

MERCENARIES, MINES AND MISTAKES

Keith Suter

The South Pacific's longest-running war is the conflict on Bougainville. It began in 1989 and has resulted in the closure of one of the world's largest copper mines. The warring parties have just signed an agreement that offers the best hope yet for an end to the hostilities. Meanwhile, Papua New Guinea has other problems.

BOGAINVILLE has been Papua New Guinea's Vietnam. Of a total population on the island of about 160,000, as many as 10,000 have been killed, as have some 200 Papua New Guinea soldiers and police.

The secessionist campaign is based on two factors. Many people – in so far as their views can be gauged – doubt that their destiny lies with Papua New Guinea – as distinct from being independent or being part of the Solomon Islands. There is also resentment over the exploitation of their island.

Papua New Guinea became independent of Australia on September 16 1975, with Michael (later Sir Michael) Somare as the first prime minister in Port Moresby. Independence came later than to most of the colonies of European powers. The first 22 years of statehood were relatively tranquil compared with many of the British, French or Portuguese colonies. But in March 1997, the PNG Defence Force (PNGDF) entered

politics for the first time by calling for the resignation of the Prime Minister Sir Julius Chan over his handling of the Bougainville rebellion.

THE MERCENARY CRISIS

PNG's biggest political crisis began on 22 February, when it was revealed that the Government, headed by Sir Julius, had hired the London-based Sandline International to provide soldiers to deal with the Bougainville rebels at a cost of US\$36 million.

In March 1996, Chan had stepped up the pace of military operations on Bougainville but the rebels were still strong. It was this frustration that led him to employ mercenaries in the hope of breaking the stalemate.

The prime minister evidently thought that with an election due last June, he needed dramatic activity to demonstrate to the voters that even if the Bougainville crisis was not settled, at least it appeared to be on the way to solution.

But Chan misjudged his own people. Mercenaries have a public relations problem. Such an open society would not tolerate a private deal involving a large sum of money for foreigners to kill fellow citizens.

Meanwhile, the Australian Government – which provides about A\$320m (US\$236m) to the PNG as foreign aid – said on 24 February that the use of mercenaries was 'totally unacceptable'. The World Bank on 12 March said that it would review its loans because of the mercenaries.

On 17 March the PNG defence and police chiefs rebelled, calling on the Governor-General to sack Chan over the mercenaries. The defence force chief was Brigadier Jerry Singirok, who said that there could be no military solution to the Bougainville crisis. Bowing to public and military pressure, Chan stood down while the Sandline affair was investigated.

AN ACCIDENT OF HISTORY

Bougainville's inclusion in PNG is an accident of Australia's colonial history. The island is at the eastern-most part of PNG and is ethnically more like the former British colony of the Solomon Islands immediately to the south.

Britain and Germany split the Solomons between them in 1898. In reaction to the German acquisition of New Guinea, Australia claimed Papua. In World War I it invaded German New Guinea and held onto it.

Australia also gained Bougainville from Germany in World War I and kept it as part of its post-war colonies because of its rich resources. Australia administered it with PNG and so incorporated it into the newly independent country.

THE BLACK HOLE

The black hole in the heart of Bougainville is the Panguna mine, operated by Bougainville Copper Limited (BCL). This was one of the world's largest open-cut mines. The mine produced 44 per cent of the country's exports and 20 per cent of the Government's revenue.

Indigenous resentment about the mine is based on the small amount of revenue flowing to the community and damage to the environment. The mine was accused of depleting the bush and river pollution. This reduced hunting and gathering as many species declined or died out completely.

In 1988 secessionists began a sabotage campaign against the mine. The vast open-cut working covers several square kilometres and is surrounded by steep jungle ridges. Such a long perimeter made it vulnerable to sabotage and impossible to defend. The mine was mothballed in 1989 and abandoned in 1990. In April 1990, the Bougainville Revolutionary Army (BRA) unilaterally declared independence and that

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May Port Moresby started a naval blockade of the island.

Bougainville is the first place in the world where an indigenous people have succeeded in closing a mine, saying it was destroying their land and environment, and have managed to keep it closed.

