "independence" in pragmatic, less confrontational terms. But after the April impasse, the FLNKS replaced its team of negotiators with more radical men

who voiced a desire to discuss decolonization directly with France, without including the RPCR in talks—in effect answering Juppé's extra-Matignon ploy with one of their own. Wamytan threatened to withdraw from the Matignon peace process altogether unless Paris reinstated the possibility of independence. The FLNKS also condemned as "inadequate" the one-anda-half- to five-year sentences handed down by the French-run court for seven loyalists convicted of burglaries and arms-caching with an intent to fight Kanak militants. Memories of intercommunal violence in the 1980s still haunt New Caledonia's political negotiators.

In late June, de Peretti visited Noumea for a week, in response to the FLNKS demand for a special envoy to get the talks back on track. Wamytan urged the minister to help Kanak rediscover their identity after a hundred forty years of French colonialism and said they would never cease their quest for control of their ancestral land. De Peretti met with a variety of groups, including customary chiefs, and left on an optimistic note in early July, saying the talks would resume. He had apparently reached confidential agreements with the FLNKS, and shortly after his return to Paris he announced that France would indeed discuss the future of the territory directly with the nationalists. "We were surprised by this attitude," Wamytan said, "because it's a right wing in France that has accepted having bilateral discussions" (RAN, 9 July 96). The FLNKS also objected to Yves Cabana as French interministerial delegate to New Caledonia, because he had previously represented the RPCR in

negotiations, and in October he resigned.

On the international front, FLNKS leaders pressed the United Nations Decolonization Committee to mediate and even to observe the 1998 referendum. Lafleur predicted that tripartite negotiations (FLNKS-Paris-RPCR) would resume out of necessity and argued that they were an "internal matter" for France, not the concern of the United Nations. Prime Minister Maxime Carlot Korman of Vanuatu visited New Caledonia to speak with leaders ranging from French High Commissioner Dominique Bur to Wamytan, but he insisted that his country would not become involved in the issue of Kanak independence. In contrast, Foreign Affairs Minister Kilroy Genia of Papua New Guinea told the Decolonization Committee that the Melanesian Spearhead was very concerned about the plight of Kanak and called for France to respect their right to choose independence.

Discussions about New Caledonia's social and economic future continued as well. The territory is still mostly dependent on nickel mining, which provides 90 percent of its export earnings, and on hundreds of millions of dollars in annual French aid. Plans by the local development bureau rely on a massive expansion of the nickel industry to create most of the ten thousand new jobs hoped for-tourism, fishing, cattle raising, and a host of smaller projects would account for a much smaller proportion (IB, April 1996, 22-24). Ethnologist Alban Bensa, who has worked among Kanak for twenty years, criticized the FLNKS emphasis on

the mining industry, tourism, and administrative employment, at the expense of agriculture or other alternatives, as the late Jean-Marie Tjibaou's "rural" approach would have promoted. Pointing out the educational handicaps faced by most Kanak, Bensa complained that many young Kanak have false hopes that independence will bring them sudden economic success (MD, Feb 96, 7). Leroux, head of the dissident loyalist party Une Nouvelle Calédonie pour Tous (UNCPT), warned that massive investments in the Kanak-dominated Northern and Islands Provinces have built up infrastructure but done little to help the poor: "more than independence, we should fear a social explosion" (Maclellan and Boengkih 1996, 11).

Even the pro-independence Protestant Church has criticized FLNKS leaders for becoming a new Kanak "petty bourgeoisie," now that they have moved into positions of power in the provincial governments and Congress. Among the rural and urban poor (notably in the growing squatter slums around Noumea), drug abuse, teenage suicides, and domestic violence are on the increase, along with growing dependence on imported foods. In November, Aloisio Sako, president of the Wallisian-dominated Rassemblement Démocratique Océanien (RDO), expressed the needs of the immigrant minority he represents in Congress by asking for more access to jobs, housing, and education. The RDO is an ally of the FLNKS and the USTKE and supports association in 1998 and ultimate independence, but Sako called for the emergence of a multiethnic "Caledonian culture" with equal rights for all.

The Union Calédonienne (UC) and Union Progressiste Mélanésienne (UPM) held their annual congresses in November, replacing their previous presidents with men perceived as more supportive of speeding up decolonization. François Burcke, well known for his gradualist stance, did not even attend the UC meetings, saying, "Wanting to move quickly is wanting to ruin everything instead of seeing the future with serenity" (RAN, 7 Nov 1996). Bernard Lepeu replaced him as UC president and declared, "Yesterday we wanted Kanak Socialist Independence; we have accepted a compromise in being content with a state associated with France that concerns all the inhabitants of New Caledonia." But he warned that Kanak paramountcy as the indigenous people of the country cannot be made subordinate to the rights accorded by Matignon to "fellow victims of history" brought in by colonization: "I cannot find my legitimacy in the concept of internal autonomy." Victor Tutugoro replaced Edmond Nekiriai as head of the UPM and argued that only the methods of achieving sovereignty were open to question: "Independence is not negotiable, because it is a right" (RAN, 11 Nov 1996). The Parti de Libération Kanak (PALIKA), which broke from the UC during the 1995 elections, affirmed at its congress that the FLNKS needed to speak with one voice. Raphael Mapou said the 1998 vote was essential to win, so that the project of independence would begin the very next day.

