

Doctoral Dissertation

Politics of Local Government in Papua New Guinea

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DEDICATION

This dissertation is dedicated to my father, **Tony Aviyo Koyangko**, for believing in me and never giving up on me, this is your success.

It is also dedicated to the memory of my Evano, **Otto Gendi** and my Moiyo, **Nema Gendi**. I SALUTE you both and may you rest peacefully in the bosom of our Lord Jesus Christ.
Amen

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Abstract

Under the new organic law (1995 OLPGLLG, Organic Law on Provincial government and local level government OLPGLLG) on provincial and local level government more powers were given to the district government in the hope of improving service delivery. However, years down the line and not much can be said about the impacts of the new organic law. Considering the poor state of most of the rural communities in the country the government's aim of bringing more participation to the local level and more local oriented projects to be undertaken has not been realized in some districts. Although there has been so much increase in the grants to the provincial and district governments the outlook for most of the districts in PNG have remained unchanged. The problem is that the 1995 reform was to address the rivalry between provincial and national politicians and not to enhance service delivery or curtail financial difficulties or corruption as put forward by the architects of the reform.¹ These reasons were cited to justify the reform. The rivalry that emerged between the national and provincial politicians was a byproduct of the first organic law OLGP which was enacted in 1977 when PNG introduced its provincial government system. The secession threat posed by the Bougainville islanders forced the PNG government to introduce the provincial government system in a haste to keep Bougainville as part of PNG so as to keep the revenue from the Paguna Copper mine.

The rivalry that came about between the National and Provincial politician is because of the Big man Culture PNG. Therefore under the current provincial government system the MPs exert too much influence on district budgetary affairs. The 1995 reform of the organic law placed so much power at the hands of the MPs, the creation of Budget priority committees' and MPs discretionary grants have created a platform for MPs to be legally in charge of all the district's finances. This study also established that the

¹ See Parliamentary debates 27th June 1995 on the Organic Law on Provincial Government(1995) Reform

enhancement of service delivery to districts depends entirely upon the MP. This study argues that, the problem with the political process today is that the Big Man culture is embodied in PNGs political institutions which make it very different from other modern states, hence the very unique provincial government system.

One of the main findings of this study is that under the current structure of the Provincial and local level government the LLG is incapacitated. Any decision on the LLG is taken at the district level and not at the LLG, LLGs by law do not have the power to make any administrative or budgetary decisions.

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Acronym and Abbreviations

DA	District Administrator
DSIP	District Service Improvement Program
JDPBPC	Joint District Planning & Budget Priority Committee
JPPBPC	Joint Provincial Planning & Budget Priority Committee
LLG	Local Level Government
LLGH	Local Level Government Head
MP	Member of Parliament
OLPG	Organic Law on Provincial Government
OLPGLLG	Organic Law on Provincial and Local Level Government
PA	Provincial Administrator
PSIP	Provincial Service Improvement Program
WD	Ward Councilors

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CHAPTER 1: Introduction

1.1 Background

The Pacific Island nation of Papua New Guinea (PNG) is one of the most fragmented and culturally complex country in the world. With a population of just over seven million, there are more than a thousand different cultural groups and over 850 different spoken languages. By steep mountains, sharp valleys and dense tropical forests, its people had been separated with each other as clusters of fragmented groups, clans, tribes and villages prior to colonization. There were no formal institutions beyond those natural communities and the traditional village assemblies were the most important, which involved all villagers and chaired by village elders (big men) or chiefs, to resolve disputes or to discuss issues of their importance². That was basically how order was kept in the societies in Papua New Guinea until it was discovered by the Europeans.

Portuguese and Spanish navigators were considered to be the first Europeans to sight the island of New Guinea in the 16th century³ and it became colonized much later on, by which the island was politically divided into two parts, Papua and New Guinea. New Guinea, the northern half, had been under German control from 1884 until 1914, when Germany was defeated in the First World War. It then came under the administration of Australia who was mandated under an agreement of the League of Nations in 1919.⁴ The other half of the island was claimed by Britain as a protectorate in 1884, and was called British Papua⁵. The territories of Papua and New Guinea were unified in April 1942 when they became the Australian New Guinea Administrative Unit (ANGAU) which consists of

² See Jinks.B (1971), *New Guinea Government: An Introduction*, Sydney Angus and Robertson Publishers.

³ See <http://www.infoplease.com/country/papua-new-guinea.html>

⁴ See Jinks. B(1971), *New Guinea Government: An Introduction*, Sydney Angus and Robertson Publishers

⁵ See Gelu, A (2008). *The Quest for Good Governance: A survey of Literature on the Reform of Intergovernmental relations in Papua New Guinea*. Port Moresby: The National Research Institute.

eighteen districts and seventy-nine sub districts. The structure of those districts and their boundaries were maintained right through the independence, and after independence they were renamed as Provinces.⁶

From such historical factors and geographical make up that more than half of the population still live in rural areas and are cut off from government services, decentralization is fit for Papua New Guinea. Some districts like Marawaka in the Eastern Highlands Province or Karamui in Chimbu Province are not accessible by roads and very hard for the people to travel in and out. Therefore having a decentralized system of government not only makes the presence of the government felt, but also creates the opportunity for people to partake in decision making and ultimately having the government deliver services according to the needs of the local communities.

However, the founding fathers of PNG elected to the Constituent Assembly always opted for a unified PNG. When, in order to go for the self-government in 1973, elections for the Constituent Assembly were held in 1972 and the first indigenous government based on the result of the elections was formed with Michael Somare as Chief Minister, his nation-building aim was to keep the country united after independence.⁷

Those founding fathers had to emphasize the unity of the nation even before independence, probably because they knew that there had been nothing like PNG nation being built and that, if any self-rule was to be granted by the trusteeship authority, any community, and not necessarily an artificial creation of PNG nation, might expect to be the subject of it. As a matter of fact, upon attaining self-government in 1973, those founding fathers had to face the threats of secession by various factions within the country. Particularly strong demand for secession was made by the Bougainvilleans. Since Somare

⁶ibid.

⁷ See Delvin. M (2010). Decentralization without Disintegration: Provincial Government in Papua New Guinea, 1975-1985. *Innovation for Successful Societies*. pp.1-2.

and his government did not have any measures to contain this demand, they were forced to make a compromise by establishing Provincial Government system much sooner than they had intended. This set the path for decentralization in Papua New Guinea. According to Gelu (2008), “decentralization meant that leaders at the provincial level, and later community level, would make many decisions which affected them and their people”⁸.

Due to the nature and circumstances surrounding the introduction of decentralization in Papua New Guinea at that point in time, the powers and functions of the provincial government were embodied in an Organic Law and not in the Constitution itself.⁹ Thus, the first Organic Law for decentralization, Organic Law on Provincial Government (OLPG), which was enacted in 1977, became the legal framework of provincial government in PNG. It was abolished and replaced by the Organic Law on Provincial and Local-level Government (OLPLLG) in 1995. Under the new Organic Law, legislative powers of the Provincial Government were reduced and the powers of the Local Level Governments below the provincial level were increased and stipulated with local MPs and District Administrators in control of the district and planning and budget.

1.2 Problem Statement

When the Constitutional Planning Committee (CPC) made the Interim Report in September 1973 under the political crisis of Bougainville secessionism, they proposed that a decentralized system was suitable for PNG; firstly because the government was highly centralized under the Australian Administration and, according to the CPC report, majority of the people wanted a more participatory kind of government. They wanted to be involved

⁸ See Gelu, A (2008). *The Quest for Good Governance: A survey of Literature on the Reform of Intergovernmental relations in Papua New Guinea*. Port Moresby: The National Research Institute. p. 7.

⁹ The decentralization process in Papua New Guinea was very much affected by Bougainville’s threat of secession. The provincial government system was introduced as a political compromise to appease Bougainvillians. Refer to Chapter 3 for more details.

and to participate in decision making that concerned them¹⁰. Secondly, considering the fact that majority of the people at that time were located in rural areas away from major towns and cities¹¹, by having a decentralized system, the CPC assumed there was hope also for more tangible government services to reach the rural populace.¹² Hence, the provincial government was introduced by 1977 Organic Law.¹³

However, as mentioned earlier, this 1977 OLPG was replaced by the Organic Law on Provincial Government and Local-Level Government (OLPGLLG) in 1995. The new Organic Law, Filer (2004) argues, removed the power of the Provincial Governments to make laws about local government and increased the legislative powers of the Local-Level Governments themselves. But they, in turn, had to place their plans and budgets under the control of the Member of Parliament representing each Open Electorate.¹⁴

How can we understand the nature of the reform in Organic Law in 1995? Did it strengthen or weaken the decentralization? From the fact that the reform provided a legal foundation with the Local-level Governments below the provincial level, it looks to be promoting the decentralization. However, if this legal foundation means the limitation and the steel framework in which Local-level Governments have to be satisfied, it may create more problems than it can resolve. Peasah (1990) argued this point in the context of the oppositions of the people in the early 1970s against the local government councils that was created by the colonial administration:

The difficulties encountered by the local government councils and the widespread emergence of these unofficial “village” and “community” governments drove home

¹⁰See ‘Underlying Principles’ The Constitutional Planning Committee Final Report 1974.

¹¹ Majority of the people still live in the rural areas.

¹² See ‘Underlying Principles’ The Constitutional Planning Committee Final Report 1974.

¹³ See The Constitution of the Independent State of Papua New Guinea, Part VIA-Provincial Governments and Local-Level Governments.

¹⁴ See Filer, C (2004) 'Horses for Courses: Special Purpose authorities and local-level governance in Papua New Guinea', State Society and Governance in Melanesia, Discussion Paper 6 p2.

one very important, indelible political lesson; that is, given the great diversity of local conditions in the country, the pursuit of a uniform local government system which was supposed to be viable and equally applicable in every part of the country was a futile exercise. Hence, a much more realistic policy seemed to be one which showed sufficient flexibility to take effective account of local differences and peculiarities. Further, it was obvious that government at the village level would lack the capacity for viable existence unless considerable assistance was forthcoming from the higher levels of government.¹⁵

Peasah discussed that the functions of the local-level governments are so diversified that they should not be fixed by the national law, and that the most appropriate place to frame and assist the local-level governments is the provincial government. If this argument applies, the 1995 reform, which weakened the Provincial Government, cannot be understood as an instrument to promote decentralization at the local level.

This dissertation argues that the reform in 1995 is to be understood in the context of the political process and in the political rivalries in particular between the politicians assembled at the National Parliament in Port Moresby and those in the provincial Assembly under the 1977 Organic Law. Thus, with the national legislation to change the local government system, politicians at the center tried to strengthen their position vis-à-vis their rivals in the Provincial Assemblies. Because of this intention of the politicians at the center, it will be argued that decentralization has not developed so much.

However, it is not to argue that politics of Papua New Guinea has been centralized since the reform. Rather, it will be argued that, after the reform, politicians at the center are expected to work not only for the national politics but also for the local politics at the

¹⁵ Joseph Feasah, *Decentralisation and the Constitutional Status of Local-Level Government in Papua New Guinea*, NRI Discussion Paper Number 60, The National Research Institute, Boroko, 1990, P.5.

district level. The 1995 reform of the organic law placed so much power at the hands of the MPs and the creation of Budget Priority Committees and MPs discretionary grants have created a platform for MPs to be legally in charge of all the district's finances.

While the demand for decentralization came from the 'village' or 'community' level, the decentralization envisaged in the 1995 reform was not to address this demand as the politicians at the center do not have any capacity to look after such lower levels of the government. This gap between the local demands and the demands and capacity of the politicians at the center has resulted in the tendency to fuel the clan based service delivery, which is a common feature of PNG politics. MPs focus on bringing service to their own clan to secure their "base" votes or bringing services to areas where they have support. We will also argue that this is related to the dominance of Big-Man culture and lack of political accountability in PNG politics. The structure of the Provincial and LLG itself allows for the Big-man culture to flourish. Consequently there is so much misappropriation of public funds; as a result the state of most of the districts in PNG has deteriorated¹⁶.

1.3 Significance of the Study

This study is significant because it provides the analytical point of view necessary to understand PNG's political development. Prior to colonization when PNG was made up of clusters of fragmented groups and completely unaware of the outside world, studies have shown we were able to organize ourselves and have order in our groups which resembled what Westerners would call a "political entity", with Big-Men or chiefs as the head.¹⁷ However, western concept of politics is new and ever since it was introduced by the colonizers, has posed a big challenge for Papua New Guineans on how to integrate the Western concept of politics into our society which is still very much influenced by our

¹⁶ See Ketan, J (2007), The Use and Abuse of Electoral Development Funds and their Impact on Electoral Politics and Governance in Papua New Guinea. *CDI Political Papers on Political Governance*, p15-19

¹⁷ See Jinks.B (1971), *New Guinea Government: An Introduction*, Sydney Angus and Robertson Publishers.

traditional culture and practices. Most of the discussions on the political processes, issues and problems in PNG are always attributed to “cultural” factors, and there are insufficient discussions on the institutions itself, hence political problems in PNG are not sufficiently explained.

One of the reasons why traditional culture is being cited as the main problem is because, some of the renowned authors on political problems in PNG such as Marie Reay and Andrew Strathern are actually anthropologists by training; hence more attention is given to social forces than political institutions.¹⁸ Another reason is that our way of life is still very much dictated by our culture and tradition and it is factual that our culture has overlapped and affected the modern political process; hence it is understandable that culture is associated with political problems in PNG. However, just saying culture is the problem is insufficient; PNG gained independence 43 years ago and has adapted modern political institutions, and why it is that culture still affects the modern political process in PNG. The significance of this study is that, it put forwards that, the problem with the political process today is that the cultures, specifically the Big-man culture is embodied in PNG’s political institutions which enable its continuity and also makes PNGs political culture very different from other modern states. By detailing in concrete terms how 'Big-man culture' forced the reform of the Provincial Government system and how the Big-man culture is embodied in current system, this study introduces a different spectrum of analyzing the political process in PNG.

Furthermore, this dissertation also hopes to contribute to the few studies that analyses the various institutions in PNG. The only study so far that discusses in detail the Bougainville’s impact on the establishment of Provincial Government in PNG is Delvin’s

¹⁸ Reilly B(2002) *Continuity and Change in Papua New Guinea Elections 1964-1997*.In.Anere.R &May.R.J(eds) *Maintaining Democracy: The 1997 Elections in Papua New Guinea*, Canberra and Port Moresby, University of Papua New Guinea and Australia National University Press,p.17.

(2010). Following the events on Bougainville and the mainland PNG in detail starting from 1972 onwards, by highlighting the roles of key individuals such as Somare, Namaliu from the Government side and Momis and Hannet from the Bougainville side, he discusses how the Government handled the Bougainvillian's threat for secession in the light of development of the Provincial Government System. In conclusion he argues that most of the problems of the Provincial Government System were due to "imprecise" legal framework. He stated:

(L)oose wording (of the organic law) and an over-reliance on vague provisions for future adjustments in the future served its purpose in the 1970s when reaching a quick political compromise was the top priority, but was not able to address problems that arose later¹⁹.

He identified the problems as; the Premier Council losing relevance because they had no coercive authority and the rivalry between the national politicians and the provincial politicians.²⁰ While agreeing that the rivalry between the national and provincial politicians was the main stumbling block of the provincial government system, this dissertation goes on further to illustrate why the rivalry became an issue. Delvin does not talk (in detail) about the 1995 reform which this study maintains is a direct consequence of the rivalry. This study discusses in detail about the history including the introduction of provincial government system, the 1995 reform and the impacts of the provincial and local government system.

¹⁹ See Delvin, M 2010, "Decentralisation without Disintegration: Provincial Government in Papua New Guinea, 1972-1985", *Innovations for Successful Societies*, Princeton University p.9.

²⁰ Ibid, p10.

1.4 Objectives of the Study

The objectives of this study are to identify the factors that brought about the unique local government system in PNG and to find the beneficiaries and problems of PNG's current local government system by focusing on the current Organic Law (OLPGLLG) and its stipulations. Furthermore, this dissertation will show the continuity of 'Big-man culture' in discussing the Provincial Government system in PNG. Since the powers and functions of the provincial governments are embodied in the organic law, the research of this dissertation focuses mainly on the stipulations and actual functions of the current Organic Law (1995 OLPGLLG). By concentrating the budgetary power at the District level through the creation of the Joint District Budget Priority and Planning Committees, the Organic Law has only successfully placed so much power in the hands of the MPs. It is understandable that the OLPGLLG has placed so much power in the hands of MPs in the hope of enhancing service delivery at the local levels but instead it has created more problems.

This study also attempts to illustrate that District Service Improvement Program (DSIP) funds and the District Support Grants are not an obstacle to development rather it is due to the ineffective systems in place to safeguard the effective utilization of these grants. This dissertation will feature case study of two districts in the Eastern Highlands province, to show concrete examples of how district functions. Despite the lack of development in most of the districts, there are two districts which are experiencing so much development. They are the Wau-Bulolo district of Morobe Province and the Ungai-Bena district of the Eastern Highlands Province. Even though only two districts have shown progress under the current system, this in itself cannot go unnoticed, and it shows the current system can work but why is it not working for all districts. Based on this a comparative case study has been done on Ungai-Bena and Daulo districts both in the Eastern Highlands Province. Daulo

district has been chosen because within Eastern Highlands it is said to be the worst district in terms of developmental outlook and organisation within the administration. By doing a comparative study this paper attempts to find out why one district is better off than the other since both are in the same province and under the same structure of government and organic law. In doing so the impacts of the 1995 OLPGLLG can be analysed.

1.5 Methodology

This study used qualitative methodology as the main method of research.

Primary data includes government documents, interviews' structured, unstructured and key individual interviews, this including interviews of district officials and council representatives of two selected districts within the Eastern Highlands Province of PNG.

For this case study interviews were conducted with LLG representatives of both Ungai-Bena and Daulo districts on two periods in 2013 and again in 2015-2016. Additionally the District Administrator of Ungai-Bena was interviewed along with some district staff of Daulo District. Daulo district has three LLGs, which are Watabaung LLG with six wards, Upper Asaro LLG with eight wards and Lower Asaro with nine wards, which is a total of twenty three wards. Twelve out of the twenty-three councilors were interviewed. Ungai-Bena District also has three LLGs, Ungai with six wards and Upper-Bena with seven wards and Lower Bena with seven wards which is a total of twenty wards. Nine out of the twenty councilors were interviewed. Additionally one Council President was interviewed out of the three in Ungai-Bena District and two out of three Council Presidents of Daulo was interviewed. All interviews were conducted on a one to one basis on various locations in Daulo and Ungai-Bena Districts. Furthermore unstructured interviews were conducted randomly among members of the public in EHP in 2015-2016 to gauge a general view on the impacts of the provincial government system.

Secondary data includes the review of books, articles, journals, newspaper, website, and social network sites. Government documents of both the pre and post-independence era pertaining to the establishment of provincial government and its reform in 1995 were also extensively analyzed.

1.6 Dissertation Structure

This dissertation is divided into seven parts, chapter one focuses on giving a background to the study, its objectives and expectations. Since most of the dissertation deals with historical events, government documents and past studies, it is paramount to review past literature and current literatures; hence chapter two is dedicated to reviewing literatures. Chapter two is divided into two parts, firstly the review focuses on 1995 Reform and Decentralization as a theoretical framework, the second part of the review focuses on the 1995 Reform and PNG's political culture. The third chapter is for a detailed discussion on secession attempts in Bougainville around the time of Independence in mid-1970s, and it is an important chapter because it explains how decentralization eventually came to PNG including the different roles different stakeholders played. The major reform to the provincial government in 1995 is addressed in chapter four. Discussions are based around the Big-man culture that led to the rivalry between the national and provincial politicians, certain key individual and events that contributed to the abolishment of the OLPG (1977) and the introduction of the OLPGLLG (1995). The changes to the provincial government system after the 1995 reform and the issues that come with that change are discussed in chapter five. Chapter five discusses about the power structure within the local government and highlights the dominant roles the MPs and the DA in the district and at the LLG level. Chapter six is an assessment of the impacts of the 1995 OLPGLLG. A case study was done on two districts in the Eastern Highlands Province of PNG to give a concrete example of how the new system impacted at the district level.

Finally this study is concluded in chapter seven.

CHAPTER 2: Literature Review

2.1 Theoretical Framework of the 1995 Reform

Although 1995 reform cannot be exactly understood as a change toward decentralization, it is true that another local government below the provincial level, and thus closer to the people, was created so that the argument in decentralization may be appropriate to set the theoretical frame.

Decentralization is defined as the transfer of authority or responsibility from the central government to subnational levels.²¹

Under the “principle of subsidiarity” subnational governments are said to be more responsive to local issues and a better positioned to respond to them.²² “Subsidiarity is the principle which states that matters ought to be handled by the lowest competent authority”²³. Various countries especially developing countries have opted for a decentralized system of government to improve its governments effectiveness in responding to issues such as poverty, poor infrastructures or poor health services and so on.

The advocates of decentralization argue that it leads to a higher level of political participation, accountability and administrative and fiscal efficiency.²⁴

For example, according to the UNDP, “decentralization could also be expected to contribute to key elements of good governance, such as increasing people's opportunities for participation in economic, social and political decisions; assisting in developing people's capacities; and enhancing government responsiveness, transparency and

²¹ See Neven, I Background Paper on Decentralization .Institute Altera-Green World Research, Olsen, H.B (2007).Decentralization and Local Governance Module 1: Definitions and Concepts, p.2-4.

²² See Saito. F (2008).Decentralization and Local Governance: Introduction and Overview. In Saito (ed) Foundations for Local Governance: Decentralisation in Comparative Perspective Heidurlberg: Pysica-Verlag p.2-6.

²³ See Olsen, H.B (2007).Decentralization and Local Governance Module 1: Definitions and Concepts, p5.

²⁴ See Falleti, T.G (2004) A Sequential Theory of Decentralization and its Effects on the Intergovernmental Balance of Power: Latin American Case in Comparative Perspective. The Hellen Kellogg Institute for International Studies, p1.

accountability.....”²⁵ In line with this Yilmaz, Beris and Serrano-Berthet (2006) also stated that “decentralization offers significant opportunities to improve government accountability. It creates the possibility of exerting stronger pressures on government performance both from below (the demand side) and from above (the supply side). Decentralization reshapes power relations among the local residents, local governments, producers of local government services, and higher levels of government (including central government)”²⁶ Watt (2006) goes on further to say that the major advantage of local government is that it allows the local public goods and services it provides to be adjusted to suit the tastes and the preferences of local residents.²⁷ The proponents of the 1995 reform like the two Prime Ministers, Wingti and Chan made similar arguments as reason for further devolving of powers by creating the LLGs after the reform.

However, despite this the results are not always favorable. Studies have shown that decentralization itself is not a guarantee for all that to materialize, and, in the context of developing countries, be counterproductive.

As Olsen points out, “decentralization of power and authority from central to local government is important for the empowerment of local people, but this in itself does not guarantee the emergence of enhanced local governance.”²⁸

Furthermore, in a study conducted by the Organization for Economic Co-operation and Development (OECD), the link between decentralization and poverty reduction cannot be established. The study pointed out that in countries with weak institutions and political conflicts, decentralization could worsen things, despite these findings, the study still

²⁵ See UNDP, Decentralized Governance Programme: Strengthening Capacity for People-Centered Development, Management Development and Governance Division, Bureau for Development Policy, September 1997, p. 4.

²⁶ See Yilmaz, S, Beris, Y, Serrano-Berthet, R. (2008) Local Government Discretion and Accountability: A Diagnostic Framework for Local Governance. Social Development Working Papers, Local Governance and Accountability Series. Paper No.113, July p.1.

²⁷ See Watt.A.P. (2006) Principles and Theories of Local Government. *Institute of Economic Affairs*. March p.8.

²⁸ See Olsen, H.B (2007).Decentralization and Local Governance Module 1: Definitions and Concepts.

maintains that decentralization can actually be a powerful tool for reducing poverty, improving representation of the poor and better targeting of service delivery, if the central government is fulfilling its basic function.²⁹

Furthermore the proposition that decentralization is suitable to govern culturally and ethnically and religiously heterogeneous societies such as those in Asia and Africa was proven wrong in some instances. As illustrated by Saito in his paper on decentralization in Uganda “decentralization may jeopardize equity among different localities. Resourceful areas may take advantage of opportunities created by decentralization while relatively poor areas cannot”.³⁰

If a decentralized state is considered ideal to help reduce poverty in developing countries, why is it that studies such as the OECD’s have found no link between decentralization and poverty reduction? Is decentralization a failed concept? Several scholars have attempted to share light on this issue, for instance regarding the various problems faced in developing countries, studies have pointed out “that it is a reflection of flaws in design and implementation more than any inherent outcome of decentralization itself”.³¹ Litvak Ahmad and Bird went on further to explain that in developing countries where institutions, information and capacities are all weak, decentralization is a big challenge.³² For example Saito (2001) who studied decentralization in Uganda argues that “decentralization in developing countries the increased efficiency and effectiveness of public resources may not be realized, since resources (capital, human and even social)

²⁹ See Jutting, J, Kauffman, C et al (2004) *Decentralization and Poverty in Developing Countries: Exploring the Impact*, Paris: *OECD Development Centre*, p.7.

³⁰ See Saito.F (2001) *Decentralization Theories revisited: Lessons from Uganda. Ryukoku RISS Bulletin.No.31* March, p.2.

³¹ See Litvak, Jennie, Juaid Ahmad and Bird.R (1998) *Rethinking Decentralization in Developing Countries. World Bank*, p.8.

³² *Ibid*, p.7.

available at local level in low-income countries are very limited. These scarce resources are more effectively utilized when they are concentrated at the national level”.³³

Hence, importance lies in the implementation process, relevant institutions and individuals concerned. As stated by Olsen “a strong society is an important prerequisite to any meaningful, vibrant democratic and decentralized governance system”.³⁴

2.2 1995 Reform and PNG Political Culture

It is a fact that there is paucity in literatures on political issues in PNG generally. The local government system in PNG also has received little attention by scholars despite various concerns and issues confronting this level of government. Papua New Guinea opted for a decentralized system of government shortly after gaining independence in 1975. That decision was partly to counter secession threat from Bougainville and as put forward by the CPC, have a participatory kind of government which can respond effectively to local needs. However, even though the secession threat by Bougainvillians played a major role in the birth of decentralization in PNG, there are very few literatures available that talk about this link. This is because in 1988, thirteen years after PNG gained independence a civil war broke out between the PNG government and the Bougainville Republican Army or BRA as generally known by their acronym, which lasted for 10 years. The bulk of the literatures on Bougainville was published after the commencement of the civil war, hence naturally most of the literatures are focused on the events and issues in Bougainville, such as its history of discontent, establishment of the Panguna Mine and how that led to the civil war.

