

Melanesia in Review: Issues and Events, 1989

Fiji

The year began with a pledge by Interim Prime Minister Ratu Sir Kamisese Mara that a new constitution "acceptable to the majority of the people" would be promulgated before his government's term expired on 5 December. The Constitutional Inquiry and Advisory Committee, appointed by cabinet in October 1988, continued its public hearings on the so-called draft constitution in the first half of the year, receiving a total of 209 submissions. This opportunity to comment publicly on the draft constitution served as a catalyst for political mobilization at all levels of society.

The strong opposition voiced by the National Federation Party/Labour coalition and by many Indian organizations was expected, since the draft constitution was designed to formally discriminate against the Indo-Fijian population. But the criticisms of a much wider cross-section of the public (including ethnic Fijians) must have concerned the government. There was clearly no consensus on the constitution, even among the traditionally conservative Fijian provincial councils, some of which argued that it did not go far enough to protect Fijian interests.

Two issues were of particular significance in undermining Fijian unity, or perhaps more accurately, exposing the myth of Fijian unity. The first concerned the proposed "rights and representation" of Fijians from western Viti Levu (Fiji's largest island). Building on a long history of grievances stemming

from the domination of Fijian politics by eastern chiefs, western leaders declared the creation of a fourth (western) confederacy, the *Yasayasa Vakara*. This challenged the chiefly status quo, which was built on three confederacies. However, western Fijians were not united over the issue. A group closely aligned to the deposed coalition government and its leader, Dr Timoci Bavadra, was strongly critical of the draft constitution's provisions for western Fiji. Other advocates of the fourth confederacy supported the interim government and, with few reservations, the draft constitution.

This issue presented the interim government with a dilemma. If the Council of Chiefs was called into session to discuss the confederacy proposal, the constitution could also be discussed. But this raised the question of whether the council should be convened as three confederacies or four. (A restructuring of the council in 1987 meant that representation at council meetings was now based on confederacies.) The interim government chose to shelve the issue to avoid a possible major confrontation between supporters and opponents of the fourth confederacy. Since the Council of Chiefs was to be the final arbiter of the new constitution, this decision also served to delay any action on the draft constitution.

The second divisive issue centered on the role of Christian religion in the proposed new political system. The commitment to the "teachings of the Lord Jesus Christ" in the preamble of the draft constitution reflected the

wishes of Methodist fundamentalists, who wield influence in the army and in the Fijian (*tauvei*) nationalist movement. The interim government had also supported fundamentalist sentiment by adopting a Sunday Observance Decree that banned all public activity and work on Sunday. Pressures on the government to relax the decree had led to some lifting of restrictions in late 1988, a move bitterly opposed by some Methodist leaders.

The rift within the Methodist church, between militant fundamentalists and a more moderate faction, deepened in January when General Secretary Manasa Lasaro was dismissed for organizing roadblocks to protest the relaxation of the Sunday Observance Decree. But in February, the militant faction instigated a "palace coup," replacing president Josateki Koroi with hardliner Isireli Caucau, suspending the church constitution, and installing a new governing council. Lasaro was reinstated as general secretary. Attempts by the interim government to heal the rift failed, and Koroi won a court order supporting his position as president. Lasaro was convicted of contempt of court for ignoring the court order, and in May received a three-month suspended jail sentence.

Largely to reassure cane farmers, the government suspended most of the provisions of the Sunday Observance Decree on 30 May, although bans on trading and organized sport remained in force. The decision fueled the fires of Methodist fundamentalism, or perhaps more accurately, the power struggle within the church. Despite their suspended jail sentences, Lasaro and his followers began a roadblock campaign

in the northern town of Labasa that was designed to disrupt the transport of cane on Sundays. Fifty-seven militants were arrested and jailed for up to six months in late July.

In early August General Rabuka authorized the release of all the jailed militants under Compulsory Supervision Orders. This dramatic intervention not only signaled Rabuka's defiance of Ratu Mara and government policy, and his own collaboration with the Methodist militants, but also challenged the integrity of the legal process. The expected showdown with Ratu Mara was averted as the interim government turned its attention to the report of the Constitutional Inquiry and Advisory Committee, which was presented to the president at the end of August, and to the visit by French Prime Minister Michel Rocard in the same month.

Although the committee's report was not publicly released until 20 September, its contents were known well before then. It recommended some changes to "controversial" provisions in the draft constitution. These included removing the army commander from government, diluting the reference to religion in the preamble, and checking the power of the executive on the issue of citizenship. But the committee reaffirmed the "inevitable disparity" of Fijian and Indian political representation and recommended only marginal changes to the distribution of seats in parliament. The communal electoral system would remain the only form of voting. In an apparent concession to the calls for greater "protection" of Fijian interests and greater powers for the Fijian chiefs, the report recom-

mended a second chamber of parliament, to be called the Senate of Chiefs. This would comprise nominees of the Council of Chiefs and have power of veto over laws affecting Fijian land and customary rights. In addition, the committee recommended the creation of a twelve-member President's Advisory Council comprising heads of the Confederacies, former heads of state, and other "distinguished citizens."

Predictably, reaction to the report was mixed. Cautious voices advocated support on the grounds that it was the best that could be hoped for. Coalition leaders, and later a constitutional summit of Indo-Fijians, rejected the recommendations, as they had rejected the draft constitution, for entrenching racial discrimination and denying equal rights to a majority of the citizens of Fiji.