The USTKE sees itself as the socioeconomic vanguard of a self-governing Kanaky, and in cooperation with the FLNKS it has been stepping up the pressure on France. The USTKE wants local control over natural resources and has protested annually against unlimited immigration, which threatens the local inhabitants' jobs. In May, the FLNKS government in the Northern Province announced that Falconbridge, a Canadian firm, would help the Société Minérale Sud Pacifique (SMSP, purchased, ironically, from Lafleur in 1990) develop a new nickel-processing plant by 2002. This pact was quite a coup, considering the general economic slowdown that has resulted from investor trepidations over the territory's uncertain future. But the Société le Nickel (SLN, majority owned by the French state), refused to allow the SMSP access to the Tiébaghi ore vein on northwest Grande Terre (the main island). Consequently, in late October the USTKE and FLNKS together called a twenty-four-hour strike that shut down 14 of the territory's 17 mines. The FLNKS declared the blockage a part of its overall negotiating process with France.

What emerged was a clash of visions over the future geography of development. The FLNKS plan would develop not only a mine at Tiébaghi but also at nearby Koumac a port, airport, and urban center to offset the concentration of population and economic activity around Noumea in the south. Paul Néaoutyine, former president of the FLNKS and chief negotiator for the Northern Province, described the plans for Koumac-Tiébaghi as carefully thought out, to redress old imbalances. In mid-November, the SLN proposed a compromise, to give the SMSP Koniambo instead, in the centerwest, in exchange for Poum, on the

extreme northwest tip of Grande Terre. Raphael Pidjot commented that economically the Koniambo site would have many advantages, but its centerwest location would undermine the FLNKS plan to move population and industry toward the northwest and effect a wider dispersal away from Noumea.

As this tug-of-war continued, Bernard Lepeu of the UC revealed that the FLNKS hoped eventually to move the territorial capital itself out of Noumea to Koné-Pouembout, halfway up the west coast and within the borders of the Northern Province, thus creating three nodes of urban development, not just two (and undermining, over time, the political-economic power base of the RPCR in the South). Néaoutyine said the SLN offer had its appeal, because Koniambo is right next to Koné-Pouembout, where a costly new cross-island road to the northeast coast is being built, but the FLNKS still preferred to purchase Tiébaghi and develop Koumac. By December, however, the FLNKS had agreed to the exchange of Poum for Koniambo (RAN, Nov–Dec 1996). All this maneuvering coincides with an 11 percent rise in the world price of nickel, due to reduced flows of cheap Russian ores and a demand for stainless steel in Asia. Inco, Falconbridge's chief Canadian rival, and an Australian firm are also looking into opening new sites in New Caledonia, which is the third largest nickel exporter in the world after Russia and Canada. Both nationalists and loyalists hope mining development in the North will create more jobs, even though the local high grade ore also contains asbestos, which has caused

lung cancer among employees (*PIM*, Nov 1996, 23–24). In December, elections were also held for a revived Chamber of Agriculture, which will promote exports to France.

Because of its mining industry, New Caledonia is one of the most industrialized countries in the South Pacific, and the USTKE network of twelve labor federations keeps growing in power. Its economic activism lends significant clout to FLNKS demands for self-government and local development. For example, it shut down the docks for two weeks in July (after already striking for four days in January) and voiced opposition to selling nickel to foreign interests. It also bolstered the October mine shutdown with a general strike. The USTKE has never avoided confrontation with authorities or with political opponents. In August, its blockade of provincial government offices on Lifou led to a violent clash with anti-FLNKS attackers wielding axes and iron bars, in which seven people were injured. In September, police arrested USTKE pickets for blocking access to a Ballande store. The next month, the union won its case in court by having five employees reinstated, though Ballande managed to render that decision moot by delegitimizing the tribunal. Riot police also clashed with USTKE protesters at the Tomo nickel mine; three people were injured and those arrested were charged with "armed" interference with police. In December, the USTKE attempted to open a new shipping line from Noumea to Port Vila in Vanuatu via the Loyalty Islands.

Leroux has said that France needs to acknowledge "the colonial act" and

redress social injustices, including the local economic monopolism of Lafleur and his RPCR allies. His party voiced support for increasing devolution of powers to local authorities, and has received some support from the FLNKS to be included in negotiations with France. In September, Berger Kawa's National Council for the Rights of Indigenous People commemorated at Bourail the French colonial takeover of 1853 and reiterated the linkage between the recovery of Kanak lands and national independence. Recent public trials of French and Caldoche (local European) officials for financial corruption have tended to undermine accusations by loyalists that a sovereign Kanak-run regime would only replicate the "stealing" that reportedly goes on in some other Oceanian countries. Moreover, massive French aid and the inflated "hardship" salaries paid to metropolitan officials (from Paris) contribute to a very high cost of living in Noumea.

A vote on full sovereignty would be unlikely to attract a majority at the moment. Nekiriai has estimated that only 37 percent of New Caledonians (ie, 80 percent of Kanak) favor complete independence. But Kanak, now only 45 percent of the total population, are expected to become a demographic majority in about twenty years (MD, Feb 1996, 7). On 28 December, in a vote on the budget of the Territorial Congress, the FLNKS and RPCR agreed on "sovereignty shared with France," a process of change to begin in 1998 that, in the words of the RPCR's Pierre Frogier, will affirm the special identity of New Caledonia while respecting the "proper competencies" of the (French) state. Frogier emphasized the "stability" that would result from such a course, that is, a potential boom in outside investment. The struggle for "Kanaky," as opposed to quasi-colonial dependency on France, continues, as the team of FLNKS-USTKE bargains aggressively to win concessions from both Paris and the RPCR about steps toward sovereignty (including disempowering Noumea).

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# PAPUA NEW GUINEA

This was a frustrating year for Prime Minister Sir Julius Chan, who hoped to make progress in some key areas and boost his standing in the run-up to the 1997 general elections. Developments in the mining and oil sectors kept the economy buoyant, but the government continued to struggle with the World Bank over policy reform issues. Tragically, Chan's hopes for a timely resolution of the Bougainville