Other studies on the provincial and local system in government have recently

³³ See Saito.F (2001) Decentralization Theories revisited: Lessons from Uganda. *Ryukoku RISS Bulletin*.No.31 March., p.4-9.

³⁴ See Olsen, H.B (2007).Decentralization and Local Governance Module 1: Definitions and Concepts.

emerged, such as Matbob (2006)³⁵ who argues that despite its short comings decentralization is good for PNG as opposed to centralization and should be strengthened. He argues that the current structure is promising because it involves the local level government unlike before and planning for development is done from the local level³⁶. However, he acknowledges that implementation is a challenge and that the provincial and local government system needs time to improve.

However, authors lack to point out that the new provincial and local level government system after the 1995 reform is rather unique. The uniqueness in 1995 Reform in PNG's local government system seems to have close relations with its traditional culture, 'Big Man Culture' as some researchers like Rynwiech (2000) or Reilly (2008) suggest its strong impacts on PNG politics.

Rynwiech (2000) in his paper titled Big-man Politics: Strong Leadership in a Weak State argues that "politics in PNG is couched in terms, expectations and processes that reflect traditional "Big-man" politics. According to Rynwiech, this concept has been carried over to modern day PNG in which politicians are now the "Big-man" trying to access the nation's resources to bring to their people in exchange for their votes (loyalty).³⁷ Rynwiech goes on to discuss how that impacts upon governance in PNG, mainly on the election process, in which there is lack of continuity of the political system because everyone wants their own Big-man in parliament there is high turn over rates of MPs elected every election.³⁸

Another example is the fluid party system PNG has in which voters identify with individuals and not party. Gelu (2000) points out that "the real problem in modern PNG

³⁵ See Matbob, P (2006) The Challenges of the Provincial Government System in Papua New Guinea: The need for Strengthening Decentralization, *Contemporary PNG Studies*; Divine Word University Journal Vol 4/May, p.1.

³⁶ Ibid, p.7.

³⁷ See Rynkiewich, M (200) Big-man Politics: Strong Leadership in a Weak State. In Rynkiewich, M.A &Seib, R (eds) *Politics in Papua New Guinea: Continuities, Changes and Challenges*. Goroka. Melanesian Institute, p.25-34

³⁸ Ibid.

politics is how to balance two distinctively different political cultures that seem so incompatible.”³⁹ He identified the two political cultures as PNGs traditional political culture prior to colonization and the Western political culture introduced by the colonizers. According to Gelu, the colonizers enforced their ideas, with little regard to understanding traditional structures which embodies ideas, values and beliefs, and instead they displaced the old culture.⁴⁰ In PNG educating people was not a priority for the colonizers, therefore people did not understand politics in the Western sense, and real progress in instituting democratic practices and institutions started only in the 1960s. As a result of the conflict between the two political cultures, PNG has developed a hybrid democratic process, especially concerning election and leadership that follow a home-grown political culture...⁴¹ Gelu goes on further to discuss how PNG’s “hybrid” political culture impacts upon political processes in PNG and argues that a non-liberal democratic culture is emerging in PNG.⁴² Reilly (1999) also argues that “traditional forms of social organization still play an important role in PNG society and continue to be a significant influence upon the conduct of modern representative politics”.⁴³ Consequently, politicians in trying to fulfill their Big-man expectations do not necessarily abide by the “rules”. As illustrated by Rynwiech, “there is lack of transparency and accountability in PNG politics as there is little concern how the Big-man MP brings resources home, only that he do so”.⁴⁴ This has posed a lot of problems for PNG. For example, as this dissertation argues, decentralization in PNG has not achieved its aim of enhancing service delivery to the rural areas due to the highly politicized local government system PNG has. Developmental funds are

³⁹ See Gelu, A (2000) The Emergence of a Non-Liberal Democratic Culture in Papua New Guinea. In: Rynkiewich, M.A & Seib, R (eds) *Politics in Papua New Guinea: Continuities, Changes and Challenges*. Goroka. Melanesian Institute, p.91.

⁴⁰ Ibid,p.90

⁴¹ Ibid,p.91

⁴² Ibid.

⁴³ Reilly, B (1999) Party Politics in Papua New Guinea. *Pacific Affairs* , Vol.72.No.2,p.226

⁴⁴ See Rynkiewich, M (2000) Big-man Politics: Strong Leadership in a Weak State. In Rynkiewich, M.A & Seib, R (eds) *Politics in Papua New Guinea: Continuities, Changes and Challenges*. Goroka. Melanesian Institute, p.35.

misappropriated and service delivery is clan based because MPs are trying to fulfil their Big-man expectations.

However, as Stella (2003) and Reilly (2002) also suggest, the impact of the traditional culture should not be overestimated as determinant, but rather considered to be the factors to contribute to the formation of unique local political institution

Stella (2003) argues “proposition that traditional culture is inhibiting and deleterious to development is not only parochial but lacks depth. This view is derived from a common fallacy, which conceives of traditional culture as static. However, traditional culture is not static.”⁴⁵ According to Stella culture and modernity play complementary roles.⁴⁶

Reilly (2002) argues that;

(T)he comparative lack of attention to the impacts of modern political institutions has, however, also hampered a comprehensive understanding of the political process in PNG, and has led to a tendency to ascribe the causes of political activity overwhelmingly to traditional “cultural” factors.⁴⁷

This study finds something lacking in the previous studies in the sense that the authors did not discuss the issue of culture affecting the political process squarely. For instance Rynweich talks about the Big-men (Politicians) bringing state resources to their people, but how are they able to do that? And Gelu talks about Fluid Party system because

⁴⁵ See Stella, R (2003) Papua New Guinea in the New Millennium: Some Troubled Homecoming. In: Kavanamur, D, Yala, C and Clement, Q (eds.) *Building a Nation in Papua New Guinea*, Canberra, Australia: Pandanus Books.p.14-15.

⁴⁶ Ibid.p.14.

⁴⁷ See Reilly B(2002) Continuity and Change in Papua New Guinea Elections 1964-1997.In.Anere.R &May.R.J(eds) *Maintaining Democracy: The 1997 Elections in Papua New Guinea*, Canberra and Port Moresby, University of Papua New Guinea and Australia National University Press.p17.

voters identify with the person and not the party, but why do voters identify with the person? What is lacking in those previous studies is that no one mentioned how the continuity of Big Men culture is made possible in contemporary PNG. Under modern political system which was introduced to PNG, how Big-man culture still continued to have that effect. This study answers this question by arguing and illustrating the Big-man culture is able to continue because it is embodied in the modern political institutions PNG have in place, which also makes PNG's political system different from other modern states.

CHAPTER 3: Bougainvillean Secessionism and Decentralization in Papua New Guinea

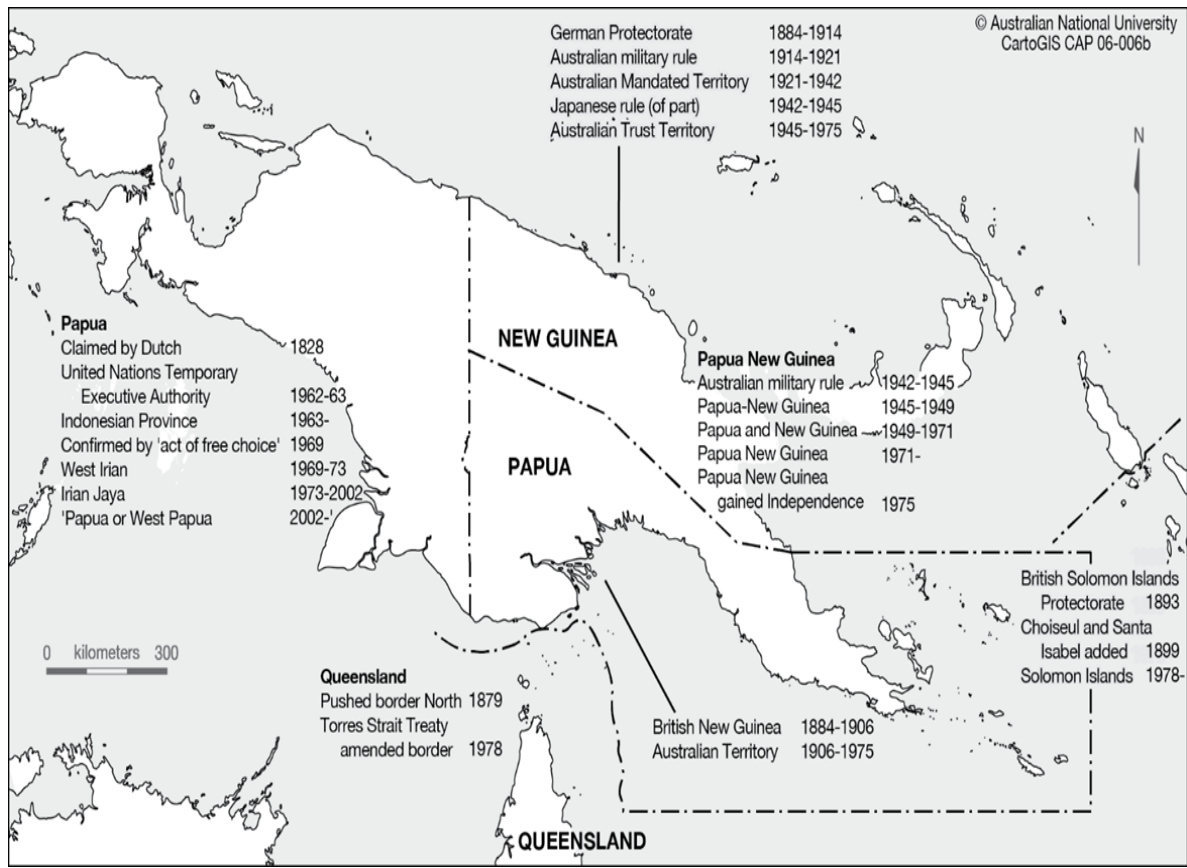
Decentralization in Papua New Guinea cannot be discussed without talking about the secessionist movement in the island of Bougainville and the issues surrounding the island at that time. Bougainvilleans' actions in the lead up to independence influenced the Constituent Assembly and the Constitutional Planning Committee to set a course toward decentralization in Papua New Guinean independence.

Bougainville (island) is located 800km off the mainland PNG. In 1899 German and Britain divided the North Solomon between them. Bougainville became part of German New Guinea to the North while Short lands, Choiseul and Isobel islands became part of the British protectorate of Solomon Islands to the south.⁴⁸ After German defeat in the First World War, Bougainville became part of the Mandated Territory of New Guinea under the Australian Administration. As Leo Hannet, an ideologue of the Bougainville secessionist movement argues, "Ever since white men intruded into our island....Bougainville has always been the victim of mad imperial music chairs".⁴⁹

⁴⁸ See Bennet, AJ (2000), "Across the Bougainville Strait: Commercial Interests and Colonial Rivalry", *The Journal of Pacific History*, Vol.35, No.1 p.70. See also Laracy, H (1991), "Bougainville Secessionism", *Journal de la Societe des Oceanistes*, p.53 available online at http://www.persee.fr/doc/jso_0300-953x_1991_num_92_1_2896.

⁴⁹ Leo Hannet, 'The case for Bougainville Secession,' *Meanjin Quarterly*, Spring 1975, p.286 as quoted in Premdas.R.R 'Secessionist Politics in Papua New Guinea,' *Pacific Affairs* Vol.50 No.1, 1977, University of British Columbia, p.67.

Figure 1 Historical Map of Papua New Guinea⁵⁰



A Pacific historian finds the reasons of Bougainvilleans to have strong secessionist sentiments in geography, color and religion.

Bougainville is far distant from the larger and more populous parts of the country. Geographically it belongs to the Solomons group, from which it was politically separated in 1899. Moreover, its people have no significant traditional links with other parts of Papua New Guinea and may easily be distinguished from their copatriots by their skin color....Catholicism, then linked and reinforced other elements of “Bougainvilleness”...Moreover, in the post-World War II decades the education given

⁵⁰ <http://asiapacific.anu.edu.au/maponline/base-maps/new-guinea-historical-control> - Historical Map of Papua New Guinea.

in Catholic schools and particularly at the High Schools operated by the Australian Marxists Brothers at Kieta, ensured that Bougainvillians generally had a higher level of literacy and broader span of learning than was common in the rest of Papua New Guinea. It also ensured that the local educated elite generally compared more than favorably with its counterpart in other districts. By 1970, therefore, Bougainville was on the way to possessing a substantial number of people, many of them closely acquainted with each other, who were well equipped to participate articulately and effectively in public affairs in their own district and also at national level.⁵¹

Although these sentiments were felt among the Bougainvillea's, strong calls for secession did not come until after Convince Rio Tinto Australia Limited (CRA) got a license to prospect the Panguan and Kupei areas of Bougainville for copper in 1963.⁵² It occurred in the context of the 1960s when Australian Administrators felt that 'economic development in Papua New Guinea was urgently needed to underpin approaching independence'.⁵³

3.1 History of Discontent in Bougainville (LAND ISSUES)

In January 1964 a CRA prospector was dispatched to Kieta (in Bougainville) and started prospecting the area. In 1965 he reported that a substantial mineral deposit existed in Central Bougainville⁵⁴. Griffin observed that the "Australian Administration was obliged to promote its development vigorously but unimaginatively according to Australian mining

⁵¹ See Laracy H 1991, "Bougainville Secessionism", *Journal de la Société des Océanistes*, Année 1991, 92-93 pp. 53-54 available online at http://www.persee.fr/doc/jso_0300-953x_1991_num_92_1_2896.

⁵² See Premdas, RR 1977, Secessionist Politics in Papua New Guinea, *Pacific Affairs* Vol. 50, and No. 1 University of British Columbia, p. 76.

⁵³ See Nigel Cooper, "Bougainville Reconsidered: The Role of Moral Re-Armament in the Rorovana Land Crisis of 1969", *Journal of Pacific History*, Vol. 26, No. 1, 1991, p.57.

⁵⁴ Griffin (2005) Movements towards Secession 1964-76. In Griffin and Reagan (Eds.) *Bougainville before the Conflict*: Pandanus Books, Australia National University, Canberra, p.291.

principles.”⁵⁵

The Mining Ordinance 1928 declared all the precious or mineral resources under the surface of land belonged to the government.

All gold, silver, copper, tin, antimony, and metals of every description, opals, gems, precious stones, and coal, shale and mineral oils on, in or under all lands ... are and shall be deemed always to have been the property of the Administration, and shall be deemed not to have been parted with under any such alienation, dedication, or lease or license or permit of such lands.⁵⁶

When any mining on lands never vested in the colonial administration was intended, the Ordinance required a notice to be given to the Warden and he should assess the likely amount of the damage to the surface of the land on behalf of the native land owners.⁵⁷ These rules enabled the colonial administration to give the mining right to CRA without any consultation with, or even any notice to, the native land owners. Thus, “(t)here was opposition to the mining on the Bougainville from the very beginning.”⁵⁸ The Australian Government records ‘Confrontations between villagers and geologists’ throughout the year of 1965.⁵⁹

The Australian Administration in June 1966 introduced the Mining Bill of 1966 to the House of Assembly in order to enable land alienation necessary for the development of the mine that had not been provided for by the 1928 Mining Ordinance.⁶⁰ This bill also stipulated the compensation to the local people whose land was to be appropriated for the

⁵⁵ Ibid.

⁵⁶ The Mining Ordinance 1928, Section. 191, (1).

⁵⁷ Ibid. Section. 190, (1) and (2).

⁵⁸ Joint Standing Committee, op.cit., p.18.

⁵⁹ Joint Standing Committee, op.cit., Appendix D: Outline History of the Bougainville.’1999, Cambella

⁶⁰ See Cooper.N(1991), ‘Bougainville Reconsidered: The Role of Moral Re-Armament in the Rorovana Land Crisis of 1969’, *Journal of Pacific History*, Vol.26,No.1, p.58

mining. Local people would be given the rent of five percent of the unimproved value of the land but not any royalties from the sales of the products, as the government considered the minerals as government owned.⁶¹ This denial of the right to the subsurface was contrary to traditional village practice⁶²

‘The local people felt that the legislation was rushed through the House of Assembly and were incensed that they had not been consulted,’⁶³ argues Nigel Cooper, a worker with Moral Re-armament⁶⁴ in Papua New Guinea from 1967 to 1970. However, Australian Administration’s ‘policy since 1963 had been to handle all negotiations on their behalf on the grounds that the government was better able to protect their interests than the people themselves, and at the same time promote the national interest.’⁶⁵ Thus a possibility that the national interest might stand against the local interest groomed.

In November 1966, Paul Lapun, a member of the House of Assembly representing Bougainville proposed a new mining bill by which 5% of royalties should be paid by the developers directly to the landowners. This bill was passed after his hard fighting against the administration and some elected members who had vigorously opposed this bill. He had tried to create a framework in which local would not feel exploited by CRA but welcome it. “But the seeds of discontent were growing”.⁶⁶

⁶¹Ibid.

⁶² See Premdas, RR 1977, and Secessionist Politics in Papua New Guinea, *Pacific Affairs* Vol.50, and No. 1 University of British Columbia p.76.

⁶³Nigel Cooper, “Bougainville Reconsidered: The Role of Moral Re-Armament in the Rorovana Land Crisis of 1969”, *Journal of Pacific History*, Vol. 26, No. 1, 1991, p.58.

⁶⁴ Moral Re-Armament (MRA) is, according to Cooper, a voluntary association of people linked by a common commitment to bring a change of heart to people which will extend to all their dealings in society. See the fn.3 of *ibid.*, p.57.

⁶⁵See Cooper, N 1991, “Bougainville Reconsidered: The Role of Moral Re-Armament in the Rorovana Land Crisis of 1969”, *Journal of Pacific History*, Vol. 26, No. 1 p.58.

⁶⁶ See Cooper,N (1991), “Bougainville Reconsidered: The Role of Moral Re-Armament in the Rorovana Land Crisis of 1969”, *Journal of Pacific History*, Vol.26. No.1 p.58 Eugene Organ finds the reason of the growing discontent, which is apparently inconsistent with Lapun’s triumph and the local peoples steadfast loyalty to him, in the local peoples belief in Lapuns ‘mysterious essentially supernatural, knowledge and power’ to bring and realise a ‘secret plan’.(Ogan,E 1974, Cargoism and Politics in Bougainville 1962-1972 *Journal of Pacific History*, Vol 9, p.21.

In August 1967, the Mining (Bougainville Copper Agreement) Ordinance was passed in the House of Assembly, setting the course of copper mining project with CRA that might give a significant financial resource to the independent state of Papua New Guinea by paying taxes at 66 percent after 25 years.⁶⁷

In 1968, CRA announced that there was an estimated 900 million tons of low-grade copper ore at Panguna. Soon after this announcement, a meeting of twenty-five Bougainvillians in Port Moresby on September 8, 1969 made a call for referendum in Bougainville to gauge people's opinion about the island's future. Leo Hannet became the spokesman of this group and eclipsed popular traditional leaders including Lapun.⁶⁸

This call was ignored by the Administration but found many forms of responses in Bougainville, one of which was a creation of Mungkas that called for secession referendum.⁶⁹ In March 1969, the administration announced it needs to acquire 40,000 acres of land for the mining project in Arawa, Loloho and Rorovana. The Rorovana people objected vigorously. The administration threatened to take the land compulsorily if the local people did not sell it.⁷⁰

In protest about 200 villagers attacked surveyors at work in Panguna, but this did not halt the CRA progress. They went ahead and announced on May 1969 that they will proceed with the copper mine.⁷¹ The local people's grievances were tabled in the House of Assembly, but they were not content with that. On 6 July 1969 they formed an organization called Napidoke Navitu to coordinate the protest, which would become the focal point for

⁶⁷ See Cooper, N 1991, "Bougainville Reconsidered: The Role of Moral Re-Armament in the Rorovana Land Crisis of 1969", *Journal of Pacific History*, Vol. 26, No. 1 p.59.

⁶⁸ See Premdas, RR 1977, *Secessionist Politics in Papua New Guinea*, *Pacific Affairs* Vol.50, and No. 1 University of British Columbia pp. 76-77.

⁶⁹ See Laracy, H 1991, "Bougainville Secessionism", *Journal de la Société des Océanistes*, p.54 available online at http://www.persee.fr/doc/jso_0300-953x_1991_num_92_1_2896.

⁷⁰ See Cooper, N 1991, "Bougainville Reconsidered: The Role of Moral Re-Armament in the Rorovana Land Crisis of 1969", *Journal of Pacific History*, Vol. 26, No. 1,p.59.

⁷¹ Ibid p.61.

Bougainville's call for secession in the 1970s.⁷²

What they were demanding for was the administration's and the 'white' people's respect for them, 'all black.' Raphael Bele, a Rorovana landowner and Treasurer of Napidoke Navitu insisted:

To Bougainvilleans, land is like the skin on the back of your hand --- you can neither buy it nor sell it. You inherit it, and it is your duty to pass it on to your children in as good a condition as, or better than, that in which you received it. You would not expect us to sell our skin, would you?⁷³

On July 28, 1969 the Rorovana people were told to accept the payment for land by 1 August or it would be compulsory acquired. On 5 August 1969 there was a major confrontation between riot police and defenseless villagers. The local people's grievances and treatment were widely publicized in Australia, and the company was publicly criticized and embarrassed. The company stated that it would increase payment for the land but the people were found not prepared for the company to take their land.⁷⁴ At that point the administration was preparing for using force to end the matter.⁷⁵ 'Both sides concluded that confrontation was inevitable.

However, the bloodshed was avoided as Lapun and Barry Middlemiss, an Australian plantation overseer in Nasioi, finally succeeded in persuading the people for the company's use of land on the terms outlined in the Rorovana Agreement of 1969. Cooper attributed it

⁷² Ibid p.62.

See also Laracy, H 1991, "Bougainville Secessionism", *Journal de la Société des Océanistes*, p54 available online at http://www.persee.fr/doc/jso_0300-953x_1991_num_92_1_2896.

⁷³ See Cooper, N 1991, "Bougainville Reconsidered: The Role of Moral Re-Armament in the Rorovana Land Crisis of 1969", *Journal of Pacific History*, Vol. 26, No. 1 pp.65-66.

⁷⁴ Ibid p.63, See also Ogan, E 1974, Cargoism and Politics in Bougainville 1962-1972 *Journal of Pacific History*, Vol 9.

⁷⁵ See Cooper, N 1991, "Bougainville Reconsidered: The Role of Moral Re-Armament in the Rorovana Land Crisis of 1969", *Journal of Pacific History*, Vol. 26, No. 1 p.69.

to the missionary movie propaganda and Paul Lapun's relentless efforts. The agreement stated that a royalty of 1.25% would be paid to the Administration, and 5% of this would go to the land owners. The Administration also agreed not to acquire any further Rorovana land without the consent of the owners.⁷⁶ However, after the mining began, other problems arose and secession was back on the agenda.

3.2 Call for Secession

After General elections in 1972, Michael Somare's National Coalition came to power in PNG and inherited the strained relations with Bougainville. By then all four members representing Bougainville in the House of Assembly supported secession.⁷⁷

Apart from the land issues of the late 1960s, Bougainvilleans were now also arguing that employment opportunities were too few, their royalties inadequate and the environmental damage and pollution from the mine unacceptable.⁷⁸ They also resented the presence of PNG mainlanders taking jobs at the mine and held them responsible for a rise in crimes victimizing locals.⁷⁹

There were also complaints that Papua New Guinea was taking large share of profits with only two percent returning to Bougainville and were also denying proper structural development.⁸⁰ For these reasons there was a strong movement among the Bougainville Islanders that the profits of the mine should remain in the island and not distributed throughout the country.⁸¹

⁷⁶ Ibid., p.71.

⁷⁷ See Laracy, H 1991, "Bougainville Secessionism", *Journal de la Société des Océanistes*, p54 available online at http://www.persee.fr/doc/jso_0300-953x_1991_num_92_1_2896.

⁷⁸ See Delvin, M 2010, "Decentralisation without Disintegration: Provincial Government in Papua New Guinea, 1972-1985", *Innovation for Successful Societies*, Princeton University, pp.2-3.

⁷⁹ See Premdas, RR 1977, Secessionist Politics in Papua New Guinea, *Pacific Affairs* Vol 50, No.1 University of British Columbia, pp.72-73.

⁸⁰ See Hermkens, A 2013, "Like Moses Who Led His People to the Promised Land: Nation-and State Building in Bougainville", *Oceania*, Vol.83, Issue 3,p.195.

⁸¹ See Gelu, A 2008, "The Quest for Good Governance: A Survey of Literatures on the Reform of Intergovernmental Relations in Papua New Guinea", Monograph No. 40, *National Research Institute*, p.8. See also Matbob, P 2006, *The Challenges of the Provincial Government System in Papua New Guinea: The*

In the words of Sir Julius Chan (Governor for New Ireland), who was finance minister at that time;

They (Bougainville Islanders) felt very strongly that they need to somehow control the economy because of the Bougainville Copper mine that contributed almost about, you can say 90% of the total wealth of Papua New Guinea, or export earning of this country....⁸²

The impending secession was seen by the newly formed indigenous government led by Michael Somare as a threat to the stability of what would be a newly formed country. Somare's government could not have easily let that happen. Papua New Guinea has not gained independence yet, hence this was a delicate situation, if Bougainville Islanders succeeded to breakaway. It would question the capability of Papua New Guinea to remain as one after independence, with ever increasing possibility of other provinces opting to secede. In addition Panguna copper mine was an important source of revenue for the country, and losing it would be devastating for the rest of Papua New Guinea.⁸³ Posed with this problem even before independence, Somare and his government were forced to quickly find a solution.

The Panguna mine was a strong bargaining chip for the Bougainvilleans, which influenced the government to adopt a policy of appeasement. Unless they permitted Bougainville a degree of autonomy there would be outright secession.⁸⁴ Initially the National Government tried to lure the Bougainville leaders in the House of Assembly to

Need for Strengthening Decentralisation, *Contemporary PNG Studies*: Divine Word University Journal Vol.4/May p.5.

⁸² See Chan, Julius interviewed by Delvin.M and Mukherjee.R 2010 Port Moresby, Governance Trap, Interview Number P-10, *Innovation for Successful Societies*, p.1.

⁸³ See Delvin, M 2010, "Decentralisation without Disintegration: Provincial Government in Papua New Guinea, 1972-1985", *Innovations for Successful Societies*, Princeton University,p.2.