Meanwhile, concern that the army might take matters into its own hands mounted when a report that had been presented to the prime minister and president in May was leaked to the press in late September. This detailed analysis of Fiji's problems, by a group of army officers led by General Rabuka, recommended that a new interim government succeed the existing one; elections be postponed for up to fifteen years; the army commander be given more executive authority; government be restructured based on the Fijian administration and customary law; a state religion be imposed; the trade unions be suspended; land tenure law be revised to favor landlords rather than tenants; and that foreign policy be reoriented toward Southeast Asia, the United States, and France, and away from the British

Commonwealth. In the event, both Ratu Mara and General Rabuka indicated their support for the report of the Constitutional Inquiry and Advisory Committee, but not what they would do with it.

On 29 September, Ratu Mara ended many months of speculation by declaring his intention to stay in office for up to two more years, at which time a new constitution would be put in place and elections held. This suggested that a constitution would not be promulgated for at least a year. Ratu Mara's decision to postpone his retirement was contingent on General Rabuka and the other military officers in government choosing between politics and the army. Within a week, Rabuka stated his intention to resign as minister for home affairs and return to the barracks.

The prospect of a continuation of the political status quo was welcomed by the business community, which had clearly been favored by the economic policies of the interim government. Wage restrictions remained in place while the government continued to withhold recognition of the Fiji Trades Union Congress and encourage racially based splinter unions. Privatization of statutory bodies was promoted and deregulation of the manufacturing sector mooted. Tax-free factories flourished. The economy was expected to grow by 3.7 percent in 1990.

However, discontent with the prospect of a continuation of Mara's rule was apparent in other quarters. The coalition voiced its suspicion that Ratu Mara had no intention of relinquishing power, noting his refusal to engage in a dialogue with them regarding the con-

stitution and possible power sharing. Far more troubling was the response of extremists within the Methodist church and Fijian nationalist movement.

Opposed to both Ratu Mara and the Constitutional Inquiry and Advisory Committee recommendations, these extremists favored "solutions" similar to those proposed by the army officers in May. Their radicalism was demonstrated on 15 October when a Muslim mosque and three Hindu temples were gutted by firebombs in the western city of Lautoka. These attacks were part of a nation-wide campaign aimed ostensibly at opposing the relaxation of the Sunday Observance Decree, but more generally at undermining the interim government and perhaps at precipitating military intervention.

To the Indo-Fijian population, the Lautoka firebombings were violations of immeasurable proportion. Communal unity was forged. Shops, businesses, and schools closed to demonstrate mourning and solidarity. University students stayed away from classes. Celebrations marking the Hindu festival of light, *Diwali*, were canceled. However, calm was maintained and the feared spiral of violence failed to materialize. Instead the country was plunged into a different kind of mourning by the death from cancer of coalition leader, Dr Timoci Bavadra, on 3 November.

No single event since the coup has had such a momentous impact. Dr Bavadra's funeral at the chiefly village of Viseisei was witnessed by one of the largest gatherings in Fiji's history. Up to sixty thousand people attended or tried to attend. The event was testament to the strength of support for Dr

Bavadra as well as the cause with which he was identified.

The loss of Dr Bavadra's leadership was regarded as a major challenge and setback for the coalition. However, within weeks Adi Kuini Bavadra, Dr Bavadra's widow and a high chief, was named the movement's new leader. This bold and astute move promised to retain the coalition's multiracial following and the loyalty that Dr Bavadra had inspired.

If members of the interim government felt uncomfortable having to respect and accommodate the mourning of the deposed prime minister it was not evident. Both the president and the interim prime minister were overseas at the time. The army was spared the embarrassing task of giving a state funeral to the prime minister it deposed when Dr Bavadra's family and elders refused the cabinet's reluctant offer.

The state funeral of the former governor general and *Vunivalu* (paramount chief of Fiji), Ratu Sir George Cakobau, preoccupied the army and the government as the year drew to a close. There were few murmurs of surprise when the interim government's term was extended another month (to 5 January 1990) in deference to the passing of the *Vunivalu*. Indeed, some would recognize the move as the familiar political tactic of buying time.

SANDRA TARTE

NEW CALEDONIA

At the beginning of 1989 New Caledonia was more peaceful than it had been for many months. The Matignon

Accord, that had brought the pro-independence coalition, the *Front de Libération Nationale Kanake et Socialiste* (FLNKS), and the "loyalist" *Rassemblement pour la Calédonie dans la République* (RPCR) toward a tentative agreement, had been signed and approved in a national referendum; overt violence was no longer apparent; new financial benefits were trickling into the territory; and high world nickel prices had rejuvenated the mining industry after years of depression. Both the FLNKS and the RPCR sought to gain Melanesian support through greater economic development in rural areas.

Inside New Caledonia, however, the stability was uncertain as there was dissidence within the FLNKS, notably from Yann-Célène Uregei's *Front Uni de Libération Kanake* (FULK), and from the more radical *Parti de Libération Kanake* (PALIKA). The loyalist side was also under some pressure from the right-wing *Front National*, which had experienced renewed support in 1988. Early in the year the FLNKS strongly criticized the French government's revision of the electoral rolls, and objected to the restricted roll being used only for the 1998 referendum on independence, and not for intervening elections. Outside New Caledonia there was strong support for the Matignon Accord. Vanuatu conceded that France had a role to play in the region. Both Vanuatu and Australia drew closer to France, and France increased its aid to the region, especially to Fiji. Forty-seven Kanak militants were released from jail, and New Caledonia entered a period of convalescence.

