State Society and Governance in Melanesia Program
Research School of Pacific and Asian Studies
The Australian National University

**Submission
to the
Senate Foreign Affairs, Defence and Trade Committee
Parliament of Australia**

**"Inquiry into the Economic and Security Challenges facing Papua New Guinea
and the Island States of the Southwest Pacific"**

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State Society and Governance in Melanesia Program welcomes the opportunity to contribute to this Inquiry. This submission highlights some of the regional issues of most relevance to the *Inquiry into the Economic and Security Challenges facing Papua New Guinea and the Island States of the Southwest Pacific*.

Issues covered in this Submission are:

- Socio-Historical Complexities
- Processes of State-Building and Nation-Building
- Interventions
- Papua New Guinea – Recent Developments
- Fiji – Recent Developments
- Generational Changes in Leadership
- Media under Increasing Pressure
- Guns and Violence
- Australia's Influence in the Region
- Research ─ a Priority

Papua New Guinea & the Island States of the Southwest Pacific – a Region in Transformation

Socio-Historical Complexities
The Melanesian and Pacific region is undergoing rapid and extensive transformation arising from a diverse combination of local and global social and economic forces. The promotion of more effective governance has become a central focus of domestic, regional and international reform efforts, but the socio-historical complexities of Melanesia and their contribution to current challenges are still not well understood. International experience in the area of governance has generated important lessons and insights, and it is important to apply these lessons when developing appropriate policies and strategies of engagement for the Pacific island countries. It is equally important to appreciate the distinct historical and social characteristics of the most socio-linguistically diverse region in the world.

Processes of State-Building and Nation-Building
State structures in these countries have always been relatively fragile and undeveloped, reflecting their origins in a recent colonial past. There is as yet little sense of shared identity or nationalism beyond a small, educated elite. Processes of state-building and nation-building in Melanesia differ significantly from such processes elsewhere. The transition from a patchwork of relatively autonomous and self-regulating indigenous societies to modern nation-states provides the domestic context in which current challenges of governance and related issues in the region arise. Processes of globalisation have contributed many additional pressures and sources of tension within these transitional settings. While it is tempting to apply global templates and models of governance to the Melanesian countries, it is important to appreciate the broader context of transformation underway and, in particular, the often uneasy fit between the ideas and institutions of the modern state and the profusion of indigenous social institutions and practices that continue to prevail at local levels.

Interventions
When considering "interventions" of whatever kind – from military to humanitarian assistance – policy planners will need to be alert to the principles that no one size fits all, that interventions must be designed to meet the specific circumstances, and that it is easier to strengthen flagging states than it is to revive them. Lessons can be drawn from the three recent successful interventions in our region – Timor Leste , Bougainville and Solomon Islands – which illustrate the necessity of:
  o understanding the particular local circumstances
  o getting the shape and nature of the intervening force right
  o appreciating the limitations of intervention, i.e. supporting not "fixing"
  o "building" the peace from the moment hostilities cease.

The "post-conflict" phase of crises in our region - and contingent issues such as disarmament, demobilization, demilitarization, reconciliation, rehabilitation, indigenous leadership of the peace process, gender relations, reduction in incentives, opportunities for "spoilers" and "profiteers", and re-building/ re-engineering state institutions - needs particular attention from policy makers.

Papua New Guinea – Recent Developments
In June and July 2007, Papua New Guinea conducted its 7th General Election since Independence, which was of particular significance as it offered the first nationwide test of the new Limited Preferential Voting (LPV) system. With the introduction of LPV, it was hoped the election would be more peaceful, and would result in the election of MPs with a wider and more representative mandate. The election also proved to be a critical test of the new integrity laws which sought to strengthen and regulate the behaviour of parties and candidates in the interests of political stability. The elections proved much less violent than recent elections and as such have been widely hailed as both successful and an improvement on 2002 elections. How much this can be attributed to LPV is a matter for debate - there was a huge security presence, especially in the Highlands, and it is widely agreed by commentators and voters alike that the overall performance of the security forces was one of the truly good news stories emerging from this election. However, like previous elections, the 2007 elections were marred by widespread cheating and, in some parts of the country (particularly the Highlands), by fraud and malpractice on a scale never before seen.