⁸⁴ Ibid,p.3.

their side by giving them senior posts⁸⁵, but this tactic was not successful.⁸⁶ The turning point came when an incident occurred in which two Bougainvillian men, both high ranking civil servants, who, Highlands (mainland) ran over and killed a child while driving. Locals retaliated and killed both of them.⁸⁷ The increased Bougainvillians hostility to the mainlanders united all Bougainvillians to call strongly for secession.⁸⁸

In 1973, a Bougainville Special Political Committee (BSPC) was set up to negotiate with the government of Papua New Guinea. The BSPC proposed for a semi-autonomous provincial status to be granted and eventually full independence.⁸⁹ The central government disregarded the proposal and a stalemate followed until 1 September 1975.

3.3 Prior Rejection to Establishing Provincial Government System

Around the same time this issue was going on, the government also had to prepare for the upcoming independence, such as drafting a new national constitution. Even before independence, Papua New Guinea was forced to deal with the issue of decentralization.

In an attempt to address these issues simultaneously the government established a Constitutional Planning Committee (CPC) in June 1972. All the members of the House of Assembly, staff of the House of Assembly and visiting special consultants became the committee members.⁹⁰ They were tasked with drafting a constitution in time for independence. The terms of reference include matters such as;

⁸⁵ Paul Lapun was made the Minister for Mines and Energy, Donatus Mola (MHA North Bougainville) Minister for Development and Father John Momis Deputy Speaker.

⁸⁶ See Laracy, H 1991, "Bougainville Secessionism", *Journal de la Société des Océanistes*, available online at http://www.persee.fr/doc/jso_0300-953x_1991_num_92_1_2896_p.54.

⁸⁷ See Delvin, M 2010, "Decentralisation without Disintegration: Provincial Government in Papua New Guinea, 1972-1985", *Innovations for Successful Societies*, Princeton University.p.1 See also Laracy, H 1991, "Bougainville Secessionism", *Journal de la Société des Océanistes*, available online at http://www.persee.fr/doc/jso_0300-953x_1991_num_92_1_2896_p.54.

⁸⁸ Ibid.

⁸⁹ Laracy, H 1991, "Bougainville Secessionism", *Journal de la Société des Océanistes*, available online at http://www.persee.fr/doc/jso_0300-953x_1991_num_92_1_2896_p.54.

⁹⁰ See the Constitutional Planning Committee Report Final Draft 1974 (i) Members of the Constitutional Planning Committee.

- the system of government; executive; legislature and judiciary
- central-regional-local government relations and district administration
- relations with Australia
- defense and external affairs-transitional provisions;
- Public Service;
- An Ombudsman;
- Bill of Rights
- Constitutional Review⁹¹

As stated above, there were obviously a number of issues to be sorted out before independence and, the issue of decentralization was recognized as priority.⁹²

Decentralization would anyway come about in Papua New Guinea even without Bougainville Islanders threat of secession. First of all it was more or less inevitable considering the geographical make-up and the diversity within the country in terms of culture and languages. Almost 85 percent of the main island of Papua New Guinea is covered with tropical rain forest. The central part consists of ridge of mountains known as the Highlands. It was so densely forested causing the locals to be isolated from each other for a very long time.⁹³ Furthermore, Papua New Guinea societies are so fragmented, with over a thousand cultural groups and over 850 different spoken languages, it one of the most culturally complex country in the world.

To use the words of Joseph A. Peasah, a researcher who has published several papers on the Local Government System in Papua New Guinea (1994), “if decentralization was unknown anywhere else in the world, Papua New Guinea would have to invent it”.⁹⁴

⁹¹ See The Constitutional Planning Committee Final Report 1974, part 1 p. 5.

⁹² Delvin, M 2010, “Decentralisation without Disintegration: Provincial Government in Papua New Guinea, 1972-1985”, *Innovations for Successful Societies*, Princeton University, p.3.

⁹³ <http://www.geographia.com/papua-newguinea/> accessed 12/05/2015.

⁹⁴ Gelu, A 2008, “The Quest for Good Governance: A survey of Literatures on the Reform of Intergovernmental Relations in Papua New Guinea”, Monograph no. 40, *National Research Institute*.p.8.

However, it is possible that the observations made by the Constituent Planning Committee were prompted in part by the Bougainville issues as the Committee was formed after the threat of secession. The CPC was in fact formed partly to counter the secession threat.⁹⁵ The fact that the Vice chairman of the committee who was responsible for drafting the constitution was Fr John Momis who is a representative of Bougainville Regional in the Constituent Assembly, also suggests the importance of the Bougainville Issue.⁹⁶

If Bougainville did not provide the main impetus for decentralization, its role was nevertheless significant in the government's decision to introduce Provincial Governments right after independence. The government made that decision in some haste because of its desire to retain Bougainville and maintain national unity at independence and because of the relentless pressure from Bougainvilleans.

With the time constraint and the issues that needed to be addressed before independence, the "readiness" of Papua New Guinea for establishing a decentralized system and even independence itself at that time could be questioned. This question is important in understanding the nature of provincial government in the current context. The problems faced today are a rippling effect of the rushed introduction of Provincial Government as a means to appease Bougainvilleans.

The Government was not prepared to introduce provincial government, let alone prepared for independence itself.

As expressed by Sir Julius Chan;

None of us really know exactly where we're going and really, you know, the whole process of self-government to independence was very short. By any comparison to

⁹⁵ Delvin, M 2010, "Decentralisation without Disintegration: Provincial Government in Papua New Guinea, 1972-1985", *Innovations for Successful Societies*, Princeton University.p.3.

⁹⁶ The Constitutional Planning Committee Final Report 1974 (i) Members of the Constitutional Planning Committee.

any other nation on this planet, we were just caught up in the African race, that's all it is. We had to do it in the shortest time available.⁹⁷

He continued by saying;

We didn't have the economic structure in place. As soon as we said we're going to self-government in '73, we had nothing. We don't even own our own currency, we don't have a central bank, we don't have any commercial banks. We haven't got a clue about anything. So we were walking into the unknown all the time.⁹⁸

Furthermore, looking at the constituent assembly debates in 1974, just prior to independence, pertaining to the establishment of Provincial Government, it was very clear that majority of the Constituent Assembly Members at that time were against the establishment of Provincial Government. Rather they proposed for Provincial Government to be established later on or more gradually. The excuse made by them was that Papua New Guinea was financially incapable of establishing Provincial Government right after independence.⁹⁹ For instance, Somare' Chief Minister at the time, argued that "there are many problems and obstacles associated with the question of provincial government and local government"¹⁰⁰ He went on further to state that "we would not have the money to finance the establishment and function of provincial governments".¹⁰¹ Somare argued for a stage by stage decentralization that is to allow only administrative decentralization and not political decentralization.

⁹⁷ See Chan, Julius interviewed by Matthew Delvin and Rohan Mukherjee (2010) Port Moresby, Governance Trap, Interview number P-10, *Innovation for Successful Societies*, p.18.

⁹⁸ Ibid.

⁹⁹ See National Constituent Assembly Debates, 3rd meeting of the 3rd session, 22nd July to 31 July 1975

¹⁰⁰ ibid Vol.1, No.1 pp.327-328.

¹⁰¹ Ibid.

His views were shared by the majority of the Constituent Assembly members who took part in the debate. For instance, Tei Abel asks “Where can we find money to finance this new system of government and where can this kind of money come from? Provincial government just cannot be set up without money to finance its functions. On the other hand the unity of the nation is at stake.”¹⁰² Another member Angmai Bilas also agreed with Somare and said that “too many government cost too much money.”¹⁰³ Of 18 members who participated in the debate pertaining to the establishment of Provincial Government, ten including Somare agreed that Provincial Government should take place gradually, and that it should not be included in the Constitution, and five argued that provincial government should be established in those districts (now provinces) which are ready to do so, and only three agreed for Provincial Government system to be established in all districts.¹⁰⁴ In July 1975, the National Constituent Assembly members voted for the Provincial Government System to be omitted from the Constitution.

3.4 Why was the Provincial Government included back in the Constitution?

It was in July 1975 that the Constituent Assembly in their debate agreed to omit provisions of the establishment of the Provincial Government in the Constitution. This was the final outraged the Bougainvilleans.¹⁰⁵ They responded to this by declaring independence on September 1 1975, two weeks before Papua New Guinean’s independence.¹⁰⁶ On 16th January 1976 the Government was given an ultimatum by the secessionist to either pay \$2.5 million in royalty or there will be destruction.¹⁰⁷ The demand was ignored because it exceeded the \$12.5 million allocated for each province.

¹⁰² Ibid. p.331.

¹⁰³ Ibid p.330.

¹⁰⁴ See National Constituent Assembly Debates, 3rd meeting of the 3rd session, 22nd July to 31 July 1975.

¹⁰⁵ See Hermkens, A 2013, “Like Moses Who Led His People to the Promised Land: Nation-and State-Building in Bougainville”, *Oceania*, Vol. 83, Issue, p.196.

¹⁰⁶ Ibid.

¹⁰⁷ See Lacity, H 1991, “Bougainville Secessionism”, *Journal de la Société des Océanistes*, available online at http://www.persee.fr/doc/jso_0300-953x_1991_num_92_1_2896 . Pp.55-56.

Ten days later secessionist destroyed government property and tore up airstrips on Bougainville.¹⁰⁸ Two Bougainville House of Assembly members resigned their posts.¹⁰⁹ It is highly likely that Somare's response to the riots had a big impact on the Bougainville Agreement signed later.

When the riot started, Somare's reaction was quite calm. The Police in Bougainville were ordered by Somare to "act with extreme restraint".¹¹⁰ Although he was pressured by the Constituent Assembly Members to take pivotal actions he did not concur. Instead he sent Mr. Namaliu, a former colleague of Hannett at the University, to negotiate with Bougainvillians. Namaliu negotiated directly with Hannett.¹¹¹

While the riot continued, negotiations between the central government (Namaliu) and Bougainville (Hannett) was still going on. Finally in August Somare and Momis signed the Bougainville Agreement, establishing Bougainville as the North Solomons Province of Papua New Guinea and allowing it a much higher degree of autonomy than that envisaged by the Interim Provincial Government Act of 1975.¹¹² "The Agreement reinstated the Provincial Government provisions through amendment to the constitution, and the passage of the Organic law on Provincial Government (OLPG)."¹¹³

This is first amendment to the Constitution. Section 187A provided for the establishment of a system of Provincial Government for PNG. Section 187C provided for an Organic law to make provision in respect of the constitution, powers and functions of a provincial government. (Constitutional Amendment No.1-Provincial Government)

¹⁰⁸ Premdas, RR 1977, Secessionist Politics in Papua New Guinea, *Pacific Affairs* Vol. 50, and No. 1 University of British Columbia.p.65.

¹⁰⁹ See Laracy, H 1991, "Bougainville Secessionism", *Journal de la Société des Océanistes*, available online at http://www.persee.fr/doc/jso_0300-953x_1991_num_92_1_2896_p.55.

¹¹⁰ See Delvin, M 2010, "Decentralisation without Disintegration: Provincial Government in Papua New Guinea, 1972-1985", *Innovations for Successful Societies*, Princeton University, p.5.

¹¹¹ Ibid.

¹¹² See Laracy, H 1991, "Bougainville Secessionism", *Journal de la Société des Océanistes*, available online at http://www.persee.fr/doc/jso_0300-953x_1991_num_92_1_2896_p.55

¹¹³ See May, RJ 2001, *State and Society in Papua New Guinea: The First 25 Years*. ANU Press Canberra

The Organic Law on Provincial Government (OLPG) of 1977 made provisions for all provinces to have legislatures and an executive. Provinces were also given full legislative power to make laws to maintain order within the province, but judicial power. The OLPG also provides for provincial administration staff, which consists of the members of the provincial secretariat and members of National Public Service. When it comes to Fiscal Matters, the OLPG provisions are that finances of the province will come from taxation, National Government grants, and proceeds of court fees, proceeds of certain borrowing, proceeds of investments and other moneys lawfully available to the province.¹¹⁴

The OLPG provisions for the inter-governmental relations were to establish the National Fiscal Commission, which consist of five members who have to be citizens of PNG. The functions of the commission includes reporting to the National Parliament and to provincial assembly concerned on any alleged discrimination in provincial taxation and make recommendations to the National Executive Council on the allocation of unconditional grants. A Premiers' council was also established. They have to meet once a year to discuss matters regarding grants, loans, legislative powers of provinces and so on. The OLPG also provides for Provincial Government to be suspended by the National Parliament.¹¹⁵

The OLPG was the legal platform for establishing the Provincial Government. However, upon closer scrutiny some of the provisions provided in the Organic Law “contradict” the arguments put forward by the members of the constituent Assembly, when they were debating.

For example, Part IX of the organic law makes provisions for Provincial Staff. The provincial staffs are expected to be hired from within the province. However, in the Constitution Assembly debates pertaining to the establishment of provincial governments,

¹¹⁴ See Section 53 of the Organic Law on Provincial Government (OLPG) 1977.

¹¹⁵ Ibid. Part X11.

the argument put forward by a good number of members is that Provinces lack manpower. Mr. Somare stated that “The problem of shortage of staff will arise with the establishment of provincial governments. One province may have as many as seven agricultural officers but it will still lack officers for other fields such as business advisory officers and others.”¹¹⁶

Part X of the organic law makes provisions for Fiscal Matters¹¹⁷. The main argument why Provincial Government should be omitted from the constitution in the first place was the financial strain it will put on the country. After two years, how did the government come up with a solution for that to be included in the organic law? Peter Lus, member for Maprik, pointed¹¹⁸ out the imbalance in the ability of provinces to generate revenues. He stated that “I know pretty well that we do not have enough money in my district. You (Sinake Giregire a Member for Daulo) might have enough money because you produce a lot of coffee”¹¹⁹

He went on further in his reply to a Member for Manus to state that “the representative for Manus stated that Manus was prepared for Provincial Government. That is good because the Manus people grow a lot of coconut and produce copra whereas in the Sepik we have no potential economic resource at all.

In the same part of Division 3 there are provisions for “other Provincial revenue” including court fees and fines and other fees or charges etc. For provinces without resources, there is no revenue generating options for them, they have to rely heavily on the central government grants. This is still true today.

¹¹⁶ See the OLPG 1977.

¹¹⁷ Ibid.

¹¹⁸ See National Constituent Assembly Debates, 3rd meeting of the 3rd session, 22nd July to 31 July 1975 Vol.1, No.1 pp.337.

¹¹⁹ Ibid.

These arguments illustrates that the situation of PNG was not changed in two years. Therefore we can conclude that it was the Bougainvillians influence that added the system of Provincial Government back into the Constitution.

In retrospect, the government of Papua New Guinea at that time did not have much choice. For the various reasons cited above, the only way to keep Bougainville as part of Papua New Guinea and keep the revenue from the copper mine was not to let secession take place. The Papua New Guinean government did what it thought was the best at that time to keep the country intact. When the provincial government was introduced in haste, the founding fathers did not foresee the rivalry that will emerge as a result of issue of having National and Provincial politicians.

The following chapter will discuss in detail about the rivalry, why it came about and how that has impacted the provisions of the new 1995 OLPGLLG, and how that has impacted upon the performance of the district governments. It will also discuss the 1995 reform in detail and further explain the power players with in the provincial and LLG.

Chapter 4: Reform of the 1977 Organic Law on Provincial Government

4.1 The Rivalry

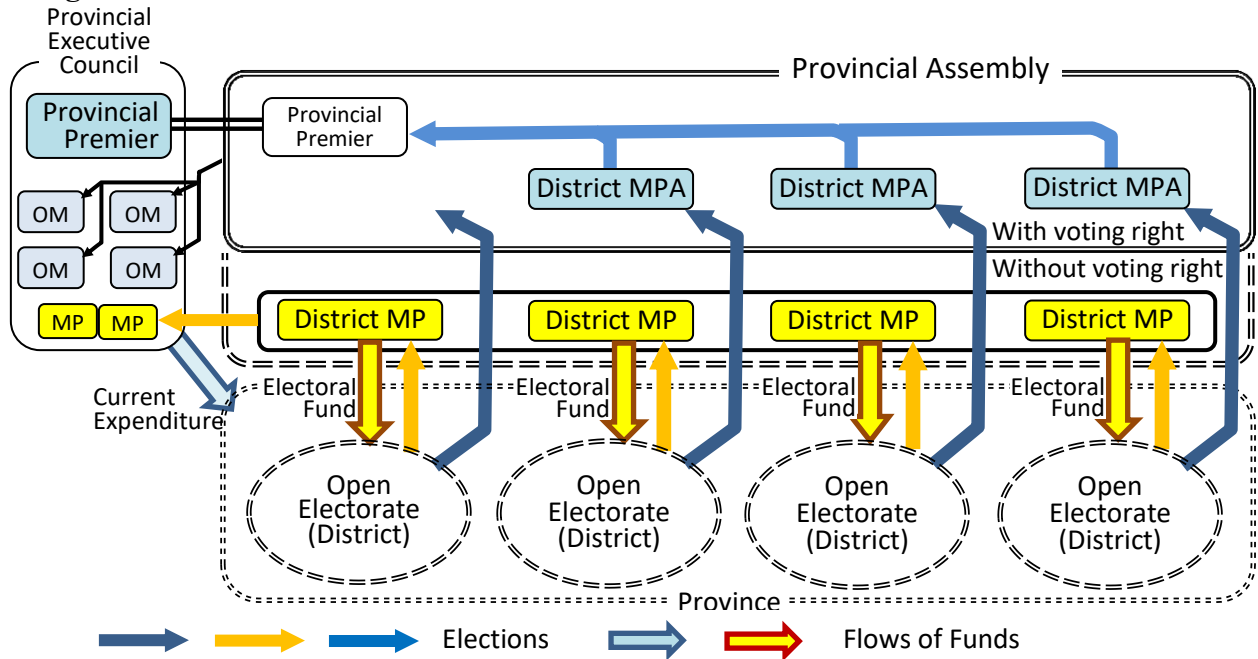
The introduction of provincial government came about in a difficult circumstance as illustrated in the previous chapter; hence it spawned controversy among the nation's politicians. Apart from financial issues of sustaining the provincial government, the provincial politician's role within the province also became an issue among the national politicians. National politicians here refer to the members of parliament representing the Open Electorates that correspond to districts¹²⁰, while provincial politicians were those elected as voting members of the provincial assembly. The National Politicians and the Provincial politicians are voted simultaneously so that candidates have to decide to contest for either the MP seats or the Provincial Assembly seats.

Under the 1977 OLPG, each of the provinces had its provincial legislature known as the Provincial Assembly (**PA**), whose elected voting members (**MPA**) have to be fifteen or more. Together with three or more appointed members, MPAs would, from among themselves, vote for the **Provincial Premier** who would head the Provincial Government. MPs from the same Province (**District MP**) were also members of the Provincial Assembly and entitled to attend all the meetings of that provincial assembly, but has no voting rights, and should not be counted towards a quorum and should not hold any other office in that provincial legislature.¹²¹

¹²⁰ The number and the names of Open Electorates are to be determined by the Boundary Commission (Organic Law on national and Local-level Elections, 1997, Article 35). When the Boundary Commission determined to divide the Open Electorates and the Parliament supported the Commission's Report in the past, the corresponding Districts were also divided in the same ways and thus the correspondence between the Open Electorates and Districts are kept unchanged.

¹²¹ See Section. 16, (2A) of the OLPG 1977.

Figure 2 Provincial Government Structure under the OLPG



The Executive wing of the Provincial Government was the Provincial Executive Council (PEC) which consisted of the Provincial Premier as the Head, and other members (OM) provided for under the provincial constitution and two District MPs that are chosen by their colleagues within the province. All the District MPs within the Province were entitled to attend all the meetings of the PEC but had no voting rights and were not counted towards a quorum and held no offices in the PEC.¹²² Since OMs were to be appointed by the Provincial Premier, the latter actually commanded the majority in the Council and, thus, could control the provincial affairs that included the district finances. Very unique feature of this system was the involvement of MPs, i.e. national politicians, in the provincial and district politics. District MPs were allocated by the Central Government funds of their own districts' development in the form of Electoral fund that were at the individual MP's discretion. They were also entitled to attend all the PA meetings and PEC meetings that would decide the budget and other affairs for the provinces as well as districts.

¹²² See the OLPG (1977) Part 5.

The District MPs seemed to get their presence at the provincial and district politics secured in the outlook. However, they did not have the voting right, and were not counted towards a quorum and could not hold office in the Provincial Legislature or Provincial Government¹²³. Consequently, they did not have any influence over their districts through provincial channels, as they had virtually no power over the funds given to the provincial governments from the Center as they were automatic and had very little room to in the National Parliament. In other words, they were thoroughly excluded from the decision-making except for the distribution of Electoral Fund which was at their discretion.

On the contrary each of the MPAs did not have individual decision-making or implementing powers over provincial or district affairs, but they could participate in the debate at the PA with voting power in deciding the budget and development projects for the province that would affect their own districts.

As far as the funds for managing and developing their districts were concerned, the size of the provincial budget was much larger than the Electoral Fund. Therefore, if those MPs had been in good terms with their Provincial Premier, they could be in a better position to bring money to their supporters in district.

These ambiguous roles of the MPs and MPAs over their respective districts, together with strong independence of the Provincial Government and its power over the districts, put them and MPAs in rivalry, rather than cooperation, at their districts. While MPs had Electoral funds to distribute to their electorates, MPA participated in the Assembly Debates for allocating the provincial budget to their districts. As it is natural that the MPs were feeling threatened as the representing politicians of their districts by the MPAs who were also from the same district, as the latter might bring more to electorate, which could be the reason for the former to be replaced in the next election.

¹²³ See Part 5 Section 15 and 16 Subsection 2A of the OLPG (1977).

These sentiments was displayed during the constituent assembly debates pertaining to the establishment of provincial government, and while some national politicians like Michael Somare, a member representing East Sepik said “We just would not have the money to finance the establishment and function of provincial government”¹²⁴, others like Ibne Kor, a member representing Nipa district in Southern Highlands Province, argued that the National Politicians should be the ones responsible for channeling funds to the districts.

We, representatives of the Parliament are the ones who bring home to our districts our share of the pigs slaughtered in Parliament to be cut and distributed to our people. What I meant was the allocation of money from national budget...¹²⁵

Ibne Kor further stated that there were too many “problems associated with the present system of governance so the government should focus on fixing it instead of introducing another system.”¹²⁶

However, as was discussed in the previous chapter, the provincial government system was introduced and powers decentralized. Then provincial politicians were in charge of Provincial affairs and National MP did not have a say in those Affairs.

The Provincial Government took over the responsibility for delivering services to people, Matbob, a lecturer at the Divine Word University, stated that this “deprived the National politicians of an important base of legitimacy and in most cases contributed to a resentment

¹²⁴ See Constitutional Assembly Debates 3rd Meeting of the 3rd Session 22nd July to 31st July 1975 Vol.1, No.1 p.327.

¹²⁵ See Constitutional Assembly Debates 3rd Meeting of the 3rd Session 22nd July to 31st July 1975 Vol.1, No.1 p.343.

¹²⁶ Ibid.

of and opposition to the very existence of provincial governments”¹²⁷.

Why did these sentiments and rivalry come about between the two tiers of politicians on a normal political process? The answer lies in the deep connection PNG has with its tradition of “Big man” culture and how that still impacts upon the political processes in the country.

4.1.1 ‘Big Man Culture’ as the Background of Rivalry

In PNG a Big-man is a highly influential individual in a clan and more recently in districts and provinces. Big-man statuses are determined depending on the followers each Big-man has. Big-man status is not inherited, it is achieved, and although being a son of a Big-man is an advantage over the rivals it is up to the son to prove himself among the people to achieve the status. His father’s status and character does not reflect upon him as he is judged by the people as a separate individual, whatever he does individually will earn him respect and loyalty.

Unlike other traditional societies in which leaderships are inherited and people are ruled and loyalty and respect is mandatory, PNGs traditional society does not reflect such societies. Influence and loyalty comes willingly from the people hence putting emphasis on the character of the Big-man himself, and his physical presence and his actions as an individual.

The Big-man has followers and he is the one that is responsible for protecting and assisting his followers and in return he receives support from them to elevate his status. Rynweich in his article, Big-man Politics: Strong Leadership in a Weak State explains the concept of Big-man and its transition from traditional Big-man to colonial era Big-man and

¹²⁷ See Matbob, P (2006) The Challenges of the Provincial Government System in Papua New Guinea: The need for Strengthening Decentralization, Contemporary PNG Studies; *Divine Word University Journal* Vol 4/May, p.6.

the contemporary era Big-man. While the outlook of Big-man changed over time the essential parts of the culture continues, as reflect in the contemporary era Big-man, this is vital in understanding PNG politics in its current context.

Traditional Big-man existed prior to any outside contact. Rynweich explains that:

A (Traditional) Big-man- was a leader who wielded influence over his followers more than power. Big-man was not hereditary, Big-man status depends on his ability to influence and maintain support and loyalty from his followers. This is usually done through handing out of resources and interacting with his followers¹²⁸.

When PNG became colonized the actors, methods of the Big-man tradition changed. The actors changed or rather another dimension was added with the inclusion of Australian colonial administrators. The methods of gaining and maintaining support of followers also changed.

As stated by Rynweich, “Instead of warfare, developing relationship with Australian Administrative officers became a new road to bringing goods into the system in order to gain a competitive advantage over rival Big-man and their groups”.¹²⁹

Additionally:

Traditional Big-men were given a venue in which to make the transition to businessmen and politicians with the creation of local councils in which Big- man were appointed to positions such as councilors by the colonial officers.¹³⁰

¹²⁸ Rynweich.M.A (2000) .Big-man Politics: Strong Leadership in a Weak State. In Rynweich and Seib (Eds.) *Politics in Papua New Guinea: Continuities, Changes and Challenges*, Melanesian Institute, Goroka.pp.19-26.

¹²⁹ Ibid.

In the contemporary era Big-man are politicians. The traditional Big-man no longer exists. While this is true, current Big-man (politicians) still needs to think and act like the traditional Big-man to maintain their support base. This is because, the essence of Big-man in which loyalty and support depended on the ability of a person to access and distribute resources among his people, and his ability to interact with people on a personal basis and power and influence vested in the person himself putting importance on his physical form, never changed over the different periods. That continuity of Big-man culture is embodied in the political institutions PNG has and also reflected in the country's political processes.

As a result of the Big-man culture, PNG political system is different from the Modern State political system. While modern states have established Patron-Client relationship and political parties to organize government and for electoral mobilization, PNG does not. First of all, the concept of Patron-Client relationship in PNG is different from other modern states; however, there are political parties. During elections some candidates contest under party banners, but when it comes to voting politicians, party and their policies do not have any relevance for the people. Parties become relevant when the government is being formed after elections.