In the March municipal elections

there was increased support for the pro-independence parties and a setback for RPCR leader Jacques Lafleur in Dumbea. The turnout was just under 70 percent, rather higher than the 63 percent for the previous year's referendum on the Matignon Accord. The FLNKS improved on its performance in the 1983 elections, winning twenty of the thirty-two municipalities. Although the largest party in the FLNKS coalition, Jean-Marie Tjibaou's *Union Calédonienne* (UC), claimed about 53 percent of the pro-independence votes, it appeared to have lost ground to PALIKA, which emerged as the second largest party in the FLNKS. The FULK scored poorly except in the Loyalty Islands. The RPCR lost its monopoly in Noumea, with UC gaining a seat and three right-wing parties gaining seven seats (PR, 16 March 1989). Dissident Wallisians and Futunans, who had usually supported the RPCR, ran their own candidates and did well in Paita. In the east-coast towns of Poindimie and Ponerihouen there were violent disputes between different parties within the FLNKS over the outcome of the elections.

The prevailing mood of cautious optimism was rudely shattered by the murder of the president and vice-president of the FLNKS, Jean-Marie Tjibaou and Yeiwene Yeiwene, on 4 May 1989 in Ouvea. They had gone to Ouvea for a custom ceremony to mark the end of one year's mourning for the victims of the Ouvea violence. The two were shot by Djoubelli Wea, a local pro-independence leader, previously a member of FULK and PALIKA, who was unhappy with the signing of the Matignon Accord and concerned that indepen-

dence had effectively been postponed indefinitely. He was shot and killed by Tjibaou's bodyguards.

The assassinations struck the political movement a grievous blow. In New Caledonia, as elsewhere in Melanesia, politics is very much about personalities. The Melanesian leader who absolutely dominated New Caledonia politics throughout the turbulent 1980s was Jean-Marie Tjibaou. Even the deputy leader of FLNKS, Yeiwene Yeiwene, was largely unknown outside New Caledonia. Tjibaou was also leader of the UC, the longest established political party in New Caledonia, and the only party with support throughout the territory. Perhaps two-thirds of all pro-independence Kanaks are members. Throughout the five-year existence of the FLNKS, and even when the stage seemed set for an independent Kanaky, there were regional and other divisions within the coalition. Tjibaou was able to cope with dissent and division and forged a united front on most of the issues that were crucial to achieving the timetable for independence.

Tjibaou was born in 1934 in the Tiendanite valley, inland from Hienghene, where he later became mayor. He went to a Catholic school at Canala, studied sociology at the Sorbonne, and attended a seminary in Paita. After a decade he dropped out of the priesthood, married Marie-Claude Wetta, and became leader of the *Union Calédonienne* in 1977. He was briefly vice-president of the Territorial Assembly in 1982. Yeiwene was born in 1945 in Mare. He became a member of the Territorial Assembly in 1977, was the deputy leader of the UC, one-time chairman of the Loyalty Islands region,

and chairman of the domestic airline, *Air Calédonie*.

Both the UC and the FLNKS faced the challenge of finding new leaders, and particularly of uniting the FLNKS for the long and difficult road to independence. It proved to be an arduous task for a coalition that had for too long assumed that Tjibaou would always be there. By the end of 1989 no decision had been made regarding the FLNKS leader. The FULK was further marginalized when it failed to condemn the murders. There was dissent on when a congress should be held, and strong views that the leadership of the FLNKS should come from a party other than the UC. The always hesitant unity of the FLNKS was severely threatened, as it had previously been by the Matignon Accord, the municipal elections, and the frustration of waging a long and bitter struggle with so little reward. Leadership is likely to impose severe burdens; few of the potential candidates have the stature of Tjibaou, are known to be as moderate, and appear to be capable of achieving consistent unity.

Two weeks after the murders the executive of the UC chose as its new leader François Burck, the last survivor of the group that in 1977 had led the UC to demand independence. The others, Tjibaou, Eloi Machoro, and Pierre Declercq, have all died in tragic circumstances. Burck was born in Noumea in 1939, the son of a part-Melanesian father and a European mother, thus claiming "Kanak roots and European branches" (*Le Monde*, 22 May 1989). Like his close friend Tjibaou, he was a former Catholic priest, and he promised to continue the poli-

cies of Tjibaou and Yeiwene. But by stressing that he sought "independence for everyone," he distanced himself from the "Kanak independence" that had previously been demanded.

New provincial elections were held in June. Again nearly 70 percent of the electorate took part in the poll, which predictably gave the RPCR an absolute majority in the South (based on Noumea), and the FLNKS equally convincing majorities in the North and the Loyalty Islands. However, most of the provincial seats were allocated to UC members, especially in the Loyalty Islands, thus alienating members of other parties in the FLNKS, principally PALIKA. The presidents of the North and Loyalty Islands, Léopold Jorédie and Richard Kaloi, are both from the UC. With control of 27 of the 54 seats, the RPCR just failed to get an absolute majority in the territorial congress. The FULK opposed the elections, but a promised active boycott failed to materialize. The hard-line *Front National*, which had opposed the Matignon Accord, won three seats in the South; two other seats were won by the extreme right wing *Calédonie Demain*. Center parties had no impact, although a new party, *Union Océanienne*, representing Wallis and Futuna Islanders, won two seats in the South, indicating support for their view that migrants had been ignored in the Matignon Accord.

The annual conference of the *Union des Syndicats des Travailleurs et Kanaks Exploités* (USTKE) decided by an overwhelming majority to leave the FLNKS coalition, partly out of disappointment with the Matignon Accord, but primarily in order to focus on

industrial and employment issues.