HIGH COST

Port Moresby could not afford to lose the Panguna mine revenue. It adopted two somewhat contradictory policies: harsh repression and negotiations. The military operations have been a great problem for the defence force: it is operating in an area about 10 times the size of that covered by Australian troops in Vietnam, with less than a tenth of the equipment. Bougainville was a major military theatre for Japan in World War II but its 30,000 men had little success against Allied forces.

The rebels are poorly equipped because they cannot get weapons from overseas – though there is no shortage of abandoned World War II Japanese rifles. Law and order has broken down, with acts of violence by the PNGDF, BRA – which has had internal discipline problems – and gangs of young males who exploit the chaos.

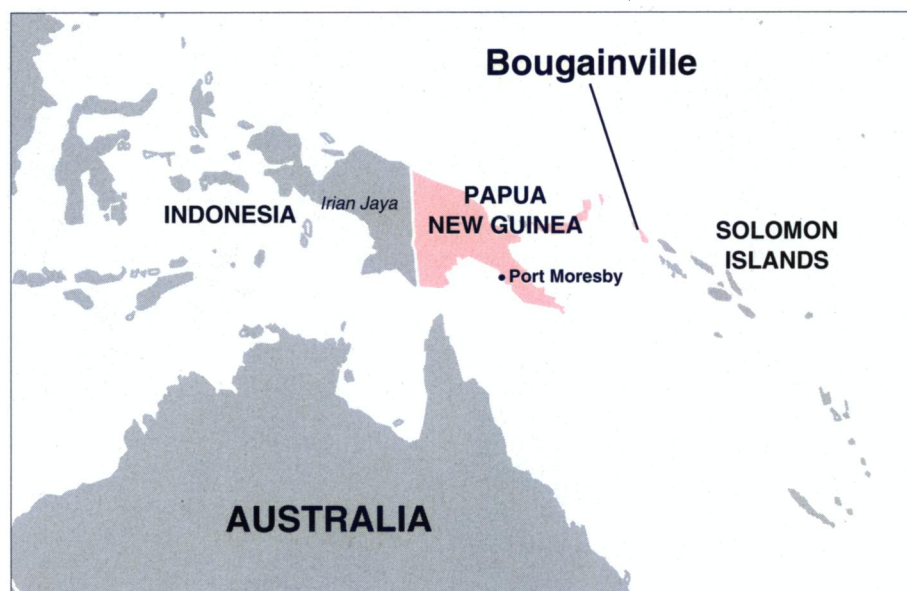
Resentment against Port Moresby has been enhanced by the blockade which has separated the island from the outside world. Medical services have been hit hard – there is no medical practitioner in the BRA-controlled part of the island – and the Red Cross has occasionally had to suspend relief operations.

An estimated 70,000 to 80,000 people are living in 49 Government-controlled care centres. This means that about 40 per cent of the population has fled its homes for displaced persons' camps – a very high percentage by world standards.

No one in Port Moresby could have predicted that the conflict would have gone on for so long and at such cost, both in terms of human life and lost revenue. Port Moresby has been obliged to become a little more flexible in negotiations. Additionally, recent peace initiatives in Israel/Palestine and Northern Ireland have shown that some recognition of rebels can help move the process forward.

New Zealand brokered the peace negotiations – a role denied to Australia because it was seen by the BRA as too sympathetic to Port Moresby.

The armistice agreed in October offers the best hope yet for an end to the conflict.



There is to be an immediate end to the fighting and a formal meeting of PNG and Bougainville political leaders is planned before the end of January next year.

The agreement also recommends that a neutral regional group be invited to monitor it and commits field commanders and village chiefs to meet regularly to review the success of the truce and resolve any threats or breaches.

But there may still be a basic problem. The Bougainville Interim Government and its military arm the Bougainville Revolutionary Army will lose face if – having inflicted so much pain on the Bougainvillians in the cause of secession – they accept a deal with less than independence. This may produce problems within the Bougainville camp.

