

CHALLENGING THE STATE*

Sharing borders with Indonesia, Australia, the Solomon Islands and Micronesia, Papua New Guinea looks west and north to Asia, south to its former colonial administrator, and east to the island Pacific. Though it has experienced occasional tensions along its land boundary with Indonesia and, recently, in the waters which separate it from the Solomon Islands, Papua New Guinea's geographical location has left it relatively free from external security concerns, able to follow what was initially stated to be a 'universalist' foreign policy and to maintain an open economy while continuing to enjoy a 'special relationship' with Australia.

For some years, however, Papua New Guinea has faced growing problems of internal security and these problems appear to have escalated in the early 1990s. A resurgence of tribal fighting, an increasing incidence of criminal activity, and since 1988 an armed separatist rebellion on the island of Bougainville, have tested the capacity of the Papua New Guinea state, and brought a shift in the priorities of the Papua New Guinea Defence Force (PNGDF) from external defence to internal security.

Consolidating the independent state

Papua New Guinea enjoyed an easy and amicable transition from Australian colonialism to its independence in 1975. However, as

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one of the world's last colonies, and as a small country fragmented by geography and ethnicity, independent Papua New Guinea faced substantial challenges. With a rapidly growing population of almost four million, speaking around 800 separate languages, it lacked a tradition of political organisation beyond the village community and temporary alliance of common language (*wantok*) group, and the essentially Westminster-style institutions created in the latter stages of colonial rule were seen by many as a fragile basis for stable democratic government. Within and outside the country, there were many who forewarned of a military coup or transition to single-party rule.

On the eve of independence, separatist movements in Papua and in the gold-and-copper-rich North Solomons Province, and the emergence of a variety of micronationalist movements in different parts of the country, posed more obvious threats to the nation's viability.

Economically, the emerging state's future seemed more promising; but dependence on volatile returns from export cash crops and, initially, the output of one very big mine, together with low levels of domestic capital and a low-skilled workforce, underscored the need for continuing external assistance and sound fiscal and economic management.

Externally, Papua New Guinea had defined its foreign policy prior to independence in terms of a policy of 'universalism' – friends to all and enemies to none but racist regimes. The existence, however, in the neighbouring Indonesian province of Irian Jaya, of a Melanesian separatist movement, *Organisasi Papua Merdeka* (OPM), whose freedom fighters occasionally sought refuge in the dense jungle on Papua New Guinea's side of the border, created a potential for difficulties in relations with Indonesia, particularly when the Indonesian military pursued OPM sympathisers across Papua New Guinea's border.

Notwithstanding such challenges, and contrary to the expectations of some, Papua New Guinea weathered the early years

of independence fairly well, and in some respects it has continued to do so.

In the two decades since independence Papua New Guinea has had six changes of government – two as a result of general elections, three as the result of parliamentary votes of no confidence, and one as the outcome of a judicial ruling; all have taken place smoothly. Moreover, between 1975 and 1996 Papua New Guinea has had only four prime ministers. The country has had regular elections, with a fairly high turnover (on average just over 50 per cent) of members of parliament. There has been no evidence of the tendency towards single-party dominance predicted by some observers in the 1960s on the basis of experience in Africa and Asia; indeed, contrarily, political parties have remained fluid, loosely disciplined, and differentiated more by personal and regional loyalties than by ideology. All governments since 1975 have been coalition governments, with almost every major party having cohabited with every other at some stage and individual ‘party hopping’ not uncommon. This situation is reflected in the incidence of votes of no confidence, and has contributed to a pork-barrelling style of politics which has made commitment to difficult policy objectives hard to maintain.

The separatist and micronationalist tendencies which came to the fore in the mid 1970s appeared to have been effectively dealt with by the end of the decade. A settlement was reached with separatist leaders in the North Solomons (Bougainville) in 1976, several of whom became members of the national government after the 1977 general elections, and the Bougainville Agreement became the basis for a system of provincial government within the unitary state, along lines which had been recommended by the Constitutional Planning Committee in 1974 but initially rejected. Elected provincial governments were set up on a common basis in all provinces in the late 1970s and a substantial decentralisation of powers was effected.