Since the *Group des Femmes Kanakes Exploitées en Lutte* (GFKEL) is no longer active, and *Libération Kanake Socialiste* (LKS) remains outside the coalition, the FLNKS is now composed of UC, PALIKA, and the relatively small *Union Progressiste Mélanésienne* (UPM) and *Parti Socialiste de Kanaky* (PSK). The FULK also remains a member, despite talk of expulsion because of its opposition to the Accord.

On the economic front, nickel mining expanded substantially as prices remained at their highest levels for a decade, and the New Caledonian Congress introduced new fiscal measures to encourage the industry. Tourism continued the revival that began in 1988, but numbers were still well below the record levels of 1984. A large new hotel opened at Ouémo (Noumea), and other smaller hotels were completed in Poe (Bourail), and in the Loyalty Islands. Under the provisions of the Matignon Accord there was progress toward setting up a port city at Nepoui in the north, and expanding employment and training in rural areas. One of the most surprising economic events was the purchase of the *Banque d'Indosuez* in both French Polynesia and New Caledonia by the Australian bank Westpac. This expanded Westpac's banking interests in the Pacific substantially, and made it the first foreign bank in New Caledonia. There were other facets of economic change. An increase in overt unemployment, especially among young urban Melanesians and Polynesians, was attributed to "galloping demography and an inadequate job market" and resulted in a significant increase in juvenile delin-

quency and urban violence. The 1989 census revealed that the population had grown to 164,000, with Melane-sians representing 45 percent of the total. There was little progress on land reform, despite repeated promises.

The year drew to a close with the pardoning of 26 Kanaks jailed after the murder of four gendarmes in April 1988, the incident that had precipitated the Ouvea violence. Although opposed by the right wing, the amnesty indicated the further distancing of New Caledonia from the violence of the immediate past. The year ended as peacefully as it had begun. But it had added one more violent chapter to the recent history of New Caledonia, and witnessed what appeared to be the declining fortunes of the FLNKS, despite its continued electoral support.

JOHN CONNELL

PAPUA NEW GUINEA

This was Papua New Guinea's most difficult year since independence in 1975. On Bougainville Island more than fifty people died and many more were injured in clashes between security forces and militant landowners near the giant Panguna copper and gold mine, and in outbursts of ethnic violence between Bougainvilleans and migrants from other provinces. The forced closure of the mine in May 1989 had serious economic consequences, especially for government revenues and the country's balance of payments. More important, however, were the political and social implications of the Bougainville crisis. The national government was unable to negotiate or

impose a solution, while the undisciplined behavior of its security forces served to exacerbate existing ethnic and separatist tensions.

Growing dissatisfaction with Bougainville Copper Limited's response to certain long-standing grievances had led some landowners to adopt militant tactics in late 1988. The initial campaign of bombing and arson directed against company property was orchestrated by a group of landowners, led by a former mine employee, Francis Ona, who had become disenchanted with the leadership and approach of their representative body, the Panguna Landowners Association. However, Ona's group, associated with the so-called new Panguna Landowners Association, and based in Nasioi villages close to the mine, was not the only one active in 1989. Acts of violence were also committed by individuals and groups in broad sympathy with Ona's anticcompany and secessionist sentiments, but pursuing their own particular agendas (May 1989, 23-25). Most of the action, which included the toppling of power pylons and shooting at traffic on the Port-Mine Access Road, was designed to put the mine out of production.

While some landowners, notably the officers of the trust fund set up in 1980 to invest compensation payments on behalf of landowners, the Road Mining Tailings Leases Trust (RMTL), were prepared to negotiate a settlement, Ona's group was still sticking to its original demands at the end of the year. These included 50 percent of the total revenues generated by the mine since production commenced in 1972, and K10 billion to compensate for envi-

ronmental and social disruption. A call for a referendum on secession for Bougainville was added early in 1989.

Prime Minister Rabbie Namaliu continued throughout the year to press for a negotiated settlement. The culmination of these efforts was the so-called peace package, first announced in late April, that included provisions for the transfer of half of the government's 20 percent share of equity in the mining company to the provincial government and landowners; a greater share of mining royalties to go directly to the landowners; an unconditional annual grant to the provincial government equivalent to 1 percent of the gross value of minerals produced in the province; and a five-year program of support for development projects in the province.

The North Solomons Provincial Government was prepared to accept the offer, despite the recommendations of a provincial select committee that all national government powers, except foreign affairs, defence, and some central banking functions, should be devolved to the province. Some landowner representatives were also prepared to sign the agreement, although one group, led by the secretary of the RTML, Lawrence Daveona, floated a "counter-proposal" that sought tax concessions for RTML and the free transfer of all of the government's equity in the mine to the landowners. Despite numerous approaches by government representatives and intermediaries, offers of safe-conduct, and ceasefires, Ona's group continued to reject the package out of hand, making negotiations conditional on the withdrawal of all security forces from the province.

During the first half of the year, Namaliu managed to stand firm against regular calls from within and without his government for a "military solution." In March, members of the Papua New Guinea Defence Force were sent in, but to assist police to control extensive rioting sparked by clashes between Bougainvilleans and migrants. There was no determined offensive against the militants until June, when the government ordered security forces to "flush out" Ona and his men, and activated constitutional provisions for a state of emergency. In July, the government announced plans to introduce an internment bill (later withdrawn after protests from students and others), and the first of the four Australian-donated Iroquois helicopters arrived to provide logistical support for the security forces.