NO SHORTAGE OF DEMOCRACY

In the June 1997 election there were 3.2 million voters – out of a total population of 4.5 million people – 109 seats were contested by 2,368 candidates, of whom 1,665 were independent.

Over the border, the Indonesian election held around the same time was a farce. There, the outcome was largely predictable because of the control of the Suharto family and the defence force. PNG, by contrast, has no shortage of democracy and complete freedom of the press.

Political parties mean little in PNG. Most politicians win with a small percentage of the votes in the 'first past the post' system, their primary loyalty is to the clan that put them into Parliament.

For many candidates, the elections are a

means not only to secure personal advancement but also to gain commercial advantages for their clan. They are expected to provide government services for the community. The high turnover in many seats is the result of the voters' anger at the failure of politicians to deliver the goods. This helps explain the volatility in party politics: there is little party discipline because the politicians are far more worried about how their constituents will view their performance.

CATTLE TRADING

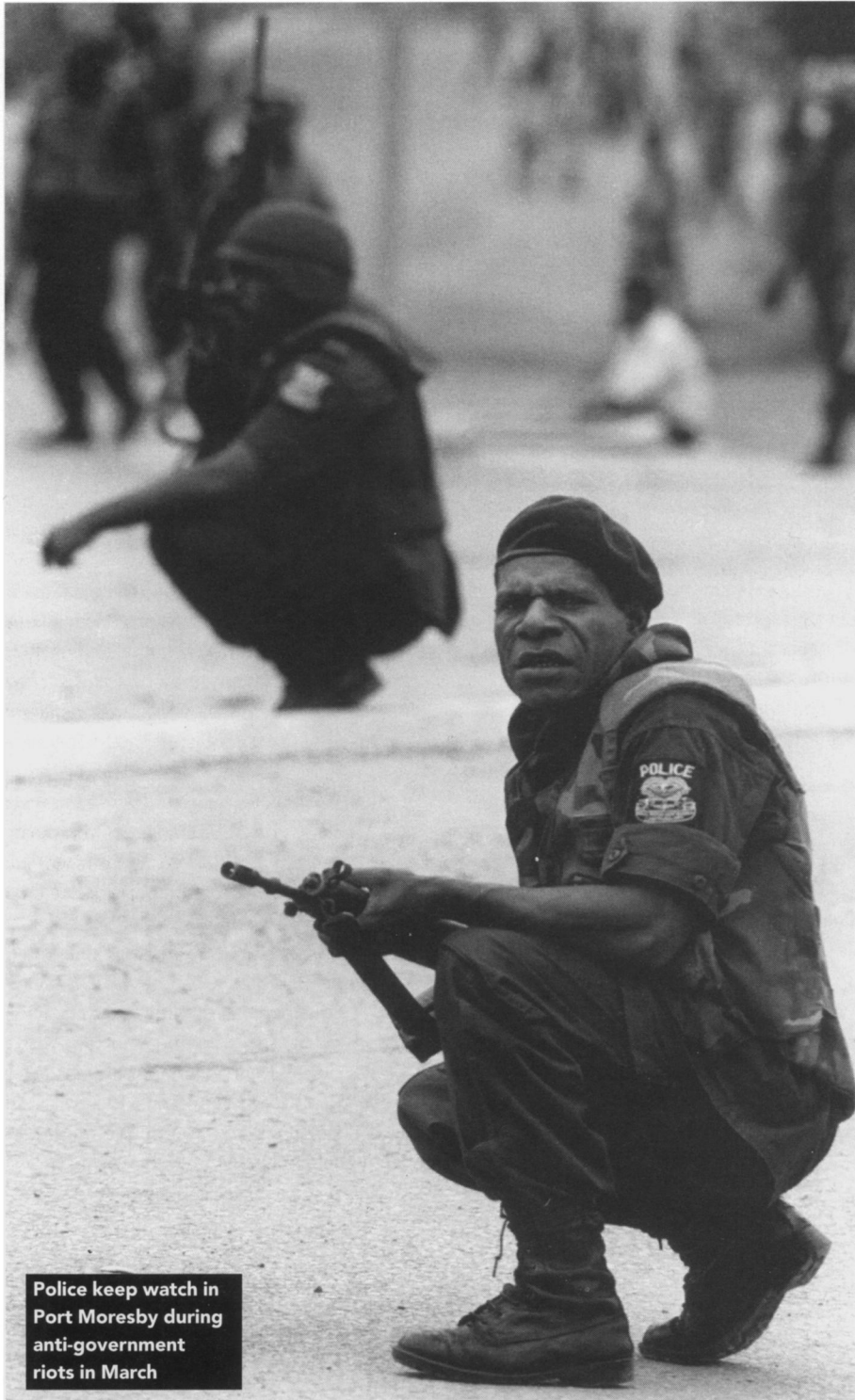
The high percentage of independent candidates is also because politicians keep their options open as to who they will support for the Big Man's job. Voters do not select the Prime Minister, the politicians do. An individual puts together a coalition of supporters and then appoints the Cabinet.