In PNG all powers are embodied in the individual themselves, putting importance on the physical form of the politician not only that but also his ability to interact and “give” (handouts) to the people. It is common in PNG in which people will chose the “giver” over others. There is a saying that “gutpla taim, taim nogut em stap wantaim mipela” (He is with us in good times and bad times) and “em man gat han” which directly translates to “he is a man that has “hands” which is a figure of speech meaning he has and will continue to assist his people whenever there is a need for it. Assisting people is on a personal basis,

¹³⁰ Ibid.

for instance if someone dies the MP or any intending candidates are there to assist in cash and kind, or if someone needs medical bills or school fees for their children, they approach the MP or intending candidates personally for assistance. If rejected or if the MPs especially do not interact and be with the people, they wait for elections to show their frustrations hence their loyalty shifts. If the MP is always in the city and is hardly seen in the districts the people will say “em blo Mosbi, mipela no lukim pes na han blo em, mipela lustintin lo em” (He is from Port Moresby, we have not seeing his face and “hands”, we have forgotten about him). Out of sight literally means out of mind.

That is why it is very important for PNG politicians to have a personnel interaction and connection with their people. Rallying of political support is done by the politician himself, because people vote depending on their interaction with the politician and how much they have benefitted from him. Therefore most candidates put emphasis on personnel interaction with people as a campaign strategy. Bernard Noibano, a candidate contesting the 2017 general elections for the Daulo seat, walked the length and breadth of Daulo district to interact personally with the people as his campaign strategy¹³¹, that same strategy is used by all the candidates almost everywhere. Even more famous politicians like Wingti who lost the 1997 elections, attributed his loss to not being physically present in his province to campaign. He said that:

I put this [the loss] down to not having campaigned. I thought [the] Western Highlands people knew me for 20 years so I did not go out to the villages. I think that was the backlash because people did not see my face. That’s why the people have decided that a new Member should represent them.¹³²

¹³¹ Bernard Noibano contested for the Daulo Open seat in the 2017 General Elections .He was interviewed on 3rd August 2017.

¹³² See Ivarature.H (2002), Sandline, Election, and the Formation of Government, in.Anere.R & May R.J (eds) *Maintaining Democracy: The 1997 Elections in Papua New Guinea*, Canberra ANU Press p. 48.

The emphasis is put on the physical presence of the MPs, themselves, everything about that political position is embodied in the politician themselves

Therefore, physical presence and handing out of resources by the politician himself is very important to keep support. For example, table 1 below displays the candidates who have won the Daulo Open seat from the 1972 general elections to the recently completed 2017 general elections. Almost all of these candidates were local business men, most important thing to notice is that they all resided in the village and within the district(in the town). Daulo district is 20km out of the town, everybody comes to town at some point in the week so interaction between the MPs or intending candidates is the same as the ones living in the village. Since the town is very near the village the leaders can go to their village anytime.

Table 1: Results of Daulo Open Electorate

DAULO DISTRICT-EASTERN HIGHLANDS PROVINCE		
Election Years	Winners(MPs)	Background at the time of election
1968-1972	Sinake Giregire	Local Business man, lived in the village
1972-1977	Sinake Giregire	
1977-1982	Gai Duwambane	Policemen, lived in the village
1982-1987	Gai Duwambane	
1987-1992	Gai Duwambane	
1992-1997	Sowa Gunia	Local Businessman, lives in the village
1997-2002	Ron Ganarafo	Former CEO of CIC,lives in the district
2002-2007	Ben Merere	Local Businessman, Lives in the village
2007-2012	NK Patrick Kondo	Local Businessman ,lives in the village
2012-2017	Ron Ganarafo	Former CEO of CIC,lives in the district
2017-Present	Pogio Ghate	Local Businessman, lives in the village

Furthermore, members of the public in Goroka town, Eastern Highlands Province were interviewed to gauge their views on the performance of their MP, district staff, the effectiveness of the JDPBPC and their thoughts and knowledge of the OLPGLLG. According to this interview when people were asked to give their opinions on their current MPs, 28% of the respondents said the MPs performance was good while 72% of the respondents stated that, the performance of the MPs in their districts where bad.

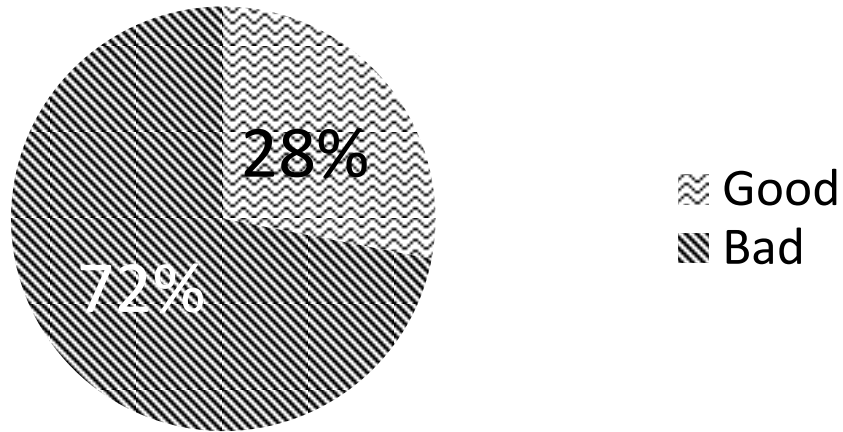


Figure 3¹³³ Opinions on current MP's performance in EHP

Source: Author's interviews in 2015-6. Total Number of Respondents: 156

When asked why they stated that the MPs performance was bad 47% of those respondents said that there is no sign of the MP after the election.

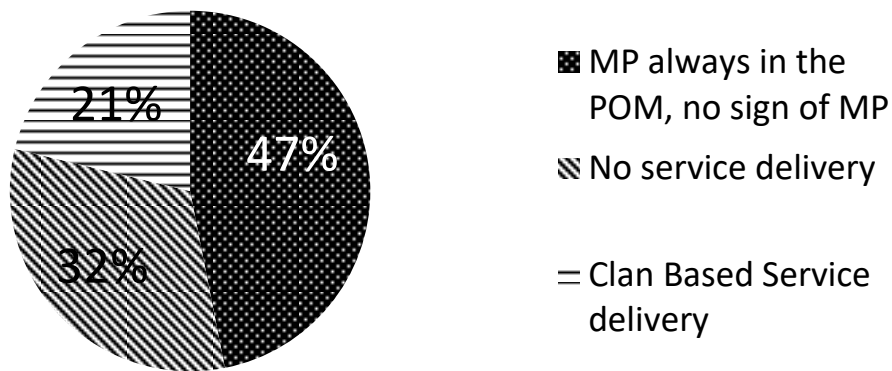


Figure 4 Opinions on why MPs performance is bad?¹³⁴

Source: Author's interviews in 2015-6. Total Number of Respondents: 113.

This means that the MP is not seen in the districts as he is in the capital city, Port Moresby. The 32% that said that it was due to no service delivery also, mentioned that the MPs absence in the district resulted in lack of service delivery. Because the MP is not

¹³³ Based on interviews conducted in Goroka between December 2015-February 2016.

¹³⁴ Ibid.

physically present he, is already seen in a negative way, regardless of projects he may approve and achieve under his leadership, he will be assessed by his presence in the village and his interaction with the people.

MP's relocating to Port Moresby after elections have become a trend in PNG, and this has led people to usually say "em bai go sindaun gut na kaikai wantaim meri, pikinini blo em na no inap tintin lo mipla" (He will go and live a comfortable life with his family and will forget us). These sentiments become stronger when the MP does not show face in the district and villages. When MPs are not present in the districts and villages, it creates a rift between the people and the MPs, that rift is usually filled by somebody who intends to compete in the next elections. People vote for down to earth, "mangi lo ples"(village based man) who lives amongst the people because they feel he is at their level and it is easy for them to interact with him when he becomes MP.

This has made elections in Daulo so predictable, for instance a Daulo resident¹³⁵ who had his own nephew competing in the elections predicted that the nephew was not going to win because he was not a "people's person and does not live in the village with the people, and he lives in the city", he predicted Pogio Ghate or Henry Bagme to win, and he was correct as Pogio Ghate won and Henry Bagme finished third¹³⁶. Pogio Ghate is a local businessman who lives in the villages, even before political interest and he was always assisting the people in his village and surrounding villages and has earned respect among the people. Therefore when he competed, it was only "natural" for him to have a chance at winning.

¹³⁵ This Daulo resident is a teacher and contested he for the same seat back in 1992 elections; he was interviewed on 6th August 2017.

¹³⁶ PNG Electoral Commission 2017 General Election Results, Daulo District.

For districts like Ungai-Bena and Wau-Bulolo, they have the same MP for the 4th consecutive terms now. The reason is because of their simplicity and the way they interact with the people. Both have ministerial portfolios and are busy at the national level but still make time to be present in their districts. Ungai-Bena MP Benny Allan when he is in the district is always in his office, and his people are allowed to go and see and talk to him about their issues. According to the district administrator and the councilors, whenever there is ceremony or anything in the villages he is always present¹³⁷. When I was interviewing the Ungai-Bena district staff at their district office in Goroka, I saw the MP in his office, and people were taking turns to go and see him. For the Wau-Bulolo district their MP Sam Basil lives in his own house in the district. Wau-Bulolo is a remote district, but the MP lives there, takes part in project implementations and act like a regular guy in the village. This has earned both MPs so much respect amongst their people and within the country.

4.1.2 Why do people favor the Big-Man Culture?

People favor the Big-Man Culture because they have the opportunity to access resource and benefit directly on a personal level. Furthermore, because the Big-Men are politicians, people's chances of getting resources are higher, because politicians are compelled to hand out resources to secure votes. Consequently personnel relationship with the MP is important, hence most people tend to vote their own clans man and candidates whom they know personally. In return the MP gives more to his own people to secure his base vote.

The physical presence of the MP or intending candidates is so important that it has taken over the concept of loyalty to traditional tribes/clans. PNG in recent years have witnessed residents of foreign origin winning seats and becoming members of parliament,

¹³⁷ Ungai-Bena District Administrator was interviewed and his staffs were interviewed on January 2016, in their district office in Goroka.

indicating the break in traditional clan/tribe loyalty. These foreigners have been with the people and provided resources for the people and have earned respect from the people. People's behavior in voting is no longer influenced by traditional clan/tribe relations but by the physical presence and material benefits one can receive. This created an avenue where long time residence of foreign origin could win elections. For example, the current Governor(MP) West New Britain Province(WNB), Sasindran Muthuvel is of Indian origin and is serving his second consecutive term in office, Mal Smith "Kela" of Australian origin was the governor for Eastern Highlands Province (EHP) from 2007-2012. Other aspirants like Simon Sia of Malaysian origin who contested for the EHP seat did not win but polled very well all over the province¹³⁸.

For as long as that person can access and distribute resources and is physically in the village and districts interacting with the people, he will have followers who in turn will vote him if he chose to contest the elections to become their MP in Parliament.

Due to this characteristic of politics in PNG and the dominance of the Big-man culture, the National MPs were unsettled about the organic law (OLPG) being introduced in 1977, and when it did they knew their political base was threatened. When the provincial government was established in 1977, the Provincial Premiers became the head of the province in charge of all the provincial affairs. They were responsible for the province's budgetary issues, developmental issues and so forth. There was separation of powers in which national MPs do not have much say in district affairs. Although the 1977 OLPG came about as a compromise between the Bougainville and the Big-men (MPs) of community, it was later found insufficient for the National Politicians to survive as Big men. For instance, pertaining to the provincial executives Part V: Structure of Provincial Governments, Section 17 Subsection 3A of the 1977 OLPG states that,

¹³⁸ See PNG Electoral Commission, 2017 General Election Result, EHP Regional Seat <http://results.pngec.gov.pg/#results>.

“A member of the National Parliament is entitled to attend all meetings of the provincial executive but has no voting right, is not counted towards a quorum and shall not hold any office in the provincial executive.”¹³⁹

Observer status in the Provincial Executive Council does not guarantee reelection of National Politicians, as that status doesn't mean any power to provide actual goods and services to the community members. Thus they realize that they had to have real budgetary powers both in National level and Provincial level.

Similarly for the provincial legislatures, the MPs can attend but have no voting rights, are not counted towards a quorum and cannot hold any office¹⁴⁰. MP's also do not have a say in appointing Provincial Secretariats. Part V: Structure of Provincial Governments, Section 17 Subsection 3B of The OLPG states that:

a provincial law will make provisions for and in relation to provincial secretariat, the national Government has no direction or control over a provincial secretariat or its members and provincial secretariat hold office on terms and conditions determined by the provincial government.¹⁴¹

This did not sit well with the National Politicians as they are being left out in important authorities within the province and district. For instance as pointed out by Matbob, “disputes between the provincial and national politicians were created over matters such as the appointment of provincial secretaries, who are key links between public service and

¹³⁹ See Organic Law on Provincial Government 1977, Part V: Structure of Provincial Governments, Section 17 Subsection 3A.

¹⁴⁰ See Organic Law on Provincial Government 1977.

¹⁴¹ See the Organic Law on Provincial Government 1977, Division 2 Provincial Administrative Staff, Section 48 Subsections 1, 2 &3.

provincial governments”¹⁴² This means that National Politicians cannot get access to the resource at the local level and instead, Provincial premiers are the ones accessing those resources and interacting with the local people and delivering service, hence gaining popularity with the locals. As stated by to Gelu:

(T)he two groups of leaders do not compete for the same elected office, they actively compete for recognition as leaders of the same people”. With the existence of provincial politicians, national politicians saw a challenge to their political base.¹⁴³

Therefore, the popularity of the provincial premiers posed grave concerns to the national MPs that they would become irrelevant and unnecessary in the eyes of their voters. According to Mukherjee, “Government projects in the province were more likely to be identified with provincial leaders even if national agencies pay the bills. Moreover, many provincial politicians harbored ambitions to compete for Parliament”.¹⁴⁴

With the increase in popularity of the provincial government under the leadership of the premiers and the possibility that the national MP’s could be challenged for their seat, this became a concern to them. Hence, as Matbob pointed out that “strong support for the reform came from the backbenchers”¹⁴⁵. Back benches meaning the MPs who have no

¹⁴² See Matbob, P (2006) The Challenges of the Provincial Government System in Papua New Guinea: The need for Strengthening Decentralization, Contemporary PNG Studies; *Divine Word University Journal* Vol 4/May p.6.

¹⁴³ See Gelu, A 2008, “The Quest for Good Governance: A survey of Literatures on the Reform of Intergovernmental Relations in Papua New Guinea”, Monograph no. 40, *National Research Institute* p.23.

¹⁴⁴ See Mukherjee.R (2010) Provincial Secessionists and Decentralization: Papua New Guinea, 1985-1999, *Innovations for Successful Societies*, Princeton University, and p.3.

¹⁴⁵ See Matbob, P (2006) The Challenges of the Provincial Government System in Papua New Guinea: The need for Strengthening Decentralization, Contemporary PNG Studies; *Divine Word University Journal* Vol 4/May p.6.

ministerial portfolios and no Parliamentary offices. They were the more aggrieved ones as they felt incapacitated, without ministerial platforms, no parliamentary offices and not being in control of their district finances and affairs.

The challenge for PMs at that time was to keep support on the floor of Parliament to remain as PM and to maintain support from their constituency to be reelected.

On the floor of Parliament the PMs at that time had to concede to the demands of the back benchers for their own insecurities about losing to a vote of no confidence. According to the constitution of PNG, “a motion of no confidence in the Prime Minister or in the Ministry may not be moved during the period of eighteen months commencing on the date of the appointment of the Prime Minister”¹⁴⁶

This means that the constitution allows for a motion of no confidence to take place 18 months after a new government is formed. From 1975(Independence) to 1995 (year of the reform) there has been seven different governments, that’s seven different governments in 20 years, meaning each government served an average of 2 years.

Hence PNG was plagued with instability at the national level with successive government since independence not completing their full term. Although reasons of good governance, stability and effective service delivery were put forward as the main impetus for the reform, this study maintains that the rivalry was the main driving force behind the reform. For example, Kia Beckson, the former premier of Eastern Highlands Province under the OLPG (1977), when asked to give his views about why the reform took place, reaffirmed the rivalry as a major cause of the reform. He said, “money and power politics caused the reform, it has nothing to do with enhancing service delivery to the people, in fact we were doing a good job back then compared to now.”¹⁴⁷ As will be illustrated later

¹⁴⁶ The Constitution of the Independent State of Papua New Guinea, Section 145 subsection 4.

¹⁴⁷ Interviewed on 4th January 2016 in Goroka.

on the players involved in the reform also reflects the rivalry within the two tiers of government caused by the Big-man culture.

4.2 The Reform

As a result of the rivalry many provincial governments were suspended by the National Executive Council (NEC) which eventually led to the abolishment of the OLPG in 1995. Section 187E of the OLPG provides for the suspension of provincial and local governments. According to May, after the provincial government was established until the reform in 1995 “all but five of the nineteen provinces were suspended on the grounds of financial mismanagement.”¹⁴⁸ These high numbers of suspensions also reflect the rivalry between the national and provincial politicians. The process of the reform took place under two different Prime Ministers, Pias Wingti and Julius Chan. The turning point came in 1992 when Pias Wingti ascended to Prime Minister, with Julius Chan as his deputy. Wingti raised the issue of reform again, this time with serious incentive by him and his government; it took root and became a serious issue. Unfortunately Wingti was not able to see the reform through as he was ousted from Prime Minister in 1994. His deputy Chan took over and made sure the reform happened in 1995.

4.2.1 Reform under Wingti

Wingti was a young new MP who won the Hagen Open seat while doing his final year majoring in Economics at the University of Papua New Guinea (UPNG). Wingti was a member of the UPNG Student Representative Council¹⁴⁹. Wingti’s popularity can be attributed to the fact that he was very young and represented an emergence of a new kind of leadership trait.

¹⁴⁸ May R.J (2013) Policy Making on Decentralization: Policy Making and Implementation: Studies from Papua New Guinea: *Australia National University*, Canberra, p.5.

¹⁴⁹ https://en.wikipedia.org/wiki/Paias_Wingti.

He was the Member of Parliament for Hagen Open (Western Highlands province), and was the leader of the Highlands based Peoples Democratic Movement Party (PDM). Regardless of his unpopularity, he was prime minister from 1985-87 and again from 1992-94. However, he lost his position as a PM to a vote of no confidence in 1987¹⁵⁰ and was ousted by the Supreme Court as PM in 1994. Wingti secretly resigned during a special parliamentary session on September 23rd 1993 (to avoid a vote of no confidence) and was reelected the next morning. The Opposition challenged him before the Supreme Court and on 25th August 1994 his reelection was found to be unconstitutional and was rendered null and void. Hence the Parliament has to proceed immediately to elect a new PM, Wingti was unseated and Chan succeeded him as PM.¹⁵¹

Prior to becoming Prime Minister, he became deputy prime minister in 1982. The Australian scholar May (2004) pointed out that “Wingti’s rise to deputy PM in 1982 was purely intra-party decision (Pangu Party)¹⁵² to give that position to a Highlander to balance the geographical distribution of top political offices in the state to safe guard Pangu's impressive showing in the Highlands during the 1982 elections”¹⁵³.

Saffu (1987) also maintains that, “Wingti's rapid transition to the prime minister's office was similarly the result of a favorable conjunction of circumstances, rather than his possession of a powerful political base.”¹⁵⁴ Pias Wingti came to power when the political situation in PNG after independence was volatile and very unstable, mainly due to the civil

¹⁵⁰ Ibid.

¹⁵¹ See Ivarature.H (2002), Sandline, Election, and the Formation of Government, in. Anere.R & May R.J (eds) *Maintaining Democracy: The 1997 Elections in Papua New Guinea*, Canberra ANU Press, and p.41.

¹⁵² Pangu Party was formed by the founding fathers and was very popular and had the majority at that time.

¹⁵³ See Saffu, Y (1987) Papua New Guinea in 1986: Preelection Mobilization and Some Nationalism, *Asian Survey*, Vol 27, No.2 A Survey in Asia Part II p.265.

¹⁵⁴ Ibid.

war in Bougainville which broke out in 1989¹⁵⁵ and the constant vote of no confidence motions, which saw Prime Ministers hardly completing their terms in office, consequently resulting in policy change and defections from opposition to government and vice versa. When Somare lost a parliamentary vote of no confidence in 1985, he was succeeded by Pias Wingti. Wingti's term was rather short (2 years) and he was replaced by another vote of no confidence in 1987, according to May, he told the press that "if returned he would move to abolish the provincial government system."¹⁵⁶Wingti aware of his unpopularity needed to stamp his authority to gain support in the upcoming 1987 elections. To increase his chances of winning the elections he chose to demonstrate "tough, decisive, disciplined leadership image in the short time he was PM".¹⁵⁷ In the 1987 elections he won back his Hagen Open seat but lost PM seat to Rabbie Namaliu. He remained in Parliament as the MP for Hagen open until the 1992 elections.

In the 1992 elections his policies were clean government and free education. According to May, "the government popularity was reducing due to corruption and their inability to handle the Bougainville crisis. Pangu Party (the majority party) also disintegrated due to disagreements about the handling of Bougainville issue".¹⁵⁸

Hence, it was an easy victory for Wingti, who went on to form a coalition government with the islands based People Progress Party (PPP) led by Julius Chan. He became Prime Minister and Chan became his deputy. In line with his policies, Wingti proposed a cleanup of PNG Politics; he began attacking the provincial government system. He argued that the provincial government system was costly, contentious and infested with

¹⁵⁵ Bougainville Republican Army (BRA) launched a series of attack and disrupted work on Paguna Copper mine. The Papua New Guinea Defense Force (PNGDF) were deployed there to contain the situation, however it escalated and lasted for almost 10 years.

¹⁵⁶ See May.R.J (2009) Policy Making on Decentralisation: In May J.R (eds) Policy Making and Implementation: Studies from Papua New Guinea, *Studies in State and Society in the Pacific*. No.5, ANU Canberra p.212.

¹⁵⁷ See Saffu, Y (1987) Papua New Guinea in 1986: Preelection Mobilization and Some Nationalism, *Asian Survey*, Vol 27, No.2 a Survey in Asia Part II p.266.

¹⁵⁸ See May R.J(2003) Disorderly Democracy: Political Turbulence and Institutional Reform in Papua New Guinea, State, Society and Governance in Melanesia, Canberra Australian National University Press

mismanagement and corruption. He argued for a total overhaul of the current system.¹⁵⁹ He proposed to reduce the number of provincial politicians and give greater powers to the National MPs. The National Executive Council (NEC) along with the Opposition agreed to his proposition and the proposal was endorsed. However there was opposition from the New Guinea Island region including Bougainville in which the current provincial government system was thought to be working well. In response a bi-partisan Parliamentary Committee was created to review the future of the Provincial Government system.¹⁶⁰ According to Standish, “the proposals by committee were intended to reform and probably weaken the provinces.”¹⁶¹

The Committee presented its report on March 1993, confirming extensive dissatisfaction with the current system of provincial government, and recommended “a system of decentralization comprising of provincial level authority consisting of national politicians and Local Level Council was recommended by the Committee in their report”.¹⁶²

The report was therefore endorsed by the NEC, this paved way for the OLPG (1977) to be abolished in 1995 and replaced by the Organic Law on Provincial and Local Level Government(OLPLLG 1995). In August 1994 a mid-term change of government occurred; Deputy Prime Minister Julius Chan replaced Wingti, “he made it clear he aimed to continue with the reform”.¹⁶³

4.2.2 Reform under Chan

Julius Chan is from Tanga Island in the New Island Province. His father was a Chinese

¹⁵⁹See May.R.J (2009) Policy Making on Decentralisation: In May J.R (eds) Policy Making and Implementation: Studies from Papua New Guinea, *Studies in State and Society in the Pacific*. No.5, ANU Canberra p.213.

¹⁶⁰ Ibid.

¹⁶¹ See Standish, B (1993) Papua New Guinea in 1992: Challenges for the State, A Survey of Asia in 1992: Part II, *Asian Survey*, Vol.33, No.2 University of California Press, p.213.

¹⁶² See May.R.J (2004) *State and Society in Papua New Guinea: The First Twenty-Five Years*, Australia National University, Canberra, p.190.

¹⁶³ Ibid.p192.

merchant and his mother was a native of Tanga Island.¹⁶⁴ He was educated in Marist College Ashgrove in Brisbane, Australia. Unlike Wingti, Chan was a high profile politician; in fact he was one of the founding fathers, who fought for independence alongside Somare. He entered politics in 1968, and in his first term was elected deputy speaker. He was the leader of People's Progress Party (PPP) from 1970 until 1997 when he lost the national elections. He was twice prime minister, from 1980-1982 and again in 1994-1997. He was deputy prime minister four times in 1976, 1985, 1986 and from 1992-1994.¹⁶⁵ Apart from that he held several senior ministerial portfolios such as minister for finance and minister for foreign affairs. During his political tenure he was involved in a major scandal (Sandline Affair) in 1997 in which his government signed a contract with Sandline International, a mercenary organization from South Africa in an attempt to end the ongoing civil war in Bougainville. According to May "the government of Julius Chan frustrated at the inability of the PNG Defense Force to achieve a military solution on Bougainville and facing an election (1997), became involved in negotiations with military consultants Sandline International.¹⁶⁶ Amidst widespread protest in the country and the launch of an inquiry on 25th March, Chan decided to step down. He did so even though the Parliament defeated a motion calling on Chan to resign. He was cleared by the inquiry and reinstated on 2nd June 1997 just before the national elections;¹⁶⁷ however he lost the 1997 elections and remained inactive in the political arena for a decade. In 2007 he contested for the New Ireland Provincial Seat and won to remain in that position until now.

When Chan succeeded Wingti on August 1994 his policies were national security and appropriate economic management. Understandably so because at that time the civil war in Bougainville was still ongoing and PNG faced a financial crisis. As documented by

¹⁶⁴ See https://en.wikipedia.org/wiki/Julius_Chan.

¹⁶⁵ See <http://www.parliament.gov.pg/member-of-parliament/bio/view/hon-julius-chan-mp>.

¹⁶⁶ See May.R.J (2003) *Disorderly Democracy: Political Turbulence and Institutional Reform in Papua New Guinea, State, Society and Governance in Melanesia, Canberra* The Australian National University, and p.9.

¹⁶⁷ *Ibid.*p.10.