Support for a "military solution" increased significantly after the chair of the provincial select committee on the crisis, John Bika, was murdered by masked gunmen on 12 September. Two days later Minister of State and former Defence Commander Ted Diro authorized the security forces to use mines and booby traps to counter further sabotage attempts. By the end of the year, two soldiers had apparently fallen victim to these devices. In October, Colonel Leo Niua, widely regarded as a hardliner, replaced Colonel Lima Dotaona as deputy controller of the state of emergency (Standish 1989, 10). At year's end Ona and his key supporters were still at large. The financial cost of the crisis was already enormous, and no solution was in sight. The state of emergency itself was estimated to have cost more than twelve

million kina. At the end of December, Bougainville Copper Limited finally announced plans to lay off most of its employees and to place the mine on a "care and maintenance" basis. With the mine out of production, Papua New Guinea was deprived of 19 percent of its government revenue, 30 percent of its exports by value, and some K200 million per year in foreign exchange earnings.

Other costs were harder to quantify, but equally important. Nearly four thousand villagers had been evacuated from troubled areas and were living in 19 "care centers" in and around Arawa. Many non-Bougainvilleans had left the province. There was a growing sense of outrage among Bougainvilleans at the conduct of the security forces, especially the police. Some sixteen hundred dwellings had been destroyed in raids on villages suspected of harboring militants. Provincial premier Joseph Kabui and one of his ministers, Michael Laimo, had been beaten by riot police in July, with Laimo losing an eye as a result. In April 1989, the widely respected human rights group, Amnesty International, began documenting cases of ill-treatment, torture, and unlawful killing at the hands of the security forces. By December they had launched a letter-writing campaign citing three particular cases of abuse, and aimed at the prime minister and his minister for justice (*TPNG*, 14 Dec 1989).

There were other examples of ill discipline in the ranks of the police and the army during 1989. On 8 February soldiers marched on parliament, smashing windows and damaging property along the way, to protest the

size of their long-awaited pay increase. As a result of this incident, Defence Force Commander Rochus Lokinap and the department secretary, Steven Mokis, were suspended but subsequently reinstated at the recommendation of a Defence Force Board of Inquiry (*PR*, 12 Oct 1989). In March, police demonstrated at the house of Provincial Affairs Minister John Momis after he called for the dismissal of the police commander in Bougainville, Paul Tohian. Then in June, police shot dead a student on the campus of the University of Technology in Lae and were accused of committing criminal acts on the Waigani campus of the University of Papua New Guinea by Vice-Chancellor John Lynch.

Security forces were called on to deal with riots in Port Moresby, Lae, Hagen, and Wabag during 1989. Two people died in Port Moresby in March as a "peace march" to protest the killing of a youth leader and his wife, supposedly by migrants from another area, turned violent. In July, riots broke out in Hagen and Wabag after the shooting death of Communication Minister Malipu Balakau, allegedly at the hands of supporters of rival Highlands politician, Paul Torato. Early in September, a curfew was imposed in Lae after two days of violence followed the shooting of a policeman and one of his relatives. The Morobe Provincial Government, already under scrutiny for gross mismanagement of public funds, was suspended at the same time. The Lae curfew remained in effect at the end of 1989.

Prime Minister Namaliu managed to stave off several attempts to unseat his government during the year. Unde-

tered by an unprecedented public outcry at the prospect of an early change of government, the opposition gave notice of a vote of no confidence in March, naming Paias Wingti as the alternate prime minister. The move gained momentum with the defection of five members of the government, including Pangu Pati stalwart Tony Ila, but was preempted when the government adjourned parliament before a vote could be taken. In the July session of parliament, the threatened vote failed to materialize when opposition estimates indicated that they did not have the necessary support. Yet another attempt to replace Namaliu in November ended in a resounding victory for the government when, after much wheeling and dealing, the opposition withdrew its motion of no confidence at the last minute.

A major disappointment of 1989 was the lack of progress on constitutional reforms designed to reduce the frequency of votes of no confidence. But the Namaliu government did manage to amend parliament's standing orders in November to require a vote of no confidence to go through a committee stage, and to prevent its reintroduction in the same session in which it was withdrawn or defeated.

The Commission of Inquiry into the Forest Industry, under the leadership of Judge Tos Barnett, presented its final report to the prime minister in July. The lengthy report documents widespread corruption and mismanagement in Papua New Guinea's lucrative forest industry. Included in the long list of prominent leaders implicated by the inquiry are former Prime Minister and current Foreign Minister Michael

Somare, and Minister of State Ted Diro. In the first of many anticipated disciplinary actions arising from the work of the commission, the Leadership Tribunal recommended in October the dismissal of Housing Minister Gerard Sigulogo from parliament for corruptly requesting K30,000 from a Malaysian logging contractor (*PR*, 12 Oct 1989).

Despite the on-going Bougainville crisis, and depressed prices for Papua New Guinea's major agricultural exports, the government promoted a very optimistic view of the state of the economy during 1989. Indeed, the 1990 budget provided for a 5 percent increase in public spending, increased the National Development Fund (the "slush fund" for individual members of parliament) by K6.5 million, and set aside half a million kina to purchase a new executive aircraft. This increased expenditure was to be financed by drawing heavily on the minerals stabilization fund, and by a substantial increase in tax revenues and internal borrowings. However, the continued closure of the Bougainville mine makes a major revision of the 1990 budget, and some large cuts in public expenditure, inevitable.