Fiji – Recent Developments
Fiji has experienced particularly unsettled times over the past few years. After the 2006 general elections, which appeared to be generally conducted in a free and fair manner, there was the excitement caused by the advent of the multi-party cabinet - with some commentators observing that genuine multi-ethnic reconciliation seemed within reach. Then came the coup in December 2006, and with it a drastically altered landscape. In the months after the coup, the Interim Administration made an attempt - ultimately failing - to entrench itself in the public consciousness as an instrument for the good of the country. However, since the coup, important institutions of the state have been politicised, their impartiality impaired, and their effectiveness undermined. The leaders of the smaller Pacific Island states have recently advocated a hard-line against Fiji, with Fiji facing suspension from the Pacific Islands Forum if it does not move towards holding promised elections early next year. Unfolding developments, including the proposed suspension of Fiji from the Forum, have the potential to have a significant impact on regional relations.

Generational Changes in Leadership
Within the region there is likely to be generational changes in leadership. This is most obvious in PNG where Prime Minister Somare is expected to stand down, and many of the others who were among the young leadership group at Independence and took influential positions inside and outside parliament are approaching the end of their public lives. Examples include Philemon, Morauta, Chan, Wingti, Namaliu, Kaputin.

Media under Increasing Pressure
Through various political upheavals and revelations of corruption the media has played an important role in addressing corruption in the region. But recently it has come under increasing pressure. This has been apparent in post-coup Fiji and in Papua New Guinea where members of parliament have launched strong attacks on the media, signalled changes to limit the freedom of the press and moved to establish more government controlled media.

Guns & Violence
While significant gains have been made, particularly in relation to disarmament, in the Solomon Islands and Bougainville in recent years, small arms proliferation continues to be a serious problem in mainland PNG. The year long State of Emergency/Special Police Operations (August 2006 – August 2007) in PNG's troubled Southern Highlands Province netted less than 300 illegal weapons, of which more than half were home made. Weapons continue to flow into the Highlands and black market ammunition remains comparatively abundant, with prices in fact declining in recent years.

Australia's Influence in the Region
The context in which Australia's Pacific policy is made is rapidly changing. China, the European Union, the United States, international bodies and NGOs are all asserting more influence in the region, and presumptions of Australian regional primacy must necessarily by modified. Australia may have to prepare itself for a Pacific region over which it has less, not more, influence, given the increasing problems that beset many of Australia's Pacific neighbours, the costs of recent Australian interventions and aid programmes in the Pacific, and significant increases in East Asian aid to the Pacific Islands. Furthermore, the increased engagement in the region by China and Taiwan, combined with the growing economic presence of the Chinese in the Pacific (including Chinese and Taiwanese governments and nationals, overseas Chinese, and locally born Pacific Island Chinese), have contributed to a growing resentment towards ethnic Chinese in the region (contributing, for example, to the targeting of Chinese businesses in rioting in 2006 in both Tonga and the Solomon Islands). The increased presence of China in the region, and the growing resentment towards the ethnic Chinese in Pacific Island countries, has direct implications for Australia's development assistance to the region.

Research a Priority
For Australia to respond sensitively and practically to emergencies, to formulate sound policies over the long term, and to have an informed public, it is essential that research into the Pacific islands be a national priority. There is also a need to ensure research is uninfluenced by foreign presumptions of how the Pacific Islands do or should work.

A number of areas critical to Australian interests require greater research, in order to ascertain the true security implications. Research concerning HIV/AIDS and its security implications is a case in point. In Melanesia, <u>rates</u> of HIV infection are among the highest in the Pacific and increasing rapidly. There is a great need for evidence based social research on HIV/AIDS in the region to provide better insights into the potential humanitarian, development and policy implications.

Further Information

State Society and Governance in Melanesia (SSGM), located in the Research School of Pacific and Asian Studies at the Australian National University, is the leading international centre for applied research into contemporary governance issues in Melanesia.

This submission has canvassed only a small number of issues pertinent to the Committee's terms of reference. SSGM Fellows would be very pleased to have the opportunity to elaborate on the above and on other aspects of the challenges facing Papua New Guinea and the Island States of the Southwest Pacific at a Committee hearing.

Additional information about SSGM and access to a variety of SSGM publications is available at http://rspas.anu.edu.au/melanesia/

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