Sinclair, “PNG experienced a record budget deficit of K277.5 million in the first half of 1994; this exceeded the estimated deficit for the entire year. The problem was that expenditure was more than the revenue “. ¹⁶⁸ This was also pointed out by Duncan that “the closure of the Panguna mine was a major blow to the economy”¹⁶⁹, additionally the ongoing civil war in Bougainville was proving to be quite costly for the government.

According to Chan the old system needed a review,¹⁷⁰ this view was seen to be shared by the majority of the members of parliament; therefore the bill was a bipartisan bill. However, amidst all those problems why did the provincial government reform take precedence? Was the timing of the reform appropriate? Actually, during the final reading of the bill several MPs mainly from the opposition were showing resistance, not to the bill but to the timing of the passing of the bill. They wanted more time so that their own recommendations could be included in the reform. They argued that although they were in support of the bill, they felt the bill was rushed and that the new system would be more expensive to run than the current one.¹⁷¹ According to Somare, “it would cost K200 million more than the current system”.¹⁷² Somare, Peter Lus, John Nilkare and Masket Iangalio among others (a total of 15) voted against the bill. Bart Philemon who was a minister at that time voted against the bill and as a consequence was stripped of the minister title. Others such as Roy Yaki and Iaro Lasaro who made a point to mention in parliament during the third readings of the bill that his “people were against the bill but he was going to vote for the bills, claiming that sometimes sacrifices need to be made”, although

¹⁶⁸ See Sinclair, D (1995), Papua New Guinea in 1994-The most Turbulent Year? *Current Issues in Criminal Justice*, Vol.6 No.3,p.395.

¹⁶⁹ See Duncan. L & Webster T(2010) (eds) Papua New Guinea’s Development Performance 1975-2008,*The National Research Institute* of Papua New Guinea, Monograph No.41,p.8.

¹⁷⁰ See Chan, Julius interviewed by Matthew Delvin and Rohan Mukherjee (2010) Port Moresby, p.4.

¹⁷¹ See Parliamentary debates 27th June 1995 on the Organic Law on Provincial Government(1995) Reform

¹⁷² Ibid.

maintained that the bill was rushed still voted for it¹⁷³. The bill was passed on the floor of parliament with 86 votes for and 15 against¹⁷⁴.

Chan in an interview conducted by Delvin and Mukharjee, when asked why he reformed the system replied that, “it was to address instability at the provincial level, reduce the cost of running provincial governments and reducing the number of MPs vying for ministerial portfolios (stability at national level)”¹⁷⁵. He also wanted to address “the problem of distribution at the local level. He claimed that his vision at that time was to create a law that will enable local government to so much money so they can start bottom-up planning”¹⁷⁶. When asked (looking back) would he have done something different, he replied that “if he was in power back than it would have worked. He would have had the authority to force the governors’ to implement his vision.....”¹⁷⁷.

In retrospect Chan’s political demise in 1997 had been attributed to two factors, the obvious reason being the Sandline Affair and the other is the 1995 reform to the provincial government. Pertaining to the 1995 reform, as will be elaborated later on, much of the opposition to the reform was from the New Guinea Islands region which also includes his people of the New Ireland Province. Ivarature observes that “his (Chan’s) role in going ahead to implement the reforms thwarted his and his party’s (PPP) image back home, to the extent where his own maternal cousin Ephraim Apelis challenged him for the seat and won”¹⁷⁸.

Ivarature states that, his (Chan’s) duties as prime minister also contributed to the neglect of his constituents ' needs and alienated him from them.¹⁷⁹

¹⁷³ Ibid.

¹⁷⁴ Ibid.

¹⁷⁵ See Chan, Julius interviewed by Matthew Delvin and Rohan Mukherjee (2010) Port Moresby, pp.5-7

¹⁷⁶ Ibid.p.6

¹⁷⁷ Ibid.p.16

¹⁷⁸See Ivarature.H(2002),Sandline, Election, and the Formation of Government,in.Anere.R&May R.J (eds) *Maintaining Democracy: The 1997 Elections in Papua New Guinea*, Canberra ANU Press,p.42

¹⁷⁹ Ibid p. 43

For Wingti, he was his own downfall, according to Kolma:

(I)t was his overconfidence. Naively assuming that his ten year programs for education and infrastructure were in themselves sufficient to secure another term in parliament, Wingti failed to venture out and campaign.”¹⁸⁰

4.3 Opposition to the Reform

The most vocal opposition to the reform was from the New Guinea Islands (NGI). In a meeting in Kimbe, West New Britain in April 1994, the NGI Premiers Council made a proposition for an alternative regional state government system for the NGI region. According to Sinclair, “they also threatened the government of PNG that if their proposal was ignored they would secede and form a Federated Melanesian Republic”¹⁸¹. NGI leaders went as far as threatening the government to declare independence on 6th January 1995. Chan, who was PM at that time responded by taking out an injunction to arrest NGI leaders for treason. However, no one was actually arrested or imprisoned.¹⁸²

According to Delvin and Mukherjee, “Chan knew the threat from the NGI leaders was real and they were capable of carrying it out”.¹⁸³ Unlike the highlanders, the NGI people were exposed or had interactions’ with the outside world long before the highlanders. Therefore, they were well educated, and they knew what they were doing. Furthermore the closure of the Paguna Copper Mine, meant a reduction in revenue for the government, hence importance was put on the NGI region since they had significant potential revenue (Lihir Gold mine)¹⁸⁴. However, while the NGI leaders were meeting in Rabaul in September, three volcanoes a couple of miles from where they were blew up at the same

¹⁸⁰ Ibid. p.48

¹⁸¹ See Sinclair, D (1995), Papua New Guinea in 1994-The most Turbulent Year? *Current Issues in Criminal Justice*, Vol.6 No.3,p.399.

¹⁸² Ibid.

¹⁸³ See Chan, Julius interviewed by Matthew Delvin and Rohan Mukherjee (2010) Port Moresby, p.9.

¹⁸⁴ Lihir gold mine is on New Ireland Province at the time of the reform, prospecting had just begun.

time. According to Mukherjee, “the secessionist threat sort of rescinded as Rabaul which was the hot-bed of secession was badly affected¹⁸⁵. The NGI leaders were focused more on rehabilitation than reform and talk of secession rescinded”¹⁸⁶.

In March 1995 the (reform) bill was tabled in Parliament and passed. The OLPG was replaced by the Organic Law on Provincial Government and Local Level Government (OLPGLLG). As a reflection of the rivalry, under this new law, provincial premiers were abolished and more powers were given to the local MPs.

Looking at the period in which the reform took place, prior to and in 1994, PNG was going through a hard time. The civil war in Bougainville which started in 1988 was still ongoing; PNG had a financial crisis in 1994 and also had its fair share of natural disasters in the form of three volcanoes erupting at the same time in Rabaul. Furthermore there was so much instability at the National level which saw Prime Minister’s hardly completing their terms. Amidst all these, as if the government did not have a lot on its plate already, decided to reform the OLPG (1977).

4.4 Real Intent of the Reform

It is agreeable that the OLPG (1977) was due for a review, however, this study argues that the reasons (although real) put forward by Wingti and Chan were just pretexts to justify the reform and there was no real intention to enhance service delivery but to remove the “rivals” so as to appease backbenches in Parliament.

Wingti and Chan had to maintain support within the Parliament to keep the PM post and also maintain support from their constituency and base votes.

¹⁸⁵ See Mukherjee.R (2010) Provincial Secessionists and Decentralization: Papua New Guinea, 1985-1999, *Innovations for Successful Societies*, Princeton University, and p.8.

¹⁸⁶ Ibid.

Wingti and Chans role in reforming the system also hints upon the intra-parliamentary politics in PNG in which Prime Ministers fight to overcome the motion of no confidence and to stay in power.

PNG politics is also characterized by intra-parliament rivalry in which backbenchers have a sort of “veiled” influence on the government. The “vote of no confidence” system in PNG has been an avenue for lobbying for ministerial portfolios, parliament offices or access to financial resource. The 1977 OLPG provisions sidelined the backbenchers, with the Provincial Politicians in control of provincial and district affairs, backbenchers although they are members of Parliament felt they had “nothing”. MPs holding ministerial portfolios and other parliamentary offices had resources especially financial resources under their control, backbenches did not, and this caused concern for them for their image back in their districts as distribution of resources (financial) converts to votes. Furthermore, the public also regard backbenches as nonentities, as a result backbenchers are nicknamed “briefcase carriers”, meaning they carry briefcase for the ministers. According to several voters in Eastern Highlands Province, districts’ whose members are ministers feel a sense of pride, they feel that they are on a more prestigious level than others, labelling other district MPs as “small boys”¹⁸⁷ However, after the 1995 reform this image is starting to change since MPs also have control of the district’s budget, however if possible having ministerial portfolios is still a preferable for the tribesmen.¹⁸⁸

Nevertheless, backbenchers can control the outcome of the vote of no confidence since they have the numbers, this is probably the only time they become relevant. Successive Prime Ministers in trying to maintain support from the backbenchers have tried various ways to appeal to the backbenchers. Electoral funds were introduced by the Somare government in 1984, each MP as that time was allocated K10, 000 annually to spend on his

¹⁸⁷ Based on interviews conducted on December-January 2016 in Goroka, Eastern Highlands Province.

¹⁸⁸ Ibid.

or her own discretion on any project within his her electorate.¹⁸⁹ The value of the EDF has increased rapidly over the years and is now at K10 million per district.¹⁹⁰ The increase is a response to conciliate discontented backbenches. As noted by Ketan (2007), “all increase was due to pressure from the backbenches. He observed that, “Government backbenches threatened to join the opposition to topple the government through votes of no confidence”¹⁹¹ That is why “Wingti increased the EDF in 1993 and 1994, Chan did it in 1996 and Bill skate also increased the EDF in 1996”¹⁹².

Similarly, the need to reform the OLPG (1977) was from the pressure of backbenchers. Wingti and Chan had to address the issue for their own reason of not wanting to lose to a vote of no-confidence. They had to maintain support in Parliament. The provisions of the new reform were not a reflection of people’s wishes but a reflection of the MPs grievances. Consequently, in the subsequent national election in 1997 both Chan and Wingti lost to candidates who were less popular. Chan lost to his own maternal cousin (Ephraim Apelis) indicating fractures within his own people.

For Chan, he went against his peoples wish and reformed the system, compounded with the Sandline crisis his support was diminishing back home. According to the Peoples Progress Party Spoke person Ken Trezise when speaking on Chan’s loss, “sandline affair had less impact; it was due to local and parochial issues”¹⁹³ Chan’s successor Ephraim Apelis was an advocate of greater autonomy for provincial government; according to Ivarature (2002) “his main reason for contesting the 1997 elections was to address the abolishment of the second tier government. He campaigned on the platform of “change”¹⁹⁴. The New Irelanders frustrations of the reform of the provincial government system are

¹⁸⁹ See Ketan, J (2007) The Use and Abuse of Electoral Development Funds and their Impact on Electoral Politics and Governance in Papua New Guinea. *CDI Political Papers on Political Governance*.p.6.

¹⁹⁰ See PNG Budget Reports 1980-2016.

¹⁹¹ Ibid.p.7

¹⁹² Ibid.

¹⁹³See Ivarature.H (2002), Sandline, Election, and the Formation of Government: In.Anere.R & May R.J (eds) *Maintaining Democracy: The 1997 Elections in Papua New Guinea*, Canberra ANU Press.p.43.

¹⁹⁴ Ibid.p.42-43.

reflected in the 1997 national elections results.

The 1977 organic law on provincial government (OLPG), was replaced with the new organic law (OLPGLLG) in 1995. Several major changes took place, including the abolishment of the premier system and the introduction of the provincial governors, which changed the whole structure of the provincial and local government as well as the power players. The new OLPGLLG also changed to empower the third tier government at the district level, the Local Level government (LLG) that is because the main aim of the reform was to strengthen the lower level of government closer to the people, that are also the unit of representation at the national parliament.

Another major addition was the creation of the Budget Priority Committee's (BPC) at both the provincial and district level. At the district level the budget priority committee (JDPBPC) has become a dominant force, and has overshadowed the LLGs to the point where LLGs are almost inoperable. The creation of JDPBPC and its subsequent implications has compromised the legitimacy of the local government system.

These changes brought about by the reform, demonstrates how the local MPs as being representatives will become more involved in district affairs. With the Premiers system abolished and the district level government empowered, and with the creation of the Budget Priority Committee, MPs now exert more influence than before. This change to the organic law reflects more of the MP's grievances since the establishment of the Provincial Government System. Under the 1977 OLPG MPs felt incapacitated because they had no say in their district affairs, and this caused them a lot of insecurities pertaining to their base support, as seen under the new 1995 OLPGLLG MPs now exert more influence than anybody in the districts. As a direct consequence of this service delivery to most parts of the country has been few to none. The next chapter will look at the functions

of the changes introduced by the reform and what they constitute and how that impact upon the development of the districts.

Chapter 5: Changes and Issues after the Reform

The years from PNG's independence in 1975 or enactment of 1977 OLPG and the reform by the 1995 OLPGLLG should be understood as a transitional period, in which local political leaders were struggling to adapt the "Big-Man Culture" to the modern political and administrative system of independent and sovereign nation, Papua New Guinea. From this point of view, the 1995 OLPGLLG can be seen as a document to celebrate the victory of national politicians, or MPs, over the provincial politicians, as there are no more MPA's in the Provincial Assembly, and MPs will not have any issues fulfilling their "Big- Man" obligations using state resource. For instance, MPs are now able to physically go out and present cheques for projects in a ceremony with all the people witnessing, and also any completion of projects the MP has to be there in a ceremony to cut the ribbon. Now the people can see and feel the MP's presence.

The reform did not have any national significance, as the introduction of preferential voting system had in 2007, hence it was no victory for any national leaders like Wingti or Chan to reform the political system to be more centralized. The biggest winners of the reform were the back benchers, i.e., the ordinary MPs claiming representation of their own districts. The new 1995 OLPGLLG basically allows MPs to be in charge of all the district funds. In other words, there will be no two representatives of the district, but politicians have to compete for the single seat as a sign of modern Big- man status.

5.1 Provincial Government Structure under the 1995 OLPGLLG

Under the 1995 OLPGLLG Provincial Assembly consists of a **Provincial MP** elected by the whole Provincial electorate, all District **MPs** elected by the respective district electorates within the province, Local Level Government Heads (**LLGH**) elected among the Ward Councilors (**WC**) of the district and three other members (**A**) appointed by the Provincial MP as **the Provincial Executive Council Chairman** who is also the **Provincial**

Governor¹⁹⁵. All members have full voting power and are counted towards a quorum of the Provincial Assembly¹⁹⁶. Provincial MPs who are concurrently their respective Provincial Governors, are not eligible to take any national offices, while district MPs are.

Provincial Executive Council is the executive branch of the province, whose members consist of the Governor, who is the chairman of the Council, Deputy Governor, all the Chairman of the Permanent Committees (**CPC**). All members have voting rights and are counted towards the quorum.¹⁹⁷

Provincial Executive Council is tasked with implementing the laws and the policies of the provincial governments and/or those of the National Government which the provincial governments are mandated to implement.¹⁹⁸

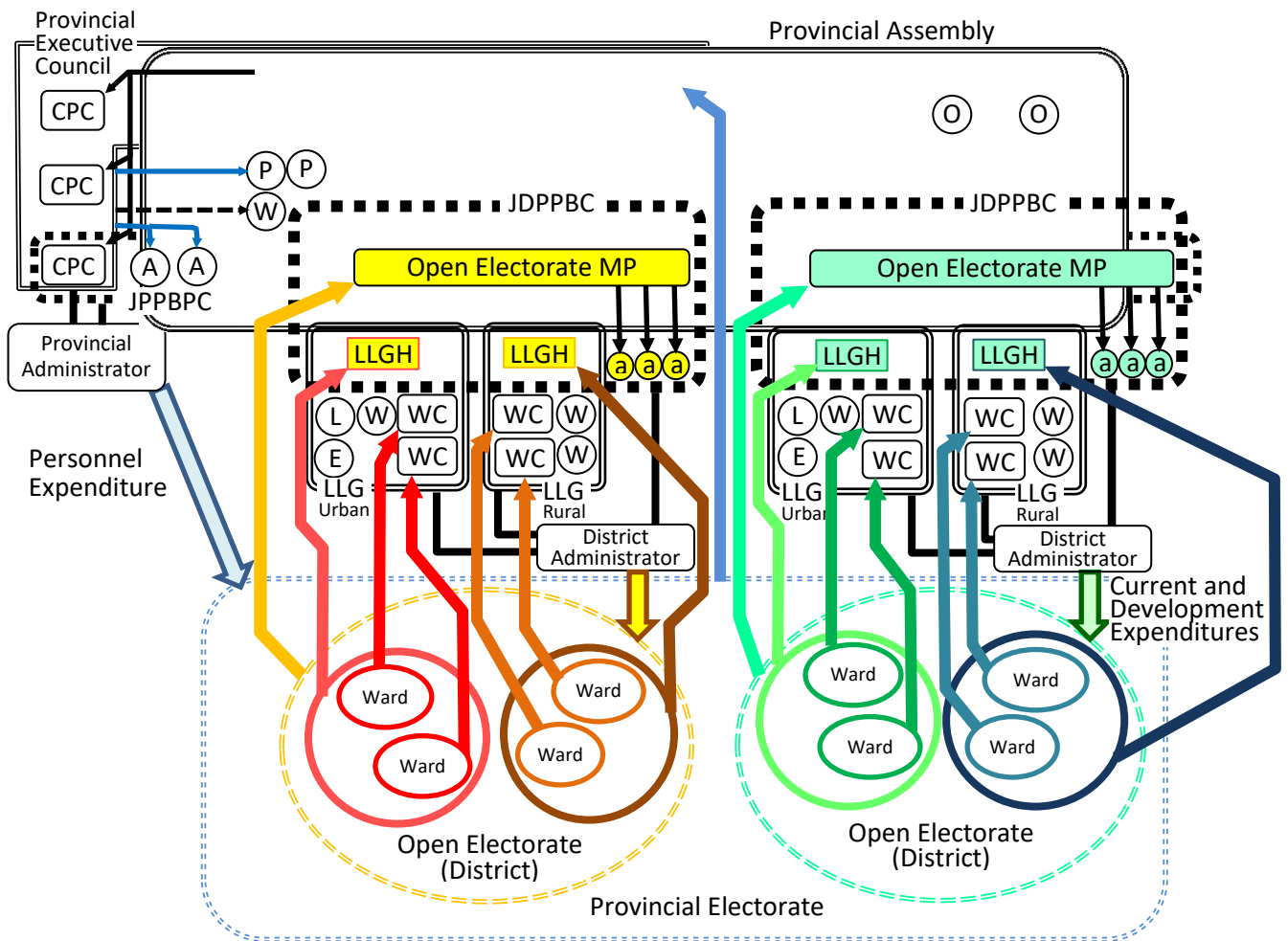
¹⁹⁵ See the Organic Law on Provincial and Local Level Government Part II Section 1 Subsection 1A.

¹⁹⁶ See the Organic Law on Provincial and Local Level Government Part II Section 1 Subsection 5.

¹⁹⁷ See Part 5 Section 17 of the Organic Law on Provincial Government.

¹⁹⁸ See Section 23 of the Organic Law on Provincial and Local Level Government.

Figure 5: The Provincial Government Structure under the 1995 OLPGLLG



5.2 Abolishment of Separate Elections for MPAs

Important new features of the Local Government Reform in 1995 are;

- 1) Abolishment of separate elections for Members of Provincial Assemblies and placement of Members of Parliament as Members of Provincial Assembly with voting right.
- 2) Creation of the Local-Level Government (LLG) below the District level as a result of which the government system became three tiered, and
- 3) Creation of the Joint Planning and Budget Priority Committees at the Provincial and District Levels and other Permanent Committees at the Provincial Executives.

The Organic Law on Provincial Government and Local-level Government 1995 is to replace the organic Law on Provincial Governments 1977. Before the reform, Provincial Government was formed on the basis of the Provincial Assembly whose members with voting rights were separately elected at the districts within the province. Those members of Parliament from the districts in the same province could also attend the meetings of the Provincial Assembly but they didn't have any voting right. Provincial Premier, the head of the Provincial Executive Council, was elected from among the Members of Provincial Assembly with voting right. Thus, actual function of the Provincial Government went without any strong influence from the MPs of the Province.

After this reform, no separate members for Provincial Assembly are elected from any districts and MPs from the Open Electorate in the same province become full members of the Provincial Assembly. Provincial Premier was also abolished and, instead a new MP from the Province-wide electorate is to be elected and to automatically become the Provincial Governor. As a result, provincial autonomy is lost due to the conflict of central and provincial interest for the MPs.

This change could be seen as the take-over of the provincial power by the national politicians at the cost of local politicians, which might be criticized by those decentralization forces who had fought against the government for more decentralized structure at the time of independence and the Bougainville issues.

Thus the second feature of the reform, i.e., creation of the Local-level Governments was there to emphasize the continued importance of decentralization by pushing it further by establishing the governments closer to the people than the Provincial Governments.

5.3 Creation of the Local- Level Government (LLG)

The Local-Level Government were created below the District level by the 1995 reform and become the third tier of the government system. The official aim to create the Local-Level Government was to promote ‘equal opportunity and popular participation in government ‘and ‘responsible citizenship through self-management, and control and accountability for one’s action.¹⁹⁹ OLPGLLG provides for the role of the Local-Level Government as ‘to make laws for the purpose of governing the local community’.²⁰⁰ Therefore, LLG is mainly a legislative body that also executive functions,²⁰¹ though its administrative system is headed by the District Administrator as ‘the chief executive officer of the Local-level Governments in a district’.²⁰²

Members of the Local-Level Government are; the Local-level Government Head (LLGH) and Ward Councilors(WC), plus three appointed members in the case of urban LLG and two appointed members in the case rural LLG. All those members including appointed members of LLG have full voting power and are counted towards the quorum during meetings of the LLG. Three appointed members for the urban LLG are one nominated by the PNG Trade Union Congress(L), one nominated by the Employers Federation (E), and a representative of women’s organizations nominated in accordance with an Act of Parliament (W), all of whom are to be appointed by the LLG. Two appointed members for the rural LLG are representatives of women’s’ organizations nominated in accordance with an Act of Parliament and appointed by the LLG (W).²⁰³

The members of a Ward, which is an administrative unit in PNG meaning the cluster of villages or settlements within the area of the Local-Level Government, are to elect their own Ward Councilor (WC). LLG heads (LLGH) are also known as LLG Presidents and

¹⁹⁹ See Preamble of 1995 OLPGLLG.

²⁰⁰ See Section 26, Subsection 2 of the OLPGLLG.

²⁰¹ See section 36 of the OLPGLLG.

²⁰² See Section 74 Subsection 2(a) and (b) of the OLPGLLG.

²⁰³ See Section 29 of the 1995 OLPGLLG.

elected whole area of the LLG and he/she is also known as the LLG President. The Open Electorate representative from the District, who is a Member of Parliament as well as a member of Provincial Assembly, is not a member of the Local Level Government.²⁰⁴

The LLG administrative functions include:²⁰⁵

- preparing corporate plans and estimates;
- preparing a rolling five year development plan taking into account rolling five year development plans for wards as prepared by the elected ward members;
- preparing an annual plan taking into account the rolling five year development plan
- preparing annual budgets based on the annual plan within all funds available to the LLG;
- keeping proper accounts and records;
- facilitating for the development of renewable natural resources development projects in the LLG area;
- constructing and maintaining infrastructure and facilities that are the responsibility of the LLG;
- initiating and implementing programs for youth and women and
- Providing support and assistance to the Provincial Government to enable it to carry its functions effectively.

While a provincial executive wing has Provincial Administrator as its chief executive officer, a local-level government has not its own chief executive officer but has to share one District Administrator as its chief executive officer with other local-level governments in the same district.²⁰⁶

²⁰⁴ See Section 95 subsection 8A of the 1995 OLPGLLG.

²⁰⁵ See Section 38(sub section a-n) of the Local-Level Government Administration Act 1997.

²⁰⁶ See Section 74 subsection 2(a) of the OLPGLLG.

District Administrator is to ‘coordinate policy formulation, planning and implementation of Local-Level Government policies and plans as required by Sections 33A and 106’.²⁰⁷ Section 33 A is about the Joint District Planning and Budget Priority Committee, which will be discussed in the next section, while Section 106 deals with the Provincial Planning and Data Systems that prepares the basis for elections planning.

District Administrator also ‘liaise(s) and consult(s) with the District Treasurer on budget and treasury matters.’ Since two or more LLGs are supposed to exist in one district, and budget or treasury matters within the district are liaised or consulted by the District Administrator, it is not LLGs but District Administrator who has actual control over the treasury issues, even if she/he ‘shall comply with ‘any policy directions from the Provincial Governments and Local-level Governments’.²⁰⁸

If the District Administrator is this powerful, the question is she/he is whose agent. OLPGLLG stipulates that she/he shall be ‘appointed in the manner and following the same procedure as is applicable to the appointment of officers of the Public Service.’ However, in reality, District Administrators are chosen by the Members of Parliament elected from the same district, i.e., the Open Electorate.²⁰⁹ From the positioning of the District Administrators as an umbrella office over the LLGs, as well as how they are actually appointed, they are expected to work for the Open Electorate MPs of the districts rather than for the LLGs they have to act as chief executives. With this role District Administrator also serves for the Joint District and Budget Priority Committee as its Chief Executive Officer.

This positioning of the District administrator suggests that the focus of the local-level government is on the district rather than anything below it. As expressed by the Ward

²⁰⁷ See Section 74 subsection 2(f) of the OLPGLLG.

²⁰⁸ See Section 74 subsection 3 (a) of the OLPGLLG.

²⁰⁹ District Administrator of Ungai Bena told the author that he was selected from the three names submitted by the Open Electorate MP to the Provincial Government.

Councilors of Daulo District all they are able to do is submit proposal and request made by their people, the decision is made by the JDPBPC in which they are not members of.²¹⁰ There are funds made available by the central government for the LLGs, known as the Local Level Government Support Improvement Program grants (LLGSIP), but these funds are managed by the JDPBPC. It is given to the wards upon requests. The DA is the one that approves or disapproves of the proposals. Twelve of the twenty-three Daulo ward councilors interviewed complained that they hardly receive positive response from the district government, and whenever they get response from the district government, the payment is usually half or a quarter of the amount requested, which results in many project hold up²¹¹. Eight of those ward councilors stated that, the system is unfavorable and they have no trust in the system. Because of the lack of response from the Headquarters (District), they sometimes try to talk to the MP himself, his relatives or other district staff in the hope of getting a response.²¹²

From this point of view the LLG is incapacitated. Whether the LLGs voice is effective or not is decided at the district level.