From the start, however, there was opposition to the provincial government system, both from national bureaucrats who

resisted the transfer of decision making to inexperienced provincial politicians, and from national MPs and local government councillors who saw their power bases being eroded by provincial governments. In some provinces, political inexperience, lack of administrative capacity, nepotism, and local rivalries resulted in financial mismanagement and administrative breakdown. By 1995 (following a relaxation of the enabling legislation over a decade earlier) 15 of the country's 19 provinces had been suspended, some of them twice. Continuing demands for the dissolution of provincial governments culminated in new legislation in mid 1995 which substantially alters the system created in 1976-77. Under this legislation elected provincial governments are replaced by assemblies comprising the national MPs from the province (with the members from the provincial electorates designated 'governor'), heads of local-level governments (including, where appropriate, 'customary leaders'), and several sectoral representatives. Though presented as a move towards greater decentralisation, shifting power to the people, most commentators see the move as part of an attempt to strengthen central government control.

More seriously, unsatisfied demands by landowners around the Bougainville gold and copper mine from 1988 revived secessionist sentiments in the North Solomons, which, following often heavy-handed measures by police and the military, escalated into an armed conflict. Apart from forcing the closure of the mine, with major financial implications nationally, the conflict has caused substantial loss of life, dislocation of people, and damage to property and gardens, and has so far defied settlement (see below).

On the economic front, declining export crop prices through most of the late 1970s and early 1980s were largely offset by the commencement of several large mining and petroleum developments and, more recently, the controversial expansion of the logging industry. However, the closure of the Bougainville mine in 1989, and industrial and landowner unrest at other mine sites,

have demonstrated the fragility of this form of development, and a high rate of population increase has restricted gains in per capita income. Although around 85 per cent of Papua New Guinea's population is still largely dependent on subsistence agriculture, urban unemployment (estimated at around 35-40 per cent) and disaffected rural youth have contributed to a growing problem of lawlessness in town and countryside (see below).

In 1981 Papua New Guinea changed its foreign policy from one of universalism to one of 'active and selective engagement'. However, there was little change of substance in its external outlook, which remained essentially non-aligned but pro-Western. In 1984 nationalist unrest in Irian Jaya and consequent military action by the Indonesian armed forces resulted in the movement of some 10 000-12 000 Irianese across the border into Papua New Guinea seeking refuge. There were also several incursions by Indonesian military personnel into Papua New Guinea territory during this period. Indonesia's failure to respond satisfactorily to Papua New Guinea's protests at the border incursions and to attempts to repatriate the border crossers, and Papua New Guinea's refusal to engage in joint patrols of the border area, soured relations between the two countries and culminated in Papua New Guinea voicing its concerns before the United Nations General Assembly. Relations gradually recovered, however, and in 1986 the two countries signed a Treaty of Mutual Respect, Friendship and Cooperation, which addressed their common security concerns and endorsed arrangements already in place for border management and liaison. Although the Treaty did little more than confirm existing arrangements and past undertakings, the formalisation of relations was seen by some as a step forward, and in fact relations between Indonesia and Papua New Guinea have improved in recent years, to the point where several recent border incursions by Indonesian troops have gone largely unreported.

Having formalised relations with Indonesia (and following an incident in which, for domestic fiscal reasons, Australia uni-

laterally reduced its aid to Papua New Guinea shortly after negotiating a new aid programme), Papua New Guinea also moved to formalise its relations with Australia. The outcome of this initiative was the signing in 1987 of a Joint Declaration of Principles Guiding Relations Between Papua New Guinea and Australia. Included in the joint declaration was an undertaking by the two signatories to 'consult about matters affecting their common security in the event of external armed attack threatening the national sovereignty of either country'. This was widely interpreted as a firmer commitment by Australia to safeguarding Papua New Guinea's external security. There is little doubt, however, that over recent years relations between the two countries have not been as close as they used to be. In particular, a shift in Australia's development assistance programme in Papua New Guinea from general budgetary support to programme assistance has drawn repeated adverse comment from Papua New Guinea leaders. A third important development in external relations was the formalisation in 1988 of Papua New Guinea's relationship with its Melanesian neighbours, the Solomon Islands and Vanuatu (together, the Melanesian Spearhead Group) through a set of Agreed Principles of Cooperation. Also in this period Papua New Guinea acceded to the ASEAN Treaty of Amity and Cooperation, and joined the non-aligned group of countries. Under the subsequent Wingti government (1992-94), the announcement of a 'Look North [to Asia] Policy' signalled a further development in Papua New Guinea's external outlook, which recognised the growing significance of its economic links with Asian countries.