There were some significant developments in the mining sector outside Bougainville during the year. The agreement to develop the giant Porgera gold mine was signed in May, with production expected to commence in 1992. However, this was only after the minister for the environment had been forced to withdraw his demand that the company build a tailings dam, and the Enga provincial premier had modified some of his demands for local par-

ticipation in the venture. The Misima gold mine commenced production in June, some three months ahead of schedule, and construction of the very rich Lihir mine was expected to begin in 1990. Meanwhile, the Ok Tedi copper and gold mine continued to be plagued by mechanical and other problems. The government's decision not to require the company to build a permanent tailings dam was a major blow to environmentalists and villagers concerned about the apparent pollution of the Ok Tedi and Fly rivers.

In foreign affairs, the government opened a new consulate in the Indonesian province of Irian Jaya in September, and announced plans to appoint honorary consuls in Guam, Hawai'i, San Francisco, Hong Kong, and northern Australia. The Soviet Union agreed to establish an embassy in Port Moresby, but no opening date had been announced by the end of the year. Meanwhile, the Peoples Republic of China made known its displeasure at the apparent strengthening of relations between Papua New Guinea and Taiwan.

Papua New Guinea suffered a major loss with the death on the last day of the year of Sir Ignatius Kilage, elected as the country's fourth governor-general in March 1989. A Highlander and former Roman Catholic priest, Sir Ignatius was best known for his ten-year fight against corruption in government as ombudsman. In April 1989, he had made his presence felt by placing a full-page advertisement in the newspapers appealing for the peaceful resolution of the country's many conflicts and urging "breathing space" for the beleaguered Namaliu government (PR,

13 April 1989). It seems unlikely that his wishes will be realized in 1990.

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SOLOMON ISLANDS

Prime Minister Ezekiel Alebua's 1988 speech marking the tenth anniversary of independence raised a number of alarming issues that remained relevant in 1989. Alebua noted that population was increasing at a rate of 3.5 percent per annum, while the rate of economic growth was a mere 1.5 percent. The rate of inflation was estimated to be 20 percent in 1988, and may have been as high as 26 percent in 1989. The three-volume 1987 *Constitutional Review Committee Report*, published in 1988, alleged that the government was out of touch with the people and advocated further decentralization.

The teachers went on strike for a pay increase just weeks prior to the February 1989 general election. Initially said to be illegal (STT, 17 Feb 1989, 1), the strike caused concern nationwide and became an important element in the elections. By February, schools were closed down, teachers had been sacked, and the Alebua care-

taker government was requiring them to reapply if they wanted their jobs back. People's Alliance Party (PAP) leader Solomon Mamaloni blamed the Alebua government for the strike and promised to do something for the teachers if elected to government (SS, 10 Feb 1989, 3). This may have boosted support for PAP at the polls.

More than two hundred fifty candidates, representing six political parties, contested the general election held on 22 February. The result was a major victory for Solomon Mamaloni and the PAP, and a major defeat for the United Party after four years in government. PAP improved considerably on its 1984 total of six seats. It claimed the support of eleven successful official party candidates, and several more who had run as independents. On the other hand, only three of the eight United Party candidates were successful, and eight former ministers in the Alebua government lost their seats (PR, 2 March 1989). Member for West 'Are'are, Andrew Nori's Nationalist Front for Progress won four seats, as did the new Liberal Party led by Bart Ulufa'alu, MP for East Honiara. A Labour Party founded by Joses Tuhanuku, for years general secretary of the Solomon Islands National Union of Workers, won two seats, including his own of Rennell and Bellona.

On 28 March Solomon Mamaloni was elected prime minister by parliament, easily defeating Bart Ulufa'alu by 25 votes to 10 (PR, 30 March 1989). Shortly before his election, Mamaloni, who had been prime minister from 1981 to 1984, stated that he had been "struggling for twelve years to have the numbers for a one-party government."

Although the fourteen members of the cabinet that he announced early in May were all members of PAP, not all had been official PAP candidates in the election. For example, the former governor-general, Sir Baddeley Devesi, who became minister for foreign affairs, had run as an independent; the new deputy prime minister, Danny Philip, had run as a member of the Liberal Party, and the new minister for transport, works, and utilities, Michael Maena, had stood for the Nationalist Front for Progress. Nevertheless, Mamaloni could claim with some accuracy that "the policies and plans of the Alliance Party can now be carried out effectively" (SS, 10 March 1989, 2).

Attorney General Frank Kabui was PAP's choice for speaker of parliament, but his nomination was opposed by the ambassador to the United Nations and the United States and former secretary to cabinet, Francis Saemala, on the grounds that he had not resigned from the public service as required by the constitution. As a result, Waeta Ben, MP for Northeast Guadalcanal, was formally elected to the post (SS, 17 March 1989, 1). The by-election resulting from Kabui's departure was won by PAP candidate and senior official in the labour department, Hilda Kari. She became the first woman elected to parliament, and only the second involved in national politics since the late Lily Oгатina Poznanski was appointed to the Legislative Council in the 1960s.

Between March and April 1989, the Mamaloni government began to emphasize the weaknesses of the outgoing government. According to Mamaloni, "the whole government establishment is untidy, disgraceful,

and has lost the sense of proper direction" (SS, 14 April 1989, 1). Since independence, he claimed, certain government ministries had grown too fat and complex, while others were too thin; officials at all levels were no longer sure where their priorities should be; and the uncontrolled influx of foreign expertise and sophisticated equipment into the public service had promoted chaos rather than stability. To increase government efficiency, he announced the formation of a new ministry of housing and government services, to be headed by the MP for North Choiseul, Allan Qurusu, and staffed by officers of "the highest calibre" (SS, 14 April 1989, 1).