5.4 Creation of the Joint District Planning and Budget Priority Committees (JDPBPC)

Another important change after the reform is the removal of the budgetary powers pertaining to districts from the Provincial Governments by creating a Joint District Planning and Budget Priority Committee. Districts were now in charge of their own budget and affairs, although without any District Governments.

Joint Planning and Budget Priority Committees are to be established not only at the district level but also at the provincial level. As each of the districts corresponds to an

²¹⁰ Based on interview conducted form 2015-2016

²¹¹ Ibid.

²¹² Based on interviews conducted in 2015-2016. Refer to Appendices Table 1.1.

Open Electorate²¹³, each of the Joint Provincial/District Planning and Budget Priority Committees has its own Provincial or Open Electorate MP. These committees are recipients of a half of the District or Provincial Support Grant, another half of which goes to the Open Electorate or Provincial MP.

District and Provincial Support Grants are grants to be provided annually by the National Government to the open and provincial electorates. These grants were added to the list of grants in 1996 and 1998 amendments to OLPGLLG and, different from other central grants, are not given to the local governments but to the Joint District/Provincial Planning and Budget Priority Committees and the MPs. While those other central grants given to the local governments are conditional in the sense on the request and approval basis, or supplementary to the administrative needs, District and Provincial Support Grants are guaranteed their minimum amounts and relative freedom in their usages within the guidelines, hence a kind of pork barrels.

As the recipient bodies of District or Provincial Support Grants, Joint District/Provincial Planning and Budget Priority Committees play important roles for the development of the districts and the provinces. Moreover, both the committees are (a) to oversee, co-ordinate and make recommendations as to the overall planning in the province/district planning, including budget priorities, for consideration by the National Government/the Provincial Government and the National Government; (b) to determine and control (the) budget allocation priorities for the Province/Local-level Governments in the district; (c) to approve Provincial/the Local-level Government Budgets for presentation to the Provincial Assembly/Local-level Government (and make recommendations concerning them); (d) to draw up a rolling five-year development plan and annual estimates for the province/district; and (e) to conduct annual reviews of the rolling five-

²¹³ See Section 72 Subsection 4 of the OLPGLLG.

year development plan²¹⁴. Thus, as far as the budget priorities and development planning are concerned, these joint committees have real controlling power.

However, while a Joint Provincial Planning and Budget Priority Committee is to be established by the Provincial Executive Council, no legal body is designated to establish a Joint District Planning and Budget Priority Committee. Since both the Provincial Executive Council and Local-level Government are permitted to establish their own committees including permanent committees, the fact that the Joint District Planning and Budget Priority Committee is to be established not by any of the local governments but by law itself is noteworthy.

As Figure 5 suggests, JPPBPC is so structured as the Open Electorate MPs can effectively exert their influence over the course of debates in the committee, if they are four or more and work together, since the maximum number of members from or appointed by Provincial Executive Council is four²¹⁵. And as Big-men of their own districts, they may share the same interest of giving priorities to the districts rather than to the provinces.

On the other hand, JDPBPC may work differently as at the district level there is no legislature or executive but an Open Electorate MP and a District Administrator only that legitimately represent and administer the whole area. Like JPPBPC, each of JDPBPCs has four members on the Open Electorate MP's side, i.e., the Open Electorate MP him-/herself and maximum of three appointees **(a)** by the Open Electorate MP. Other members are the LLG Heads **(LLGH)** within the district so that, if the number of LLGHs is larger than four,

²¹⁴ See Section 25 Subsection 3 and Section 33A (3) of the OLPGLLG. The bracketed part in (c) is found in JDPBPC only.

²¹⁵ Among the total of 21 Provinces except for the National Capital District in Papua New Guinea, 5 Provinces have 4 Districts and 7 Provinces have more than 4 Districts.

and if they work together, they can control the JDPBPC. However, only 21 % of the districts have more than four LLGHs²¹⁶.

The JDPBPC functions include the determination and control of budget allocation priorities for the Local-level Governments in the district, approval of the Local-level Government budgets for presentation to the Local-level Government and making recommendations concerning them.²¹⁷ Thus LLGs cannot decide their own budget by themselves but have to get approval from JDPBPC controlled by the Open Electorate MPs.

The JDPBPC role is highlighted here because it is the committee in charge of all budgetary matter pertaining to the district. Prior to the reform all budgetary matters for the districts including recurrent expenditures were under the Provincial government with the Premier as the head. MPs were given Electoral Funds starting in the 1980s. The grants were allocated directly to the local MPs with the assumption that local MPs are well situated to be more aware of local needs and therefore can use the grants on priority projects.²¹⁸ After the reform both the recurrent expenditure and the Electoral Development Funds now known as District Support Grants (DSG) were placed under the JDPBPC. Fifty percent of the DSG is called the MPs discretionary grant and is paid directly to the MP. The MP being the chair of the committee makes him in control of the entire budget of the district.

This also creates an avenue for Big-man politics to thrive, meaning that members of the JDPBPC are now seen by the people as being in charge of funds which they can channel to them, and for the MP, not only expectations are high of him but he has the discretion to hand out resources if he wants to do so and legally does so for that matter.

²¹⁶ Among the total of 84 Districts only 18 Districts have more than 4 LLGs.

²¹⁷ Organic Law on Provincial and Local Level Government Section 95 Subsection 5

²¹⁸ Ketan, J (2007) The Use and Abuse of the Electoral Development Funds and their Impact on Electoral Political Governance in Papua New Guinea, *CDI Policy Paper on Political Governance*.p.5.

The 1995 OLPGLLG enables the MP to hand out cash and cheques for the projects personally in his district because all the district developmental funds are at his disposal.

This opportunity is used strategically at times to make their presence felt in their districts. For the LLG heads, theoretically speaking they have certain powers in the JDPBPC affairs; however under the current structure MPs largely control the budget allocation and overrides the heads of LLGs, therefore most of them also end up with trying to be on the MPs good side. Likewise the LLG representatives (ward councilors) are also at the mercy of the MPs.

5.5 Effects of the 1995 Reform

If the 1995 reform was so structured, what consequences are found in the politics and development at the Local-level? Interviews were conducted by the author with Ward Councilors and LLG Presidents of Ungai-Bena District and Daulo Districts to gauge their views on the JDPBPC impacts upon their roles as ward and LLG representatives within their districts. Daulo district has three LLGs, which are Watabung LLG with six wards, Upper Asaro LLG with eight wards and Lower Asaro LLG with nine wards, to make a total number of wards twenty three. Twelve out of the twenty-three ward councilors and two out of the three LLG Presidents were interviewed. Ungai-Bena district also has three LLGs; they are Upper Bena with seven wards, lower Bena with seven wards and Ungai with six wards, to make a total number of wards twenty. Nine out of the twenty ward councilors and one out of the three LLG Presidents were interviewed.

Questions were asked to find out the roles and functions of LLG. Relationship between the Ward Councilors and their LLG presidents on the one side and the MP and district staffs under the District Administrator on the other side is considered to be important because under the 1995 OLPGLLG MPs yields more power in the districts affairs through the JDPBPC. Whether this has any impact on the roles of the Councilor and

of the LLG Presidents in their LLGs and what is the consequences of MPs dominating the JDPBPC are significant among others.²¹⁹

Most of the Daulo District's respondents expressed dissatisfaction with the MP and the district staff.

The Ward 2 councilor for lower Asaro stated that:

(A)ny project we propose has to be approved by the DA and the JDPBPC, and many a times we never get any response, and on the rare occasions that we do, the payment is usually a half or a quarter of the amount requested."²²⁰

The interviews suggests that the demands from the LLGs are usually ignored and most of the projects pushed through by the JDPBPC are not in line with the needs of the local people or are only concentrated in one area, i.e., the MP's village/clan which is translated into "base vote" during Elections. In Daulo district, in Upper Asaro LLG, there has never been an MP from there since independence, and it is in a deteriorating state. The ward 8 councilor for Upper Asaro was interviewed on the number of ongoing projects in his ward. He replied:

None, we Kwongi (ward 8&9) people are 'bush' people, government has forgotten about us. Everything has deteriorated. Ask your (author) father, he used to teach there, he will tell you nothing has changed. The same desk he used to sit on is still there. We supported him in 1992 election, because if he had won, Kwongi would have changed. But 2017(General Elections) is coming we will still try."²²¹

²¹⁹ Refer to Table 1 in the Appendices.

²²⁰ Based on interviews conducted in Daulo on December 2016. For Daulo ward councilors' they asked for anonymity so their names are withheld. Refer to table 1.1.

²²¹ Ibid.

Furthermore, in Lower Asaro, Ward 2 and 1 are located opposite each other them, Ward 1 has electricity connected right through its villages, while Ward 2 is in complete darkness. That was because in 1992 elections Sowa Gunia form ward 1 won the elections and delivered to his people. Even though the Voting System in PNG changed from the First Past the Post System to the Preferential Voting System, candidates still focus on their base voters to get 1st votes, 2nd and 3rd votes are called 'pick up votes'. Hence, it is assumed that if their base is secured they have a shot at winning the elections.²²²

This is one of the main cause for uneven distribution of services within the districts.

For Daulo District, ten out of the twelve councilors interviewed stated that there was no single ongoing project in their respective wards at the time of interview. When asked about the projects during their term, nine answered that there was no project at all and three had projects done in their wards. Stating that they were done by the MP and the DA without prior consultation with them. This indicates that they were sidelined on the issues concerning their own Wards.

The dominating nature of the MP and the JDPBPC is a problem in regards to service delivery in PNG because almost all the funds that are for the upkeep and running of the districts comes from the national governments as grants and all these funds are managed by the JDPBPC.

In Papua New Guinea, the Provincial and Local government has limited revenue making powers so that most of its fund comes from the national government in the form of grants. The problem here is that it is up to the JDPBPC or rather the MP, on whether they want to use these grants for projects beneficial to the district as a whole or part of the district or not at all.

²²² Bernard Noibano contested the Daulo Open seat in 2012 and 2017 General Elections.

After all any spending or projects that is approved by the JDPBPC is legal. The funds are placed under the care of the MPs, so they can be able to identify priority projects and implement them in their districts and at the same it enables them to have the chance to be physically present to distribute these funds and maintain their support base. Most times funds are not going to where they are supposed to go resulting in lack of, to nonexistence of basic services in most districts in the country, be it infrastructure, electricity, roads, health care, clean water and the list goes on. For example Daulo residents have called out for relevant authorities to investigate the Daulo Districts use of the DSIP grants for years 2013 to 2014. They complained that no development whatsoever have taken place at all in Daulo at that time.²²³ Similarly the people of Abau district in Central Province have questioned the use of K150 million (3 terms) in DSIP funds, stating the promised reopening of Magarida Airstrip never happened, meanwhile the hospital lacks medical supplies, water supply lacking despite rivers found everywhere in the district and also the deteriorating of the districts high school.²²⁴ These problems are not only confined to Abau and Daulo, these same issues is found all over the country. There is just too much misappropriation of public funds that the director of the PNG Institute of National Affairs, Paul Baker, has warned that the access abuse of these funds will “undermine the impacts of the PNG National Budget, because they form a large part of the budget.”²²⁵

The DSIP grants have increased tremendously over the years and currently stands at K10,000,000 (USD3.1million) per district, per year. The increase is somewhat expected, since the national budget itself has increased steadily over the past years. As shown in Figure 3, the PNG budget as of 2015 stands at K16 billion.

²²³ See *The National Newspaper*, Wednesday March 25th 2015.

²²⁴ See *The National Newspaper*, October 5th 2016.

²²⁵ See *EMTV News*, 20th January 2015.

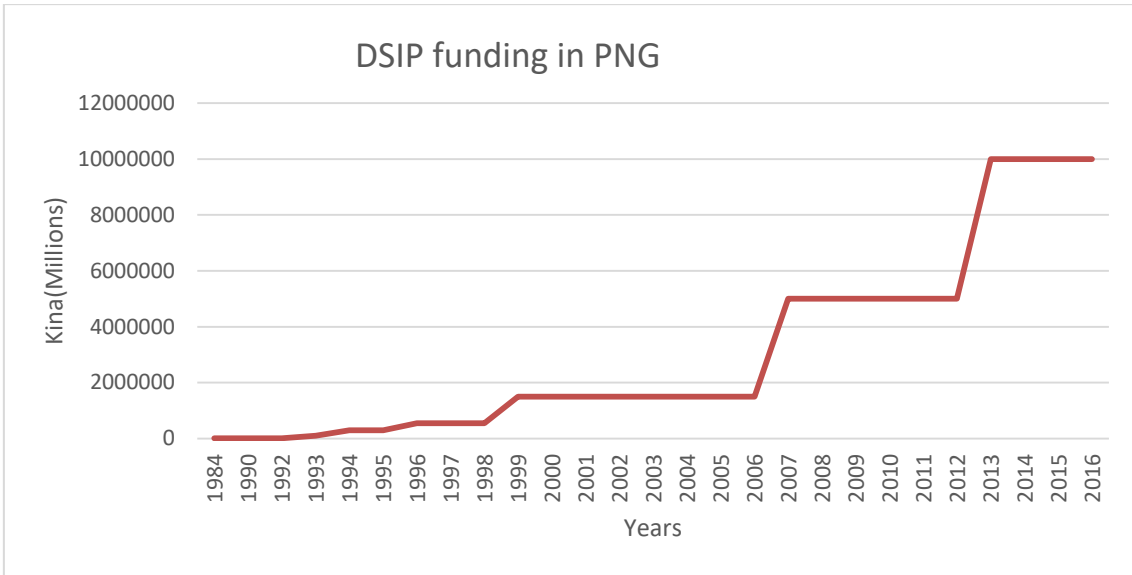


Figure 6 PNG DSIP Grants²²⁶

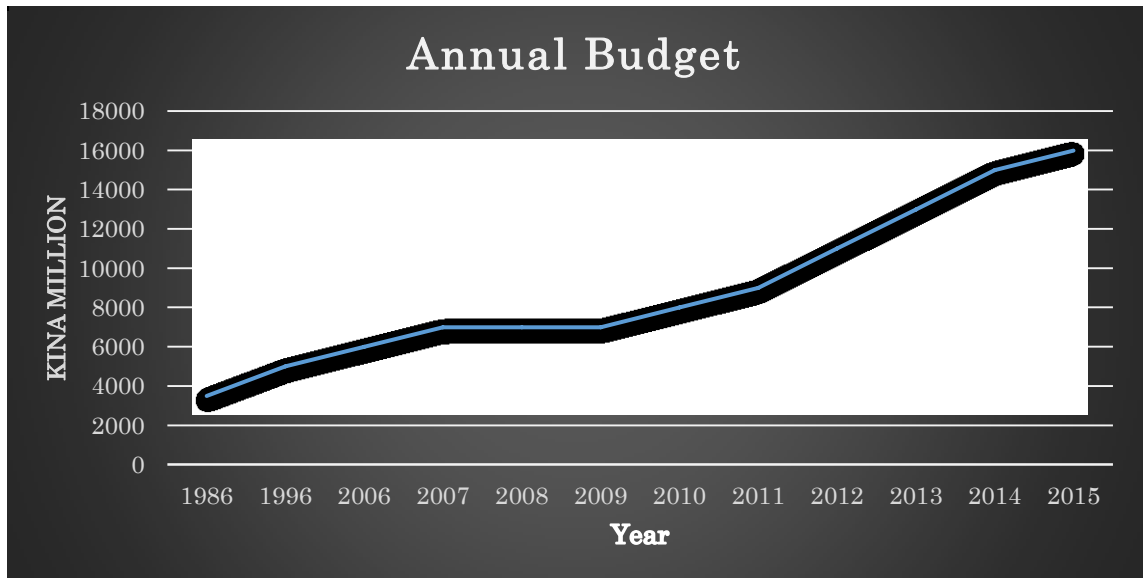


Figure 7 PNG Annual Budgets²²⁷

Finance ministers have consecutively justified the increase in DSIP by maintaining that the local governments in PNG are unsuccessful because they are underfunded. As reflected in the 2013 Budget in which the DSIP grants were increased from K5 million to K10 million, Finance Minister Don Poyle stated:

²²⁶ Based on PNG Yearly Budget Reports for the years 1984-2016.

²²⁷ Based on PNG Yearly Budget Reports from the years 1986-2015.

We will empower our people by giving greater financial responsibility and accountability to lower levels of the Governments. It is our conviction that empowering Governments that are closer to our people will significantly improve the delivery of vital goods and services.....²²⁸

Almost the same statement was made in the 2014 Budget Reports:

These funds are not translated into the change in outlook of the districts in PNG. This study does not criticize or find fault in the increase of the funding itself in relation to developmental issues. However, the management these funds is the problem.

Despite that, there are districts that have benefited from these funds. Ungai-Bena district of Eastern Highlands Province and the Wau-Bulolo district of Morobe Province are two of the successful cases. This implies that if used wisely the grants can bring development to the districts as initially intended even under the current structure. The system of the Provincial Government and LLG is such that so much power is concentrated at the District headed by the MP, therefore whether the LLGs within the district can benefit or not depends entirely on the MPs willingness to engage or not. Therefore, different behaviors of the MPs with his district staff determine different outcomes in districts, as will be illustrated in chapter six by discussing the case of Ungai-Bena and Daulo Districts.

²²⁸ Polye.D, National *Budget* (2013) Volume 1 Economic and Development Policies, December, p. 3.

Chapter 6: Impacts of the 1995 OLPGLLG on the LLG: A Case Study of Ungai-Bena and Daulo District in Eastern Highlands Province.

6.1 Background of Ungai-Bena and Daulo District

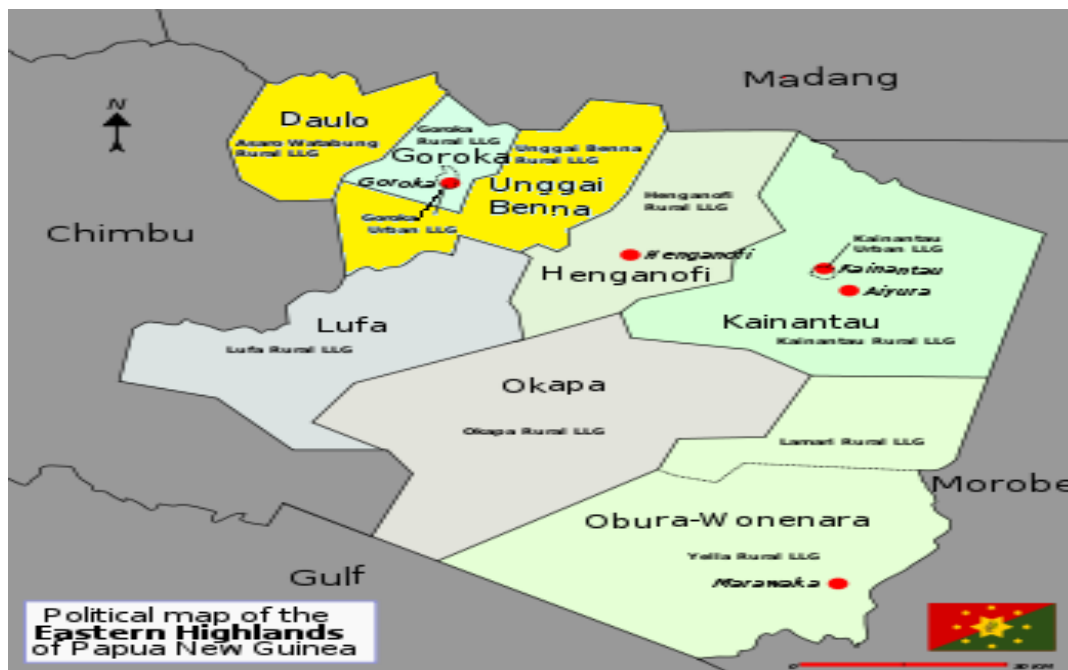


Figure 8 Political Map of the Eastern Highlands Province ²²⁹

Daulo district is located at the north of Eastern Highlands Province, sharing borders with Chimbu and Madang Province. It has a population of 30,960²³⁰ and is located along the Highlands highway leading to other highlands provinces. Most people live a subsistence living. The main source of income is from coffee, followed by the selling of vegetables. Although the land is fertile and produces good harvest, people still live in poverty.²³¹

²²⁹ https://en.wikipedia.org/wiki/Eastern_Highlands_Province.

²³⁰ PNG National Bureau of Statistics, National Census Report 2014.

²³¹ Poverty in both Daulo and Ungai-Bena does not refer to the unavailability of food but rather it refers non access of basic services and the inability to generate enough income to sustain them.

Ungai-Bena also shares border with Chimbu and Madang provinces. It has a population of 40,006²³². Most of the people are involved in subsistence farming. Main form of income is also from coffee and selling vegetables. Majority of the people still live in poverty. Although there is difference in culture and language in Ungai and Bena sectors, they share a commonality such as their religious belief, as Ungai-Bena is significantly dominated by the Seventh Day Adventist church, and that can be a unifying factor in the district. Daulo on the other hand does not have such a single commonality among the peoples within the district as it is fragmented in terms of language, culture and even religious beliefs.

Geographically, Daulo has harsher condition than Ungai-Bena because it is overwhelmingly mountainous, while Ungai-Bena is located in the valleys. Hence, the temperature in Daulo is colder than Ungai-Bena. This difference in climate also accounts for the difference in vegetables produced. Ungai-Bena mostly produces pineapples and oranges, while Daulo mostly produces sweet potatoes, potatoes and cabbage. Furthermore, the difference in geographical features sets favorable conditions for Ungai-Bena infrastructural development such as construction of roads in the sense that constructing roads to connect LLGs in Daulo will be more difficult and costly because of the rough terrain the district has. This also means unfavorable conditions for the farmers in Daulo to carry their products to the markets in urban areas like Goroka, the Provincial Capital of Eastern Highlands, while Ungai-Bena has easier access to Goroka town.

Apart from the geographical difference, both districts have basic similarities such as their dependence on their agricultural produce and having the same status as Rural LLG's. Although both districts share border with Chimbu and Madang, there is no advantage for them to exploit Chimbu and Madang markets. This is due to the rugged, impassable terrain separating both districts from Chimbu and Madan Provinces.

²³² PNG National Bureau of Statistics, National Census Report 2014.

The purpose of this case study is to analyze the impacts of the 1995 OLPGLLG on local governments in PNG by referring to concrete cases. The Ungai-Bena and Daulo Districts are chosen out of the eight districts in Eastern Highlands Province because these two districts represent the two extremes in terms of development indicators such as infrastructural developments, various initiatives to support locals and the organization of the district headquarters itself. Ungai-Bena is the most developed and organized district, and in stark contrast to that, Daulo district was the least developed district in the province according to similar indicators mentioned above. This case study attempts to find out why one district is better off than the other, or rather what allows for development to take place in one district and not the other.

For this case study interviews were conducted with LLG representatives of both Ungai-Bena and Daulo districts, the District Administrator of Ungai-Bena was interviewed along with some district staff of Daulo District. Daulo district has three LLGs, which are Watabung LLG with six wards, Upper Asaro LLG with eight wards and Lower Asaro with nine wards, which is a total of twenty three wards. Twelve out of the twenty-three councilors were interviewed. Ungai-Bena District also has three LLGs, Ungai with six wards, Upper-Bena with seven wards and Lower Bena with seven wards which are total of twenty wards. Nine out of the twenty councilors were interviewed. Additionally one Council President was interviewed out of the three in Ungai-Bena District and two out of three Council President of Daulo was interviewed. All interviews were conducted on a one to one basis on various locations in Goroka town, Daulo and Ungai-Bena Districts.

Since this dissertation discusses the impacts of the 1995 OLPGLLG with particular focus on the LLG, district officials including the District Administrator of Ungai-Bena District and council representatives of two selected district were targeted. The focus is on the LLG because, when the Organic Law was reformed in 1995, the LLGs were created

below the District level to become the third tier of the government system. The official aim to create this level of government was to promote equal opportunity and popular participation in government and responsible citizenship through self-management, control and accountability for one's action.²³³

From that point of view LLG is supposed to be at the center of the reform. However, in reality as illustrated in earlier chapters, power is concentrated at the district level without any formal government. Therefore, in an attempt to analyze the effectiveness of the local government in line with the 1995 OLPGLLG provisions, questions were focused on effectiveness of local representatives, budgetary matters, projects and the relationship between the MP, district staff and the local representatives (ward councilors).

Apart from the key individual interviews, unstructured interviews were conducted randomly among members of the public in EHP, the focus was on the residents of Daulo and Ungai-Bena Districts but residents of other districts gave their views too. The aim was to gauge a general view on the impacts of the provincial government system, and to know how much people have benefitted from government services individually and collectively over the years.

Apart from interviews the level of development in each district's was assessed based on outlook of the districts. Indicators included mostly infrastructural developments, state of schools, hospitals, roads, bridges, state of district headquarters and number of ongoing projects. This is because grants allocated to the districts are for impact projects and mostly infrastructural, hence the change or no change in outlook of the districts physically is one yard stick that can be used to determine whether these grants are effectively used or not.

²³³ See Preamble of 1995 OLPGLLG.

6.2 Organization of District Headquarters

According to Section 74 Subsection 2 of the 1995 OLPGLLG it is the responsibility of the DA to ensure the smooth running of the districts. The DA has to ensure all the district staffs are present in their office and working and also ensure the smooth running of LLGs in the district. Additionally the DA is responsible for ensuring proper implementation of projects and work programs identified by the JDPBPC.²³⁴

In comparison to Daulo, Ungai-Bena is a very well organized districts in terms of the arrangement of the district HQ itself and how their policies are implemented. The district is administered by the DA along with twenty staff including casuals. Their district headquarters is currently located in Goroka town (capital of EHP) because it is easily accessed by both Ungai and Bena people, however there is a new office complex and staff housing project going on at the moment in Upper Bena. According to the DA²³⁵ all the staffs are present in their office from Monday to Friday (including himself). Council presidents and the local MP have their offices there too. The current MP Benny Allan is also a Minister, and is sometimes caught up in his ministerial duties. But whenever he is around he is always in his office. As for the LLGs their council chamber is currently under construction, there is constant communication between the DA and the Ward councilors²³⁶,

The district head quarter of Daulo is located in Asaro, some 15 kilometers outside of Goroka town. Like all the other districts, Daulo, too, has a district office statutorily administered by the District Administrator²³⁷.

Apart from the Administrator, the administrative staffs reside within the headquarters premises. According to the district staffs, the officers are open with officers present daily on weekdays. However, public perceptions contradict to this. It is known in

²³⁴ See Section 74 Subsection 2 of the OLPGLLG.