Security issues for the 1990s

Papua New Guinea thus survived the early years of independence as a secure, democratic state, but not without increasingly visible problems. These have been primarily in three areas: increasing lawlessness across the country; a deteriorating climate

of political decision making and implementation, contributing to economic crisis; and the rebellion on Bougainville. This in turn brought a formal shift in the priorities of the Papua New Guinea Defence Force from external defence to internal security.

Law and order

Warfare was endemic amongst Papua New Guinea's fragmented pre-colonial communities. The Australian colonial regime achieved a remarkable degree of 'pacification', but it now appears that, like the colonial presence in much of the country, the *Pax Australiana* was shortlived. Already by the early 1970s there was concern that 'tribal fighting' was undergoing a resurgence, particularly in the populous highlands provinces, whose contact with the colonial government was comparatively recent. In 1977 an *Inter-Group Fighting Act* was passed in an effort to deal with the situation, but its more radical proposals did not survive legal challenge. (The relevant provisions were revived, however, following a constitutional amendment, in 1991.) The early 1970s also saw the development of what came to be referred to as *raskol* gangs – groups of mostly young men engaged in petty crime. Initially such gangs consisted largely of unemployed youth from ethnically based squatter settlements around the major towns of Port Moresby and Lae. But by the late 1970s *raskolism* was well established in rural areas and well developed *raskol* networks, including former police and PNGDF personnel, were spread across the country, some with links to national and provincial politicians, and the incidence of more serious crimes appeared to be escalating. Police mobile squads were employed to confront the growing problems of tribal fighting and criminal activity, but having acquired a reputation for undisciplined and sometimes partisan behaviour, the police tended to become as much a part of the problem as a solution to it. There were also calls, from around this time, for the deployment of the PNGDF to assist police.

Challenging the State

In 1979, with an accelerating deterioration in the law and order situation, a state of emergency was declared in the five highlands provinces. This was the first of a number of such states of emergency. Five years later the government announced a list of measures to deal with law and order problems; these included the use of PNGDF soldiers. Later that year the PNGDF was called out to assist police during a state of emergency, occasioned by rising urban crime and violence in the national capital. This operation, and another shortly after, together lasted for some nine months. A later operation, 'LOMET 88', in which the PNGDF also participated, covered four provinces and lasted for over three months. The following year (1989) the military was committed to the emerging crisis on Bougainville.

In 1990, facing problems of lawlessness across the country and with the Bougainville conflict no closer to resolution the national government set up a Security Review Task Force and, shortly after, convened a National Summit on Crime. A consequent report, entitled *Security for Development* (1991) observed that the disciplined forces had not been able to cope with 'sources of law-breaking and disorder' and suggested that 'the most serious, foreseeable threats facing Papua New Guinea are internal'. Amongst recommendations contained in the report were, that a Joint Services Command Centre be established; that an Office of Security Coordination and Assessment be created within the Prime Minister's Department, and that the police and military be progressively integrated. Amongst other measures introduced around this time were the reimposition of the death penalty for crimes of murder and gang rape, and the institution of community auxiliary policing. Following a change of government in 1992, more draconian measures were proposed. These included the creation of a Police Tactical Force to respond effectively to 'armed criminals, hostage situations, gang activities, tribal fights and civil unrest', and the passage of an Internal Security Act along Malaysian-Singaporean lines. The first of these proposals was explored with British security contractors

Defence Systems Ltd, and there was renewed discussion of a suggestion made two years earlier, that Gurkha troops be recruited; but the idea lapsed, probably through lack of funding. An *Internal Security Act* was passed in 1993, but it was widely criticised and a challenge by the Ombudsman Commission resulted in the Supreme Court declaring parts of the legislation unconstitutional. Also in 1993 a National Law, Order and Justice Council was established and a five-year National Law and Order Programme was announced.