The new government inherited a chaotic financial situation, including a massive foreign debt of SI\$280 million; a Solomon Islands dollar that had declined in value by 25 percent; very high interest rates; a budget deficit of SI\$70 million; a demoralized business sector; and some SI\$5 million in uncollected taxes.

To monitor government spending, a three-man committee was appointed, headed by a member of the Freemasons, Patrick O'Callaghan, with John Loli and Robertson Galo (SS, 5 May 1989, 1; 12 May 1989, 2). They soon discovered that the government was spending SI\$25,000 a day.

To reduce the numbers of foreigners employed in the civil service, the prime minister stated that Freemasons should have their employment terminated (despite the fact that one of their members chaired the committee on government spending), and bilateral aid should be temporarily halted (SS, 14 April 1989, 6). This caused some con-

cern even among politicians, but was justified in terms of a general policy of trimming national spending and reducing dependence on foreign expertise (SS, 5 May 1989, 1).

To increase government revenues, government agencies were encouraged to collect monies already owed, and to identify other sources of income. Uncollected revenues for the period 1985-1987 were estimated to be SI\$36.14 million, while overspending by some ministries for the same period amounted to some SI\$80.48 million. An act to impose surcharges on public officers came into force in the third week of August. Minister for Finance Christopher Abe stated that the act would "enable the Government to penalize public officers who fail to carry out their duties, are guilty of negligence, damage government properties, . . . are responsible for financial losses, fail to obey orders, or misuse government property" (SS, 18 Aug 1989, 1).

The new Ministry of Housing and Government Services started investigating more than six hundred companies to ensure that their taxes were in order (SS, 2 July 1989, 1). A total of SI\$2,670,000 in missing funds was written off by means of Appropriation Bill (No. 3), which went through parliament in "less than seven minutes" (SS, 11 Aug 1989, 2). The government also announced plans to sell Solrice, the National Fisheries Development Corporation, and the Mendaña Hotel, to private enterprises. Kitano Company of Japan later bought an 80 percent share of the Mendaña Hotel, which was worth SI\$6.5 million (SS, 17 Nov 1989, 2).

A joint venture between the government and the Commonwealth Development Corporation (CDC) to set up a timber plantation and processing company at Kolombangara, Western Province, was signed on 10 January 1989. However, incoming Prime Minister Mamaloni raised some questions about the extent of local participation in the venture later in the year (SS, 5 May 1989, 3). A project aimed at improving smallholder farming was also initiated early in the year with a \$7.5 million grant from the EEC's STABEX fund. Meanwhile, a casino project in Guadalcanal was delayed because of land disputes between the Kindapala and Kakau tribes, who both claim ownership of Poha, west of Honiara (SS, 27 Jan 1989, 1).

In the area of foreign affairs, Solomon Islands signed a border agreement with Papua New Guinea in February, and established diplomatic relations with Israel early in September. The border agreement, which allows people with relatives in areas near the border to cross freely, was temporarily suspended when an official in Bougainville decided that arms could easily be smuggled to militants in Bougainville from the Shortland and Treasury islands. When the decision was challenged by the deputy prime minister, officials in Port Moresby claimed that they had to authorize the change on a temporary basis (SS, 3 Nov 1989, 1).

Solomon Islands strongly supported the movement spearheaded by the Forum Fisheries Agency to ban driftnet fishing in the region, which culminated in the November Wellington Convention. Meanwhile, the Taiyo Fishing Company transferred its canning oper-

ations from the Tulagi area to Noro port, Western Province, where a new wharf had recently been built. The supply of tinned fish was reduced from March until July, when the Noro cannery went into full production.

Some disparaging comments aimed at Malaitans and allegedly written by an individual from Rennell or Bellona sparked off an "ethnic riot" in Honiara in early November. The prime minister agreed to pay the Malaita people SI\$200,000 in compensation to quell the violence. This sum, said to be excessive by the member for North Malaita, Francis Saemala, did not reflect the real wishes of the people of that island, since the violence was probably politically motivated.

The new government indicated that Solomon Islands "may" have free education up to Form 5 in ten years. The selection system from Standard 6 and Form 3 will be abolished, and another three high schools built by 1993 (SS, 15 Sep 1989, 15). In December, however, the country found out that only 30 percent of Standard 6 children will be able to attend either national or provincial high schools. The rest will become "dropouts."

Much of what developed after PAP took over government was forecast by their *Programme of Action 1989-1993*, launched in July 1989. Most noticeable were the government's attempts to revive the economy. But by the end of the year inflation was still rising, and salary increases in the public service helped to pump up the prices of imports. While the prime minister blamed the situation on lack of "political will" (SS, 15 Dec 1989, 1), the minister for finance expressed caution about

the prospects for 1990. The government's success or otherwise in salvaging the economy will be the top story of 1990 (*STT*, 168, 1).

ESAU TUZA

Additional information for this review was supplied by Peter Larmour and Murray Chapman.

ABBREVIATIONS

IB Islands Business

PIM Pacific Islands Monthly

PR Pacific Report

SS Solomon Star

STT Solomon Tok Tok

VANUATU

The year began with the ousting of President Sokomanu from office following a parliamentary vote accusing him of gross misconduct. He was tried and jailed along with the five members of the opposition who took part in his interim government. The six men appealed the decision before the supreme court and were acquitted in April 1989.

Various elections were held during the year. The opposition, a coalition of the *Union des Partis Modérés* and the Melanesian Progressive Party, won the Port Vila municipal contest in February. The position of mayor, currently occupied by Alick Noel, will remain under their control for the next four years. In the regional elections of August 1989, victory was shared about equally between the governing Vanua'aku Pati and the opposition, with the latter showing substantial progress since 1985. The low voter

turnout (averaging 60 percent) and the ambiguity of the results made the outcome of the 1991 legislative elections difficult to predict.