²³⁵ The DA for Ungai-Bena was interviewed on 07th January 2016 in Goroka Eastern Highland Province.

²³⁶ Ward Councilors, Council Presidents were interviewed on 07th January 2016 in Goroka Eastern Highland Province.

²³⁷ See Section 74 Subsection 2 of the OLPGLLG.

Daulo District that the offices in the headquarters are hardly open and when they do they are hardly any staffs around²³⁸. It is rare to see the DA himself in his office and the MP is hardly there at all. According to a district staff, even the JDPBPC meetings are not held in the district headquarters but are usually held in lodges or hotels in Goroka town especially when the district budget is being passed.²³⁹ During the research several visits were made from December 8 to 29, 2015, and January 4 to 6, 2016, to the District Headquarter but all the offices were always closed.

The reason why district headquarters were established within the district is for the people actually to see and feel the presence of the government, to have access to the government, to be able to participate in and to have a say on issues that concerns them. That was the main reason for decentralization²⁴⁰, and the 1995 reform. For the case of Daulo, having a district headquarters that hardly operates defeats the whole purpose of decentralization. The people feel detached from the government and it is the wrong foot to start with. When the district officers are not open, people cannot have access to it, meaning that whatever they need from the district office they cannot get or do. The ward councilors of Daulo also complained that, they do not have access to the DA or the district staff whenever they have issues to discuss²⁴¹. The image that the government is unreachable is persistent in Daulo.

Ungai-Bena on the other hand is a case of a well-organized and functioning district headquarters. People of Ungai-Bena have access to the offices and officials on a daily basis; the MP is always in his office whenever he is in town. At the time I was

²³⁸ According to interviews for residents of Daulo, interview was conducted on the period between December and January 2016.

²³⁹ The District Staff was interviewed in 2013 February in Lopi, Goroka Eastern Highlands Province. He was a staff of the district treasury at the time of interview. When interviewed he was on his way to Jubilee lodge in which the JDPBPC were seated at that time.

²⁴⁰ See the Constitutional Planning Committee Report 1974.

²⁴¹ Ward Councilors, Council Presidents were interviewed on 07th January 2016 in Goroka Eastern Highland Province.

interviewing the Ungai-Bena district staff, I saw the MP in his office and people were arranging in line outside to take turns to see him. Apart from having a well-organized district office and so many projects underway, the MP is physically present in the office talking to people whenever he is in town. This earns him so much respect from the people.

While this may be so one noticeable thing about both districts is that the LLG which is the government body does not have office or staff. While Ungai-Bena is taking steps to rectify that by building council chambers in their three LLGs, Daulo has done nothing as yet. This brings the question of how LLGs function when they do not have office? LLGs representative of both districts have stated that, they felt their job is a part time job, because they do not have any office hence are not required to be at the headquarters, unless they are needed.²⁴² This indicates that all issues are dealt with at the district level and not the LLG level.

6.3 Relationship between, MP, District Staff and LLG Representatives

The Ungai-Bena district staff, MP, council president and councilors have a very cordial relationship and they put emphasis on team work. Their communication with each other is very effective. According to the DA, and Councilors²⁴³, their communication with the local MP is very effective. Whenever, they call the MP he answers and he is very prompt in his response. He even replies text messages. In 2016 the district has set up a hotline to deal with emergency situations in their districts. When asked about their wages, the councilors responded that they were paid on time.

For the Daulo District there appears to be so much disconnection between the council presidents, the ward councilors and the district staff on the one hand and the MP on the

²⁴² Interview was conducted from 2015-2015.

²⁴³ Councilors and Council Presidents of Ungai-Bena were interviewed on 07th January 2016 in Goroka

other²⁴⁴. The councilors mentioned that they are always sidelined by the DA, the MP and the Council Presidents. Beckson Kia, the council president of Watabung, stated that there is no good relationship and effective communication with the MP²⁴⁵. Daulo councilors were complaining that their wages have not being paid for a couple of months. The councilor for ward 2 lower Asaro has stated that he has not being paid in over two years. Another councilor for lower Asaro, ward 3 has stated that “this kind of hold up in payment of wages makes him want to misuse public funds, because he needs to provide for his family”²⁴⁶. Other ward councilors also expressed similar sentiments.

Once again the lack of involvement of the LLG representatives (ward councilors) by the district HQ in the case of Daulo, defeats the purpose of the reform and decentralization in the country. The reform was aimed at empowering the local government hence a third tier of government (LLG) was added after the reform, it was intended to further decentralize power to the LLGs to make them more effective in service delivery and increase local participation. When LLG representatives are ignored, this indicates that the local communities are also ignored. That becomes are problem, because the locals communities channel of communication is ineffective and this also impacts upon prioritizing of projects by the JDPBPC. The structure of the district office and the LLGs is such that good relationship and effective communication between the LLG representatives and the District staff especially the DA and MP is vital. All decisions pertaining to the LLGs are made at the district level, the DA is the CEO of the LLG hence communication between him and the LLG representative is vital.

²⁴⁴ Councilors and Council Presidents of Daulo were interviewed on January 2016 in various places in Goroka town and Daulo district.

²⁴⁵ Ibid.

²⁴⁶ Ibid.

6.4 LLG and District Finances

The local government has limited revenue making powers so much of its revenue and recurrent expenditures come from the national government in the form of grants as previously explained.²⁴⁷ One difference in this regard between the Ungai-Bena and Daulo districts is that Ungai-Bena uses the partnership methods. According to the Ungai-Bena DA, apart from these grants the Ungai-Bena has also sought partnership with organizations such as European Union and have built their districts LLG offices partly funded by the EU. They also submit project proposals directly to the National Government for funding under the Complimentary Support Grants upon request²⁴⁸. For instance, when it comes to small scale projects like water supply to a village, the villages contribute some to the LLG assistance (LLGSIP) and if they are still in short, the JDPBPC steps in to cover the cost. For one or two big scale projects they have also sought partnerships. Another advantage for Ungai-Bena is that their MP Benny Allen is a senior Minister and has established connections hence is easier for him to sought partnership and also having his grants proposal approved.²⁴⁹

Daulo on the other hand did not have such initiatives of seeking other funds to develop the districts at the time of the interview. Daulo basically focuses on the DSIP&LLGSIP funds alone. Although the DSIP funds have been increasing over the past years, there is no reason why Daulo District should not utilized other options available as Ungai- Bena is doing. The problem with relying on the DSIP alone is that it limits the number of projects districts can do. For example, according to the project officer, projects in Daulo are limited to the DSIP funds available yearly²⁵⁰. While the DA of Ungai-Bena also expressed that the

²⁴⁷ See Chapter 4.

²⁴⁸ The DA for Ungai-Bena was interviewed on 07th January 2016 in Goroka Eastern Highland Province.

²⁴⁹ Bernard Noibano interviewed on 22nd August 2017 through Facebook conference call.

²⁵⁰ Councilors and Council Presidents of and District staff of Daulo were interviewed on January 2016 in various places in Goroka town and Daulo district.

number of projects also depend on the availability of funds, the difference is that Ungai-Bena has more funds due to sourcing them from other sources as opposed to Daulo who focus solely on the DSIP. So definitely number of projects in Ungai-Bena will be more than that in Daulo.

While the DSIP is managed by the JDPBPC, the LLGSIP is managed by the DA.²⁵¹ The LLG itself does not have any authority or control over issues and finances concerning them.

6.5 Joint District Planning & Budget Priority Committees (JDPBPC)

The JDPBPC as explained in Chapter Five is an important committee in the district because it is in charge of all the matters in regards to the districts project planning and budget allocation. Apart from the Council Presidents being members of the committee by law, it is the prerogative of the MP as the chairman to choose the other 3 members in consultation with the council presidents. This in itself can be problematic as argued earlier because it can create a patronage system and increases the chances of the nepotism and cronyism, in regards to the MPs right to choose whoever he wants to.

The Ungai-Bena JDPBPC consist of the local MP as the Chairman, council presidents and three other appointed members as stipulated by the 1995 OLPGLLG. According to the DA the appointment of the nominated members is the right of the chairman; however, there are criteria's in place for him to follow²⁵². He has to choose a Church representative, currently ²⁵³ selected from the Ungai LLG, a Community representative, selected from Upper Bena LLG and the women's representative selected from the Lower Bena LLG. The council president and the DA of the Ungai-Bena district have confirmed that the MP consults with them when necessary. They mentioned that

²⁵¹ See Administrative Guidelines on the use of DSIP and LLSIP Section 7.1.

²⁵² The DA for Ungai-Bena was interviewed on 07th January 2016 in Goroka Eastern Highland Province.

²⁵³ At the time of interview.

whom he may choose is his prerogative, but that he makes sure that he chooses within the above mentioned criteria²⁵⁴.

Membership of the JDPBPC of Daulo also consists of the MP as the chairman and Council Presidents as permanent members. As for the three appointed members, they are chosen from within the three LLGs of Daulo. The council presidents of Daulo have stated that they have never been consulted in respect to the selection of the three appointed members²⁵⁵. Council President for Lower Asaro, who has been Council President for three consecutive terms has stressed that he was never consulted by any of the MPs for the selection of these members. However, he said that “the MP by law has the right to choose whoever he wants, at the end of the day even with or without consulting with me whoever he chooses would still be his choice.”²⁵⁶

It is not surprising that the MP’s as chairman of the committee chooses the three members of the JDPBPC because that is what the OLPGLLG stipulates. This study argues that cronyism and nepotism can easily come about because of this. MP’s have so much power now that they control the JDPBPC. This possibility is available to the MPs of both districts and also the members of JDPBPC for both districts. So why is one district better off than the other? The OLPGLLG by creating the JDPBPC with stipulations on its membership and budgetary controls have allowed for the development of the districts to be at the mercy of the MPs themselves. If the MP wants, he can have a very effective JDPBPC and boost service delivery or he can have a weak, corrupt JDPBPC which will result in the deterioration of the districts.

²⁵⁴ Councilors and Council Presidents of Ungai-Bena were interviewed on 07th January 2016 in Goroka.

²⁵⁵ Councilors and Council Presidents of and District staff of Daulo were interviewed on January 2016 in various places in Goroka town and Daulo district.

²⁵⁶ Council President Sina, interviewed on January 6 in Goroka town Eastern Highlands Province.

6.6 Ongoing Projects

Most of the projects in the districts are approved and funded by the JDPBPC using the grants from the national government. Those that are not funded directly by the JDPBPC are funded by churches or NGOs, it is up to the government whether to support those projects or not. As for districts like Ungai-Bena they also take it upon themselves to sought funds from other organizations' and the central government as well.

According to the DA and district staff, the Ungai-Bena District used to have a 5 year district plan but in 2013 they decided to go for a ten year district plan (2013-2022) which was reviewed at the end of 2016. According to regulation these plans, meeting minutes, budgets and resolutions are submitted to the Department of Implementation and Rural Development (DIRD). Community leaders, council presidents, ward councilors are consulted on what priority project is needed and what developmental ideas they have, these are than formulated into a ten year plan²⁵⁷. In line with their 10 year plan there is currently a lot of projects going on, both short term and long term projects. According to the DA the



Figure 9 Ungai-Bena new district office under construction (Source: Author)

²⁵⁷ The district staff and Councilors and Council Presidents of Ungai-Bena were interviewed on 07th January 2016 in Goroka.

Priority project number one is the establishment of the new district headquarters, currently 12 new staff housing and a new district office complex is under construction, this will be followed by another office complex for police, bank, post office and 15 more staff houses.



Figure 10 Ungai-Bena's new staff housing project (Source: Author)

The second big project is the setup of their 3 local level governments (LLG) offices. Office complexes for LLG staff are being built in Upper Bena, Lower Bena and Ungai respectively. The council chamber for LLG is also being set up in Ungai, along with 3 houses and a rural lock up. The construction of Ungai High School is also another priority project that is underway. Apart from that they are also refurbishing the Rintebe High School and Yabiufa rural Health Centre and water supply projects for each community. They also have partnership programs, for example 3000 roofing irons were given to local churches for maintenance purposes, and since it's a partnership program the church came up with the rest.

Since Ungai-Bena also produces a lot of coffee, the district government has entered into a partnership with the Goroka based Coffee Industry Cooperation (CIC) to help their local coffee farmers. They also established a Small and Medium Enterprise (SME) to support small businesses in their district. According to the DA, funds will be put through the National Development Bank (NDB) so people intending to do small business can get loans there. Furthermore, they have a disabled-desk in their district HQ, to attend to the grievances of those that are physically challenged; they have a sport desk to support local athletes. During the last PNG games 8 athletes from Ungai-Bena who were part of the Eastern Highlands team won gold medals, as a reward they were given K1000 each, as part of the district government aims of encouraging eligible locals to take part in sports. The district government also support NGOs, recently they bought a car for the Goroka based NGO, Family Voice , making it easier for Family Voice staff to assist locals when there is problems.

Bena is known for tribal fighting, according to the DA they have tried at first to end the tribal fighting but it proved futile, they then involved local churches and formed a peace council to mediate between the two warring tribes. It proved successful, for five years now Bena has enjoyed relative peace²⁵⁸. Whenever there is tension, the peace council steps in and calms the situation down. There is a set process in place, they are with the people, serving the people and their organization is intact.

Daulo, according to a district staff, did not submit its 5 year plan to the Department of Implementation and Rural Development for the last parliamentary term when the Parliament was dissolved on 22nd April 2017 in preparation for the 2017 National Election²⁵⁹. Daulo district's main project for the last parliamentary term was the

²⁵⁸ Ibid.

²⁵⁹ Councilors and Council Presidents of and District staff of Daulo were interviewed on January 2016 in various places in Goroka town and Daulo district

construction of the Daulo High School, which was finally completed in 2016 after 20 years.²⁶⁰



Figure 11 Daulo High School (Steven Mutuzo, Facebook Account, posted on February 18th 2016)

The other big scale project, the Rural electrification program, aimed at providing electricity to the villages in Daulo, is still incomplete. Another project is the building of a classroom in Yameufa primary school, which was also recently opened couple of weeks before the issuing of writs for the 2017 elections²⁶¹. These are the main projects in Daulo. When questioned about the few number of ongoing projects, the project officer maintained that projects are done according to funds available.²⁶²

The ward councilors of Daulo have complained they do not always get a response from the district when they submit their project proposals to the JDPBPC, and on occasions that they do it is usually half or a quarter of what they requested for. For example, the ward 3 councilor for lower Asaro, submitted a proposal for water supply project for K20, 000 to the JDPBPC but received only K5, 000 almost a year later. He said this causes hold up of a lot of projects²⁶³.

²⁶⁰See *EMTV News*, March 18th 2016.

²⁶¹ See *The National Newspaper*, Thursday April 6 2017.

²⁶² Councilors and Council Presidents of and District staff of Daulo were interviewed on January 2016 in various places in Goroka town and Daulo district.

²⁶³ Ibid.

Compared to Ungai-Bena, there is very few projects in Daulo at the moment, and as the outlook of Daulo shows, development funds are not used for development. The problem with Daulo district is the undesirable use of the districts funds and they do not source outside funds (other than government grants).

Many of the Daulo people complained about the “claim system” in Daulo district and blame it for the lack of development in the district. People of Daulo are known for submitting claims whether false or genuine to the district office. Mostly they are damage claims, they claim for compensation for injuries sustained during election, food cooked for the sitting MP during his campaign trip to their village, cars used, land compensation so on and so forth. Basically the claim is for anything and everything, one common thing is that it is in relation to the sitting MP or ongoing projects. These claims are submitted to the JDPBPC and when approved the DA is responsible for paying. When this interview was conducted the DA of Daulo



Figure 12 Daulo people waiting outside the Diwai lodge to collect their claims cheque, which is being paid by the DA and other district staff.

(Source: Author)

(December 8th 2015- January 3rd 2017) and other staff of the district were at Diwai lodge in North Goroka paying out claims. During that time the district headquarters were closed even though it was a normal working period (except from December 31st –Jan 3rd). This “claims” system benefits few people at the expense of the majority. Much of the districts funds are diverted to address this issue and focus is not on development. Although some people of Daulo do not like this practice, it seems many people do it. They feel that, if other can submit a claim and get money, they can too, as, after all, its “public” money.²⁶⁴

The “claim practice” is still continuing because successive MPs have failed to put a stop to it. MPs continue to do it as part of their fulfilling their Big-man obligations, in the hope of securing votes, and people favor individual benefits over projects that can benefit the districts as a whole.

Another unnecessary expense is from the practice that JDPBPC members often meet outside of the district to pass the budget, usually in a hotel or lodge. For this trip, they use hire cars. They remain in the hotel until the budget is passed. All board and lodging expenses are covered by the district. For example, in 2013, they were in the Jubilee Lodge at NSI, West Goroka, for three weeks or more. It is a very expensive practice and costs the district unnecessary expenditures. If they have stayed at the district headquarters, that money could have been saved and used on building a new classroom or health Centre instead or seal 5km of road.

6.7 Causes for Different Performances in Two Districts

The reason for the difference in both districts is the capacity the district has to bring money from outside and not relying only on the government grants alone. Furthermore, Ungai-Bena’s partnership approach has made them able to do more projects with the funds because the cost is shared among all stakeholders and they are actually using the money for

²⁶⁴ Based on interviews conducted among the Daulo residents on December 2015.

constructing projects. Frankly put the difference in development in each districts depends on their (MPs) status and ability to draw ‘other funds’ apart from the usual grants and their ‘know how’ in managing those funds.

According to Bernard Noibano a consultant with the Department of Planning and Monitoring, when it comes to sourcing outside funds Ungai-Bena is at the advantage because their MP is a senior state minister. By having connections at the high level he can easily source funds for the districts unlike Daulo district whose MPs are mostly back benchers and first timers²⁶⁵. For instance, grants such as the Complementary grants are given upon request by the districts, so in that case the minister with his connections will

Table 2 Results of Ungai-Bena Open Electorate (PNG Electoral Commission, 2017 General Election results, Ungai-Bena Open)

Election Years	Winners(MPs)	Back at the Time of Election
1968-1972	Sabumei Kofikai	
1972-1977	Sabumei Kofikai	
1977-1982	Akepa Miakwe	
1982-1987	Malo Kiniafa	
1987-1992	Benais Sabumei	
1992-1997	Kevin Masive	
1997-2002	Damson Lafana	
2002-2007	Benny Allan	Manager of Negiso Investment
2007-2012	Benny Allan	Minister for Environment and Conservation
2012-2017	Benny Allan	Minister for Lands and Physical Planning
2017-Present	Benny Allan	Minister for Lands and Physical Planning

²⁶⁵ Bernard Noibano, verbal interview by Facebook call on November 2017.

have more chance than the first time, back bencher to get this proposal approved.

Ungai-Bena is a well-organized district and it is reflecting in the outlook of the district. Although the MP most of the time is caught up in his ministerial duties as a state has entrusted the running of the district to the DA who is doing a good job. As a matter of fact, that is how the OLPGLLG stipulates for district and LLGs to function. MPs should only serve as policy makers and not implementers. The only set back is that the JDPBPC meetings are held on ad hoc basis depending on the MPs availability. But they make sure they have four or more meetings annually as stipulated in the OLPGLLG. Ungai-Bena case is a success story, and people have credited the MP as a man of vision an honest and religious man, humble and charismatic²⁶⁶, MP Benny Allan has even has district treasury staff investigated and replaced for colluding with contractors and making payment without the DA's knowledge²⁶⁷, a rare thing to see in the districts of PNG. Therefore his winning the elections for 4 consecutive terms should not be attributed to his ministerial position at the center that enabled him to have more access to the fund from outside, as he has gained so much respect from his behavior and attitude to the people of his District. However, we cannot ignore this kind of advantage from the ministerial position for him to be continuously elected by his people.

Daulo on the other hand is way behind. For example, its headquarter is located beside the main highway and people passing by have complained that it is an eye sore and it just reflects the leadership in Daulo over the past three decades²⁶⁸.

²⁶⁶ Based on interviews conducted on December 2015 in Goroka to gauge views of people on the performance of MPs and district staff.

²⁶⁷ See www.looping.com/content/district-treasurers-are-most-corrupt-public-servants-claims-mp.

²⁶⁸ Based on interviews conducted on December 2015 in Goroka to gauge views of people on the performance of MPs and district staff.



Figure 13Daulo districts head quarter in Asaro



Figure 14 Daulo district head quarter in Asaro

The Ungai-Bena case implies that if managed and used wisely the DSIP grants can bring development to the districts. JDPBPC can be effective if the MP as the chairman is adamant on improving the state of the district, Furthermore, to be organized and be able to know that funds apart from DSIP can be sought and that there are other avenues to utilize to develop the district shows that Ungai-Bena district staff have the capacity and skills to manage the district and they are well informed. This is reflected in the outlook of the district itself.

Daulo district shows total disconnection among all the LLG representatives, JDPBPC members and district staff. Adding on Daulo district indicates that the staff and the JDPBPC do not have the capacity or skills to manage the funds coming in or to utilize other sources, and the district staffs well as the LLG representatives are incapacitated as so much power is at the hands of the MP and the JDPBPC. Consequently, Daulo have been starved of basic government services under successive government which is reflected in the outlook of the district, and for the projects that are going on is clan based and is at a snail's pace.

Apart from the difference found between the two districts, this study also finds that the LLG are incapacitated. By law all powers and control is at the District level. LLGs do not have their own office, no staff, no control over their funds (LLGSIP) and finances. The DA who is the CEO of the LLG is in control of the LLGSIP, submissions are made to him and he/she decides to approve or not. Many councilors in Daulo district have complained that they do not get response from the districts regarding their proposal hence they try to seek out the MP himself. They expressed that they do not trust the system at all.²⁶⁹ They feel that the MP is in control of everything, since he appoints the majority of the members in the JDPBPC in which he is the chairman, and also the DA is appointed by the PA with the MPs consultation.²⁷⁰ Hence, when the communication and relationship between the LLG representatives and the DA and MP is bad, the LLG suffers, as is reflected in the two districts understudy. As a consequence of this structure of the LLG, people want their own clan's man to be the MP so they can benefit also, this structure in the LLG also shapes the voting style of PNG and creates an avenue for the Big-man culture to flourish. In the sense that people vote along clan lines or somebody they have a connection with, so that when that person become an MP and is able to access government resources he can distribute to them.

The OLPGLLG provisions and other relevant law such as the Local Level Government Act and the Public Service Management Act put so much power at the hands of the MPs. Therefore, under the current structure weather a district can benefit from some form of service delivery or not depends entirely on the MPs willingness to engage or not. Hence the problems faced at the district level are not only confided to cultural factors but on the institutions in place as well. This is because cultures, especially the Big-man culture have continued to the modern era because it is embodied in the institutions in place; a clear

²⁶⁹ Based on interviews conducted on 2015-2016.

²⁷⁰ See Public Service Management Act 2014, Section 59.

example is the local government system which this study is pointing out. Laws as the ones cited above are created to secure the power of the local MPs, which is reflected in the so called one man government PNG has, in which all power is concentrated at the district in which the MP is representing and not at the LLG.

Under the current structure, in PNG decentralization can increase corruption at the local level and jeopardize equity among different localities. The 1995 OLPGLLG creates an avenue for that to materialize. The OLPGLLG needs to be reviewed in regards to this and tighter laws and proper guidelines need to be in place to manage the district fund. Furthermore as indicated by Daulo district, there is a need for capacity and skills training for district staffs, to properly manage large amount of money coming into the district in the form of government grants and the affairs of the districts.

Chapter 7: Conclusion

This study is to see how the Papua New Guinea's politicians reformed its post-independence political system to accommodate its political culture of Big Men, and what effects are brought to the lives and societies of the people as a result of the reform. This research has found a very unique political system that invokes a new dynamism to the political culture familiar to the local people.

7.1 1995 Reform

Just like many other newly independent countries, Papua New Guinea had wanted to become independent as a unitary state. The Constituent Assembly Members at that time were arguing that the provincial government was too costly and that the roles of the politicians assembled at the Port Moresby as the people's representatives would be at stake.²⁷¹ The latter's reasoning is unique in the political culture of Papua New Guinea. Due to the lack of any stratified political relationship, politicians assembled at Port Moresby for the national affairs have a legitimate fear that their focusing on the national affairs and the consequent absence from the local politics may prohibit their re-election as the Members of Parliament due to the Big-Man culture which requires physical presence of the Big Men before the constituents along with the delivery of services and the connection with the people for bringing their votes. Therefore if the Provincial Government was to be established and if the local affairs at both the provincial and district levels are decided at the provincial government by separate members from the MPs, politicians assembled at Port Moresby would lose their appearance at the district level and there would be a chance of them losing votes in the next election for the candidates from the Districts in Provincial

²⁷¹ See National Constituent Assembly Debates, 3rd meeting of the 3rd session, 22nd July to 31 July 1975

Assembly. Thus the politicians assembled at Port Moresby to make the Constitution were against the provincial government system at the first instance.

However, in order to deal with the secessionist claims from Bougainville people raised just on the eve of independence, politicians assembled in Port Moresby had to make a decision to decentralize the government system. The resultant Organic Law on Provincial Government of 1977 created a dual power structure at the district level with MPs and Members of Provincial Assemblies elected from the same Districts as potential rivals for the status of Big Men at the Districts. This situation of rivalry between MPs and MPAs was caused by the real political and financial power vested on the Provincial Government vis-à-vis the provincially elected MP. While the MP from an Open Electorate (that is the District) had an Electoral Fund to distribute at the District, highly autonomous and financially independent Provincial Government could also exert a lot influence for the development of the Districts so that MPAs from the same District who participated in the decisions at the Provincial Assembly with voting rights could also claim certain roles for the District development. Therefore, MPs soon learned that the highly decentralized Provincial Government System was a threat to their status within the Districts as Big Men and embarked on the project to reform the system.

The reform introduced in 1995 as the Organic Law on Provincial and Local-level Governments was, while establishing the lower level governments for more decentralization as justification for the reform, claiming that basic government services were just not reaching the people especially in the rural areas, primarily to keep, but take the teeth out of, the Provincial Government. The reform abolished the separate representatives for the Provincial Assembly and, instead, placed MPs as full members for the Provincial Assembly with voting right, thus eliminating the “rivals” for MPs at their District politics. This abolishment of MPLs consequently eliminated the Provincial

Premier system, too, and created another MP to be elected from the Provincial Electorate, who replaces the Provincial Premier to lead the Provincial Government as Provincial Governor. Different from the Provincial Premier, was elected from among the MPLs and, therefore, who was a real ruler of autonomous local government with effective political and financial power, a newly created Provincial Governor is also a MP and, thus, is just a colleague of other MPs who are now the voting members of the Provincial Assembly. Furthermore, the budgetary power of the Provincial Government and the Governor to control the financial and budgetary power of the Provincial Government was also restricted through the creation of the JPPBPC, in which the MPs from Open Electorates within the Province are the members.