The voters wanted a change. They ousted the two most recent Prime Ministers – Chan lost his seat to a close relative by 110 votes – half the Cabinet ministers and over half of the sitting members.

After the usual prolonged cattle-trading, lasting almost a month, the Big Man's job went to Bill Skate. But the two parties which dominated the previous coalition will still be dominant in the new administration because of the cattle-trading Skate has had to conduct.

HOPES DASHED

Apart from the Bougainville conflict, there are other difficulties that press upon Port Moresby. The PNG economy is stagnant. One third of the labour force is not working, land is not being productively used, and banks have money to lend, but there are ►



Photograph from AP/Rick Rycroft

few borrowers. The loss of Bougainville's export revenue has added to the country's economic woes.

There is a paradox because of the immense potential mineral wealth. For example, there is enough oil and natural gas to run the country for a 1,000 years. Much of the territory remains unexplored by mineral companies and so may contain far more oil and minerals than presently estimated.

But the country is poorly governed – the high turnover in politicians means that there

is little accumulated administrative experience. Foreign investors are troubled by the political volatility – the Bougainville crisis is easily the most well known factor among foreign investors. The March 1997 Singirok episode will only add to that notoriety; PNG governments and foreign investors will fear further defence force interventions in politics. The high crime rate means that foreigners are reluctant to live there.

Social indicators, such as a high rate of infant mortality, show a country in decline.

The high hopes at the time of independence are not being realised.

The pace of the country's deterioration has been limited by three factors. First, there was a safety margin in the legacy of Australia's colonial presence – such as the infrastructure. In the early years governments could live off that asset. But the infrastructure is running down and there is a lack of money to replace it.

Second, the country's traditional network of family and clan ties provides a safety net so that no citizen ever has to face a problem alone. This system helps people with, for example, bills and temporary accommodation problems.

Third, about 40 per cent of the population is cushioned from outside forces by living on a subsistence basis in the rural areas. This has been handy for politicians, who know that many people can survive with inadequate services.

But this tradition of sturdy self-reliance has two risks. One is that the young males are bored with village life and so drift into the cities looking for work, which they rarely find and so turn to crime. Meanwhile, for people who are able to survive on self-reliance, there is a scepticism about the need for Port Moresby and so further erosion of a sense of national identity.

CRIME WAVE

Corruption is endemic. Many public figures have been tainted by allegations. For example, the new Prime Minister was sacked in the mid-1980s for corruption – though more recently as Governor of Port Moresby he acquired a reputation for cracking down on it.

Murder and robbery are also endemic. Bill Skate, for example, earned the nickname "Tiger" during his wild youth associating with bag-snatchers and petty robbers. The high rate of unemployment among young males, and the lack of social security, make crime the main way to survive.

PNG was supposed to be the success story in Australian decolonisation. Australia delayed the process, ostensibly to learn from the mistakes of other colonial powers, such as Britain.

The country began well but it has yet to solve the problems of national identity, lack of economic development, decline in social well-being, and an increase in crime. It has a strong democracy and is potentially very rich but has a long way to go in realising that wealth.