Throughout the year, Prime Minister Walter Lini and the Vanua'aku Pati attempted to consolidate their hold on the republic. President Sokomanu was replaced by Fred Timakata, a high chief and member of parliament for Emae Island in the Shepherds group. Timakata, an ex-Presbyterian church minister and ex-minister for health, was the official Vanua'aku Pati candidate and won the election by 41 votes to 1. In contrast to Sokomanu, Timakata repeatedly emphasized the nonpolitical and ceremonial nature of the presidency and pledged to promote the unity of the nation.

Walter Lini and the Vanua'aku Pati might appear to have emerged stronger than ever from the political events of 1989. However, the young republic is undergoing a deep underlying social transformation which may modify its political makeup profoundly. The long-standing and pernicious rivalry between the so-called francophone and anglophone factions, which has resulted in violent confrontation at times, is on its way out. Events in 1989 served to dispel this legacy of the Anglo-French condominium government, making it appear more and more artificial. During the crisis of 1988–1989, Walter Lini gained the support of various francophones, particularly certain young intellectuals home from their studies in France. Conversely, the traditional opposition, the *Union des Partis Modérés* led by Maxime Carlot, has been reinforced by the creation of Barak Sope's Melanesian Progressive

Party. New alliances are replacing old ones and are increasingly determined by local political issues rather than by external issues, such as relations with the ex-colonial powers. Vanuatu appears to be slowly shedding its inherited neocolonial personality and beginning to define its own political identity.

In this vein, differences over relations with France, including the New Caledonian issue, have ceased to be the main divisive factor in ni-Vanuatu politics. The neutrality observed by French officials during the recent crisis, and the improvement of the political situation in New Caledonia, have undoubtedly prompted this development. Relations with France are becoming a more rational foreign policy issue, rather than a focus of passionate internal division. This is the case despite a major crisis that erupted between the two countries immediately after Jean-Marie Tjibaou's assassination in May 1989. Radio Vanuatu, which misinterpreted a Radio Australia report of the event, accused France of instigating the Kanak leader's murder. This statement, echoed by Hilda Lini, the prime minister's sister, was not reversed until much later.

Minister for Foreign Affairs Donald Kalpokas and Marie Lini, Walter Lini's wife, met with French Prime Minister Michel Rocard while attending Jean-Marie Tjibaou's funeral in Noumea. The ensuing frank dialogue prevented a complete break in relations between the two countries. Following the ni-Vanuatu delegation's return to Port Vila, Radio Vanuatu issued a statement concerning the true circumstances of the assassination. Walter Lini's government later officially

backed the Matignon Accord and called for normalization of relations between the two countries. In exchange, France agreed to send a *chargé d'affaires* to Port Vila. Donald Kalpokas and Secretary for Foreign Affairs Nike Nike Vurobaravu's official visit to Paris in November 1989, at Michel Rocard's invitation, signaled the onset of more relaxed relations.

The happy resolution of this major diplomatic incident helped alleviate political instability within Vanuatu. But the young island state continues to be plagued by political problems. It suffers from a chronic economic crisis associated with the downturn in world prices for copra and the steady increase of unemployment in Port Vila. The resource-rich island of Espiritu Santo has not recovered from its rebellion of a decade ago and has been unable to recapture its role as a spearhead for economic development in the northern islands. Walter Lini has had to make some concessions in attempting to remedy this situation. In February 1989, he met for the first time with representatives of the local private sector, who have been urging such consultations since independence.

The 1989 budget was austere, with stringent cuts affecting education and health. However, the Vanuatu police force, whose loyalty to Walter Lini helped uphold his government in 1988, although it subsequently threatened to go on strike, received an increase of approximately 20 percent over their 1988 allocation. Various ministries were reshuffled in March 1989, with the total number reduced from eleven to ten.

Not all aspects of the economy were

entirely negative during 1989. An Air Vanuatu service was launched with the purchase of a Boeing 727 from Australian Airlines for A\$9.7 million, funded in part by an Australian grant of A\$6 million. An A\$1.5 million campaign to promote tourism filled previously empty hotel rooms. However, tourism's ability to help solve the economic crisis remained to be seen.

Seeking to reduce tensions with neighbors as well as internationally, the Lini government has adopted an increasingly pragmatic foreign policy. This trend was confirmed at the Vanua'aku Pati congress in June 1989, where the need for a policy of "constructive engagement" was stressed. Relations with Australia and New Zealand have recently been marked by goodwill on all sides, reflecting the Lini government's new emphasis on economic issues.

In spite of these efforts, the economic crisis remains severe. While the business circle of Port Vila has hardly suffered, a large proportion of the pop-

ulation has fallen back on a traditional island lifestyle of self-sufficiency based on the consumption of root crops, an alternative rejected by many young people. This has aggravated the gulf between the "bush" (the outer islands) and Port Vila, a situation which the opposition has sought to take advantage of while actively campaigning in the outer islands. Other, older, cultural and geographic tensions existing between various islands, as well as between the north and the south of the archipelago, have re-emerged, further sharpening latent centrifugal tendencies.

Although the events of 1988-1989 resulted in a major defeat for the Carlot-Sope opposition, it has not lost its zeal. The leaders expect to win the 1991 parliamentary elections, provided their parties remain unified. This time they have chosen a legal means of acceding to power.

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