On the other, Open Electorate MPs are now in full control over the District budget by creating JDPBPC, in which an MP from the Open Electorate that covers the same area as the District stipulated in the Constitution monopolizes the budgetary power over the District. As to the public power is concerned, Open Electorate MPs have now no rivals either at the District or Provincial level.

7.2 Incapacitated LLGs

The reform of the Provincial Government in 1995 introduced another government body to function below the Provincial Level. The District were to be divided and new governments, Local-level Governments, were added in all over the country. on the premise that it would bring the government closer to the people than before by maintaining a good interface to the public.

The uniqueness of the reform is found in the structure of the local government system. The reform did not create any government at the District Level and, instead, established governments below the District. By creating a vacuum at this level the OLPGLLG (1995)

created the space for the MP to function as a Big-man with all the resources of the District at his disposal. The OLPGLLG (1995) allows the MP to function as a single person government, hence the position of the MP impacts so much on the faith of the district. This was the result desired by the politicians at the center when they pushed for the reform

Almost 22 years after the reform and most of PNGs districts are still in a deplorable state, if the reform was to enhance basic government services than it is not achieving this aim at all.

However, in reality all the powers of the LLG are vested in the districts in which the MPs are representing in the National Parliament. The LLGs representatives do not have any control over the LLG affairs. The DA is the person responsible for making administrative and financial decisions for the LLG along with the

This structure has left the LLGs incapacitated. The development grants that is given by the central government for the LLG the Local Level Government Support Improvement Program (LLGSIP) is managed by the DA. According to the PSIP,DSIP and LLGSIP Administrative Guidelines published by the Department of Implementation and Rural Development, any proposal that ranges from K5,000 to K500,000 is approved by the DA²⁷². K500,000 is the amount paid to LLGs under the LLGSIP so that means the DA is in charge of all the LLGSIP grants. The same amount of DSIP grants also is approved by the DA²⁷³. By having the administrative and financial powers controlled at the district level the LLG representatives have expressed that they feel incapacitated. The ward councilors of Daulo district have expressed that since they hardly get response from proposal they submit to the

²⁷² See Section 7.1.1 *PSIP,DSIP and LLGSIP Administrative Guidelines*(2013), Department of Implementation and Rural Development, Port Moresby Papua New Guinea .

²⁷³ Ibid Section 7.1.2.

JDPBPC, they do not have trust in the system. They sometimes try to sought out the MP himself or the MPs relative to get their voices across²⁷⁴.

The reason why they sought out the MP directly is because the structure is such that MP is seen as the most powerful figure in the District. According to the Public Service Management Act (2014), the DA is appointed by the PA in consultation with the MP²⁷⁵. So just like the appointment of the members of the JDPBPC, DA is seen as a servant of the MP in the sense that he carries out wishes of the MP to retain MPs favor. This structure has also impacted upon the voting style in PNG in which people try to vote their own 'Big-man' into the government to be able to access the resources. In that way emphasis is put on personnel relationship with the MP and clan affiliations, so when he gets into power it is easier to connect with them, which consequently creates an avenue for Big-man culture to thrive. The MP (Big-man) than hands out resources to keep his support and followers.

Furthermore this study finds that DSIP itself is not the problem, in fact massive funding to the local government, if used wisely can be a very effective tool of bringing services to the rural areas, as exemplified by the Ungai-Bena District of Eastern Highlands Province and the Bulolo-Wau District of Morobe Province, however the OLPGLLG stipulations on how these funds are to be used and the success per say of districts in PNG now depends on the MPs personality and the ability of each district to source outside funds apart from the DSIP, it is up to them weather they want to develop the districts or not, as illustrated by Ungai-Bena and Wau-Bulolo, the MPs for both of this districts are focused on service delivery hence we can see outcomes. As the case study on chapter six has indicated, the difference in the development of the districts depends on funds available and funds sought at district own behalf, and more importantly how these funds are distributed to implement.

²⁷⁴ Daulo ward Councilors were interviewed in 2015-2015 See Appendices Table 1.

²⁷⁵ See Section 59 of Public Service Management Act 2014.

The new provincial government was created to secure the position and powers of the national MPs. However, even with this system national politicians are not secured, they are still vulnerable to harsh competition. Their political security is not secured, majority of them do not return after elections. Suffice to say the competition remained harsh. Unless they bring more funds, they are the most vulnerable people to be replaced.

One reason for this harsh competition can be attributed to the Limited Preferential Voting (LPV) system PNG has. The electoral system was reformed in 2002 and used in the 2007 General election. As explained by the Commonwealth-Pacific Island Forum Election Assessment team;

The decision to move away from the first-past-the-post voting to LPV system prior to the 2007 election was a response to growing calls to better reflect the will of the majority of voters and increase the mandate of MPs....The first-past-the-post system had the effect that the candidates campaigned only in their limited local areas relying on clansmen vote to secure the percentage of votes needed to win. Preferential voting would require candidates to seek support (in form of preference) outside their own clans and communities, while ensuring that elected MPs held a majority mandate from the people of their electorate.²⁷⁶

The LPV gives rise to the competition among contestants and any contestant has a chance of winning. This system has also made it mandatory for MPs to have a fair attitude in distributing resources throughout the district. This is because MP/candidates

²⁷⁶ Papua New Guinea National Election, June-August 2007, *Report of the Commonwealth-Pacific Island Forum Election Assessment Team*, p.5.

no longer rely on their “base vote” but they need pick up (preference) vote from other parts of the districts to secure a win.

Therefore, while the powers of the MPs were secured after the 1995 reform, their survival as an MP was not secured and they are subjected to harsh competition. How the political system was kept balanced can be seen by doing further research on the Election System and its impact on Politics in PNG. The Election System will be the future research task.

Appendices

Table 1.1 Daulo District Ward Councilors Response

Daulo district has three LLGs, which are Watabaung LLG with six wards, Upper Asaro LLG with eight wards and Lower Asaro with nine wards. Each LLG which is a total of twenty three wards. Twelve out of the twenty-three councilors were interviewed. The main aim of the questions was to find out how effective the LLG is. Questions about the relationship between the ward councilors and the MP and district staff and their president is important because under the new 1995 OLPGLLG and through the JDPBPC the MPs yields more power in the district affairs. Does this have any impact on the ward councilor's role in their districts?

Questions	Respondents (Ward Councilors)	Response
1) How often does the LLG Assembly meet annually?	All twelve councilors	3 times
2) How do you gauge people's opinions on what their locality lacks and is in need of?	8 councilors	Self-observation, chatting with villagers
	4 councilors	Through Ward Development Committee meetings, this is attended by Village representatives.
3) How do you convey those grievances or needs to the district HQ or how do you bring awareness to your peoples grievances or needs?	All twelve councilors	Grievances are tabled at the LLG Assembly Meetings and the President is supposed to present it to the JDP&BPC
	8 Councilors	Because of lack of response from the HQ, we are unsure if our grievances are tabled in the JDP&BPC at all, sometimes we try to talk to the MP himself, or his relatives, or the District Staff. We don't trust the system.
4) Is the response from the district HQ to you and your people's satisfaction?	7 councilors	No response
	4 councilors	No "proper" response: e.g. Not in line with request. Less money and wrong projects
5) Is your job as the ward councilor full time or part time? If it's part-time	All Councilors	Part time in the sense that we are not required to be at any office full time and have free

what other job do you do to support your family?		time to do our own staff. But we carry the title every day and are supposed to be present whenever needed. No other formal jobs.
6) Is your salary from being a ward councilor enough to sustain you and your family?	All councilors	No, they are never paid on time ²⁷⁷
	4 councilors	Because of lack of payments they are tempted to misuse project funds, to take care of their family as being a councilor is their only reliable source of income
7) Do you have an office or work station in your ward or the HQ?	All Councilors	NO
8) How many projects are going on in your ward?	10 Councilors	None
	2 Councilor	New classroom(Ward 2 Lower Asaro) Daulo High school(Ward 4 Upper Asaro)
9) Where you endorsed by a political party to contest the seat or do you have any party affiliations? If so is it the same party with the MP?	All Councilors	NO
10) Your term is almost up, how may projects where you able to deliver to your people during your term?	9 Councilors	None
	3 Councilors	Personally none but there are 1 or 2 projects in their ward which was done by the MP and DA without their consultation

Table 1.2 Daulo District LLG Presidents Response. Two out of three presidents were successfully interviewed.

QUESTIONS	Respondents (LLG Presidents)	Response
1) Have you ever been consulted by the MP before the other JDP&BPC are chose? If not did you remind your MP to do so?	Watabung LLG President	No, never consulted.
	Lower Asaro President	No, never consulted but the law says MP can chose whoever he wants, so weather he consults with me or not the choice will still be his.

²⁷⁷ At the time of interview, all councilors stated that they have not been paid their salary for six months.

2) The 1995 OLP&LLG does not specify the requirements of the 3 members to be appointed by the MP, however, does the district have any criteria or requirements for those members to be selected?	Watabung LLG President	No, not to my knowledge
	Lower Asaro LLG President	No, I have not seen or heard of any if there is
3) How often does the JDPBPC meet annually?	Both Presidents	4 times
4) What is usually discussed in the JDPBPC meetings?	Both Presidents	Basically Budgetary Matters and prioritizing of projects
5) What methods and criteria's are used to select and priorities projects?	Watabung LLG President	No, We tell the MP about issues that we want to address in our LLG, it is up to him whether he can respond or not.
	Lower Asaro LLG President	No, In my 3 terms as president I have not seen one MP use criteria for selecting projects.
6) During your tenure, how many projects have been completed in your ward?	Watabung LLG President	With the limited funds that is available to me I have done a few projects
	Lower Asaro President	I have been President for a while, so I lost count but I have done and completed several periods over my term
7) How often does the LLG Assembly meet in one year?	Both Presidents	4 times
8) Do local ward councilors attend	Both Presidents	Yes
9) What issues are discussed during those meetings?	Both Presidents	Mainly projects and funding proposals by ward councilors
10) A) Do you table the people's grievance's at JDP&BPC?	Both Presidents	YES
B) During interviews with ward councilors they said that they never get response from the HQ	Both Presidents	We table the grievances in the JDP&BPC meetings. Weather they (we) get a response or not depends on

about their proposals. The also stated that they are unsure whether you table their grievances in the JDPBPC. What do you say about that?		the MP; we do not have a say in that. We are the LLG mouthpiece if the MP does not responds to the ward grievance's we are affected to, those are wards under us.
11) Do you have an office (work station) in the district HQ or in your ward? If no, how do you carry out your duties? For example if a ward councilor or a member of your ward want to consult with you on some issues, where do they find you? If yes, do you have any secretaries or any organizational basis to serve the people?	Both Presidents	No, I don't. I live in the village so ward councilors or my people can see me any time. If not than we have the LLG meetings, I am available.
12) As an LLG President can you briefly tell me how a normal working day is for you?	Both Presidents	I do my own stuff privately but is the MP wants to see us or if the JDP&BPC have meetings than we go to the HQ, but we do not need to go there every day.

Table 1.3 Ungai-Bena Ward Councilors Response

Questions	Respondents (Ward Councilors)	Response
1) How often does the LLG Assembly meet annually?	All nine councilors	4 times
2) How do you gauge people's opinions on what their locality lacks and is in need of?	All nine councilors	Through the Ward Development Committee Meetings, attended by village representatives. And we live in the village to so that helps in us assessing the situations on the ground
3) How do you convey those grievances or needs to the district	All nine	Through LLG Assembly meetings and our president is our (formally) mouth

HQ or how do you bring awareness to your peoples grievances or needs?		piece at the JDP&BPC
	5 out of the nine councilors	(unofficially) We can do it by ourselves too, directly to the MP or District staff because we communicate regularly
4) Is the response from the district HQ to you and your people's satisfaction?	All nine	Yes, we get prompt response, and if the answer is no or wait they explain why, but because we already have 5 year plans, we work to follow that, anything outside or if there is emergency its brought to the MP and district staff as soon as possible
5) Is your job as the ward councilor full time or part time? If it's part-time what other job do you do to support your family?	All nine	Part time because I am not in the office every day and I do other things too
6) Is your salary from being a ward councilor enough to sustain you and your family?	All nine	No, it is not enough. But have other means of sustain family
7) Do you have an office or work station in your ward or the HQ?	All nine	Not individually, but Ward Councilors have an office here at the HQ and currently our LLG offices are being constructed in our LLGs.
8) How many projects are going on in your ward?	All nine	Yes, a total of 14 projects are going on in nine wards 10 small scale and 4 big projects(like the Ungai high school and construction of the new HQ offices)
9) Where you endorsed by a political party to contest the seat or do you have any party affiliations? If so is it the same party with the MP?	All nine	No

10) Your term is almost up, how many projects were you able to deliver to your people during your term?	All nine	A few those with the 5 year plan and other projects that we start outside of the plan, like building a church, building of toilets the JDPBPC help fund us to complete those projects.
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Figure 1.4 Ungai-Bena District, Upper Bena LLG President Response

Questions	Respondent(LLG President)
1) Have you ever been consulted by the MP before the other JDP&BPC are chosen? If not did you remind your MP	No, but, the MP chose a Church Representative, Community Representative and a Women's Representative. Who he chooses is up to him.
2) The 1995 OLP&LLG does not specify the requirements of the 3 members to be appointed by the MP, however, does the district have any criteria or requirements for those members to be selected?	No, refer to the above
3) How often does the JDPBPC meet annually?	4 or 3 or 2 depends on the availability of our MP because he is a Minister and we have to move our schedule around to cater for that.
4) What is usually discussed in the JDPBPC meetings?	Mostly Budgetary matters and projects
5) What methods and criteria's are used to select and priorities projects?	From our WDC and LLG Assembly meetings the JDP&BPC makes decision on the urgency of the project to priorities, than we have the big projects which we also decide depending on the long term benefits it will have for the district
6) During your tenure, how many projects have been completed in your ward?	A few small projects and a major one is going on which is the construction of the new District Headquarters.
7) How often does the LLG Assembly meet in one year?	4 times

8) Do local ward councilors attend	Yes, they have to
9) What issues are discussed during those meetings?	Mainly projects, and check up on whether they are going as planned
10) Do you table the people's grievance's at JDP&BPC?	Yes
11) Do you have an office (work station) in the district HQ or in your ward? If no, how do you carry out your duties? For example if a ward councilor or a member of your ward want to consult with you on some issues, where do they find you? If yes, do you have any secretaries or any organizational basis to serve the people?	Not individually, but we the Presidents have an office at the HQ, I don't personally have secretaries, I'm a village man, I stay with the people in the village so if they need anything they can just talk to me.
12) As an LLG President can you briefly tell me how a normal working day is for you?	I don't go to the district HQ every day; I am not obliged to do that.

Table 1.5 Ungai-Bena District Administrator Response

Questions	Response
Q1) According to the OLPLLG Section 33A (4) as the DA, you are the CEO of the JDPBPC. How does that define your role within the JDPBPC? As the CEO are you also a member of the JDPBPC? If so what is the legal or other basis of your membership?	Although, I am a member I do not have the power like the other members. I am an ex-officio member only providing technical advice. I do not have voting, I do not make any decision there, just providing advice. I report to the PA and the JDP&BPC, any matters discussed in the committee are passed by the committee members. The DT is also an ex-officio member like me, providing financial advice.
Q2) Although the OLPLLG clearly allows the MP to select 3 members other than the LLG heads, do you and the LLG President also have a say on who the MP choses? If not are there any others who have	For the appointment of the members it is the prerogative of the Chairman (MP), he appoints who sits on the board, we have a representative of each LLG in the committee, and one has to be a female.

influence on the MP to choose in this regard? Do you think the LLG President is properly consulted?	
Q3) The OLPLLG does not specify the requirements of the 3 members to be appointed by the MP, did your district set any criteria or requirements for those members when being selected?	None, but like what he (MP) did he have a church representative, a women's representative and a community representative, so that the criteria he used to select, community, church and women's representatives.
Q4) How often does the JDPBPC meet in one year?	We actually do not have a schedule, like right now, but when there is a need to call a meeting than we do and we attend the meeting, actually the MP is a state minister too, so sometimes the meeting is not held as schedule because MP has to attend to ministry matters. Last year (2015) we had three. Meetings are important to approve budgets and pass resolution to implement it, so we do have meetings yearly but not as planned, it depends on the availability of the MP.
Q5) What subjects are discussed in the meetings and are the proceedings or minutes of the meetings published? If not, why?	Yes we do, Discussions on the meetings are especially on projects, proposals to submit to National government for funding, all impact projects, others are partnership programs, we are working with churches, we are working with communities, rural programs, churches for peace mediations programs, partnerships with schools, basically it's about projects and awareness to conduct if there is any such as peace awareness, HIV/Aids awareness and so on. We also support SME's and we got in a partnership with the CIC to help our coffee growers. So those kinds of stuff are discussed.
Q6) A) Does the JDPBC publish annual budgets plans? If no? Why? B) So is it possible for public to access them?	A) yes we have, JDPBC makes budget plans, publicity is through meeting minutes and our budget plans and then the meeting minutes and budget plans are then submitted to the office of rural development and finance goes to the PA's office, so there is budget and meeting meetings, they go together. B) Yes, its public document you can access them. If you need we can make available to you.
Q7) Recently some districts such as	we used to have the 5year district plans but in

<p>Goilala-Tapini launched their 5 year development Plan²⁷⁸. Does your district also have a 5 year development plan?</p> <p>If No why? If yes has it been published and made accessible to the public?</p>	<p>2013 we decided to go for a 10 year plan, we will review this at the end of this year(2016), so we have 2013 to 2022,copies of the plans go to the office of rural development(DEC) Department of Implementation and rural development. All meeting minutes, budgets, resolution and development plans all go to the DIRD</p>
<p>Q8) How did you produce the plan? Who drafted it? Did you have any public participation?</p>	<p>We use to bring in all community leaders, presidents, councilors and we meet together and what priority projects and , what ideas they have about developments, we get those ideas and then the district management team formulates it into a 10 year plan, when we run out of ideas then the people from the provincial planning office steps in to assist, so there is some sort of consultation to develop our districts 10 year development plan, some councilor, even LLGs have plans so they do the same thing.</p>
<p>Q) 9 Are these plans accessible at the DIRD?</p>	<p>Yes, or you can come to us.</p>
<p>Q10) Currently, how many projects are going on in Ungai-Bena?</p>	<p>There is a lot, Priority project number 1 establishment of the new District HQ , we are currently building 12 new houses and a new office complex, there is another office complex coming up for police, bank and post office, in front of the new one you saw, there are already 12 houses being built current land clearing is going on for 15 more new(staff) houses, it will be a town, our small town so we are working bit by bit to achieve that, we need a huge amount of money to complete that, the work is slow according to the budget,(money coming in).Then the 2nd one is our 3 LLG set up, if you go to Upper Bena they have an office complex there, same for Lower Bena at your former high school, it was built with EU counterpart, district, LLG and Provincial Government to set up, same for Ungai LLG with 3 houses and office complex, chamber and rural lock up, ok, Ungai high school, that is another impact project for us where it will cost us millions to establish, we have paid a contractor and its currently underway, for classrooms alone it</p>

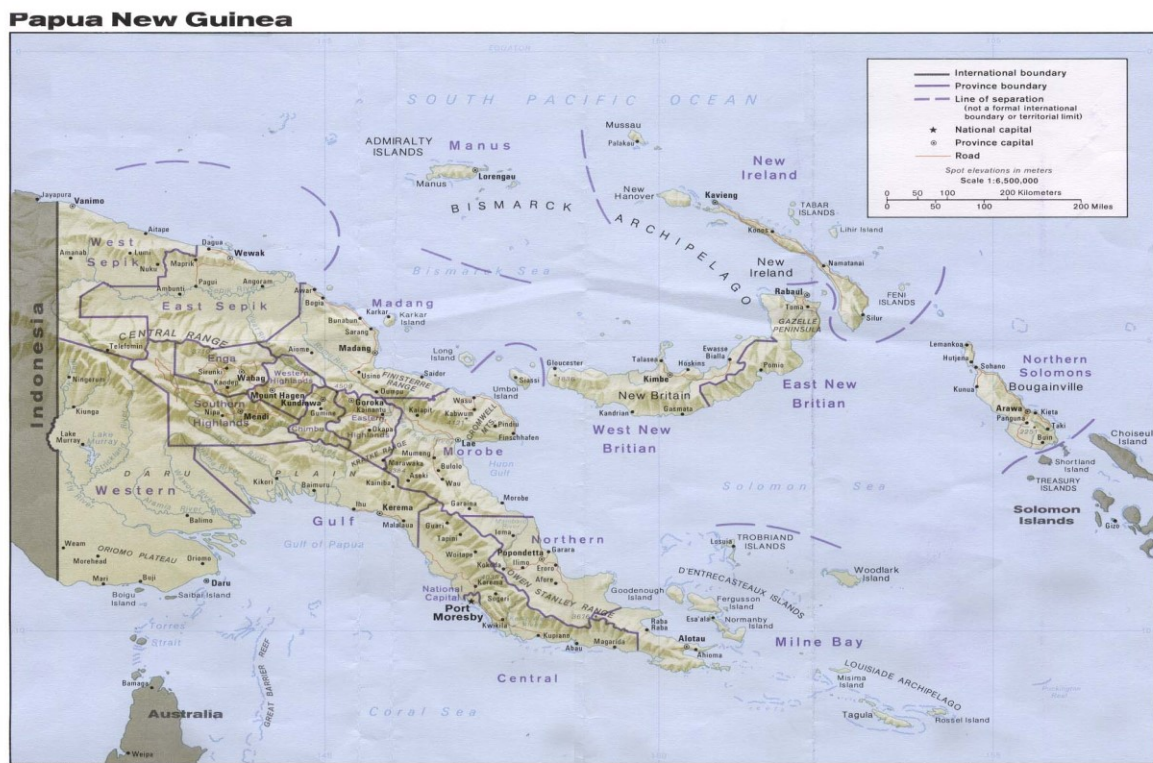
²⁷⁸ National Emtv News October 13

	<p>will cost about K8million, 8.5 mill plus, then dormitory and mess etc. and we are looking at almost K20mill, we will work slowly to achieve that.</p> <p>Yes it's a long term project which we started this towards the end of last year. We brought in an overseas contractor to work on it. Similarly our 1st impact project is also an overseas contractor.</p> <p>we are currently doing Rintebe high school going to Sigere up to Yabiufa health center up in the mountains, ok water supply, each community we are working on water supply, on churches, we went into church partnership, we gave them 3000 roofing irons, ply woods cement bags and since it's a partnership program they came up with the rest, coffee cooperatives, we started as little west side coffee buyers and now we have a coffee cooperate, the profit made from this is used to buy iron roofs, pulping machine and round up and given to the farmers, those ones that sell their coffee to us, and sports we assist also, we assist athletes in the PNG games, to support athletes in our district ,those that got gold medals got K1000 each, about 8 people got gold medal so we gave K8000, then the disables we have Ungai-Bena disable desk we have u-b sports desk, last year we gave them K100,000 to establish themselves, this year we gave another K100,000. When we move into our new district complex they will have their own office space , CIC K200,000 we will have partnership so anything to do with coffee, you don't come to us you go to CIC ,SME we might put it through National Development Bank so they can get loans there. We support NGOs too such as Family Voice, we bought a 10 seater land cruiser for them. So if there is any problem in our district, we just call them to come. WE have programs for Peace, in Bena there is a history of a lot of tribal fight , but now if you travel there even at 12midnight there will be nobody to disturb you or hijack you ,after 5 years, it has been 5 years now without any tribal fights, we tried at first by ourselves but it did not work out so we involved the churches , so they went and worked as an interdenominational peace</p>
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	<p>council, and at the new location of our district office you will see the peace monument, that is the success story of our programmer(peace) we bought a 10 seater for them also and they go around, when there is a fight and gun shots, we don't go ,the police don't go the peace council goes and clam the situation down then we go in. So for 5 years we enjoyed peace in our district, we pump a lot of money into this also. For water supply projects we are starting now from community to community. If you go to Ungai high school down to Ketarobo there is no water, now there is water from Ketarobo pumped to Ungai h/s ,the LLGs are also doing the same ,when they come up short we help and vice versa in the case for water supply, for roads and bridges too</p>
<p>Q11) Ungai-Bena is said to be the only district that has been doing well in the past 10 years in terms of physical outlook. What do you think is the reason behind this success?</p>	<p>yes, the key factor here is that we are all working as a team, it's all team work from the electoral office to the treasury office to the LLG officers ,councilors, presidents then to the district administration its one team. That's all I think that's our determining factor behind our success story. Other people talk of our success story, but our secret is team work, that is all</p>
<p>Q12) How would you describe your relationship with the, Council Presidents, Ward councilors and the MP?</p>	<p>Very cordial, evidently you can see, I (phone) called our Councilors and council President(1) and 5 mins later they show up and the same for our council, if the president(council) pick their phones and call them they will respond very quickly and show up asap if necessary. Like I said we work as a team, so there is always top cooperation among us</p>
<p>Q13A) Does the local MP have an office (work station) in the District headquarters? 13B) So whenever he is he, he is present in his office? 13C) how do you contact him when he is not present in the district and how is his response?</p>	<p>13A) He's in his office right now. He has 3 offices, one in the town (ministerial work) and two here in the district HQ. When he comes from time to time he still calls into this district office, for example today you can see a lot of people outside his office, and he is in there addressing them. 13B) yes he's always present. 13C) WE have his contacts especially his phone number and email and stuff.</p>

	<p>He is very prompt. Even if you text him he will text you back asap.</p> <p>But because he has a lot of concern for his people, even anybody in the village calls him he responds.</p> <p>We did set up a phone hotline it's not up and running yet, will probably start this year(2016).he has all the district officials numbers too so our communication is effective.</p>
<p>Q14) Can you briefly tell me how the district HQ run the district affairs on a daily basis? How many staffs do you have? How is the office organized?</p>	<p>we are currently understaffed, like there is no people for community development, education, youth, natural resource have twenty staff plus casuals</p> <p>Yes, they are present every day, our holiday period was last week and we are supposed to be on holiday even now but some of us are workaholics so we are here making our presence felt. I am the senior officer in the district and I am responsible for keeping the district running and serving out people.</p>

Figure 15 Map of Papua New Guinea



Source: http://www.nationsonline.org/maps/papua_map.jpg - Political map of Papua New Guinea

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