After almost five years, few of the recommendations of the 1991 security report have been implemented, though there has been an increased allocation to the Police Department. Meanwhile both tribal fighting and *raskolism* appear to have grown in scale and intensity. Few parts of the country do not suffer from a breakdown of law and order, and the use of modern weapons (some home-made) is becoming more widespread. Police intelligence reports suggest that the internationalisation of criminal activity (specifically the export of marijuana and stolen vehicle parts, and the import of firearms) is becoming a serious threat. Observers of the last (1992) national election and subsequent provincial elections have reported that, in some parts of the country, physical threats to candidates, voters and officials, and other electoral irregularities, have jeopardised the legitimacy of the results. With over 50 per cent of members elected in 1992 with less than 20 per cent of their constituency's vote, this becomes a serious issue. Well-publicised instances of corruption and nepotism on the part of national and (until 1995) provincial politicians, combined with such developments, tend to undermine the legitimacy of the state itself.

The year 1996 was declared the 'Year of Law Enforcement', but a series of events which occurred as this chapter was being written (February 1996) illustrates the sorts of problems confronting the government in this area. A bus from the Eastern Highlands, travelling along the highlands highway (the country's main arterial road), was stoned by villagers from the Markham

Valley; as payback some Eastern Highlanders killed a Markham youth; groups of Markhams thereupon blocked the highway demanding compensation of K200 000 (about \$US150 000); failing to get this, they blew up a bridge, using explosives from unexploded World War II bombs, and prevented movement between the highlands and the port city of Lae. Police from the Eastern Highlands responded by raiding Markham villages, allegedly burning more than 200 houses and attacking a prominent national member of parliament who was attempting to mediate. The provincial police commander was subsequently removed from his post and PNGDF personnel were brought in. Pending resolution of the dispute, the highway was effectively closed, with potentially serious implications for, amongst others, the Porgera gold and copper mine, the Kutubu oilfields, and the nation's largest coffee producing region.

Administration and the economy

In the early post-independence years Papua New Guinea maintained unspectacular but steady rates of economic growth, with sound economic management and a policy framework which emphasised agricultural development (including the strengthening of subsistence agriculture), self-sufficiency, and an equitable distribution of the benefits from development. Declining commodity prices undermined this trend and between 1980 and 1984 real GDP fell. With population officially estimated to be growing at 2.5 per cent per annum, the impact of the decline in per capita incomes was exacerbated. The rate of economic growth recovered somewhat in the latter part of the 1980s but in 1989 the economy was hit by the closure of the Bougainville mine, which at that stage contributed around 40 per cent of the country's exports and 17 per cent of government revenue. In 1990 the Papua New Guinea government was forced to negotiate an external assistance package and undertook to introduce a number of structural adjustment measures, including a 10 per cent cut

in government spending. The commencement of production at other big mining and petroleum ventures at Ok Tedi, Porgera, Misima and Kutubu, helped lift GDP in the early 1990s, and expansion of the forestry industry boosted growth.

Despite the resource-based surge in national income, however, by 1993 the Papua New Guinea economy began to show further signs of emerging fiscal crisis. Although the loss of revenue from the Bougainville mine was offset by the gains from the new mining ventures, these too have been subjected to stoppages due to industrial and landowner disputes, highlighting the vulnerability of an economy dependent on big resource-exploiting projects. At the same time, the expansion of logging, largely by overseas companies and commonly bypassing environmental safeguards, has brought increasing protest from both landowners and conservation groups. Moreover, the revenue generated by these activities has done little to offset inequalities in the distribution of benefits, which most social indicators suggest have widened, and rising levels of government spending and of foreign debt have underlined problems of economic management.

In many parts of the countryside the delivery of government services, in fields such as health, education, and agricultural extension, has declined and physical infrastructure, such as roads and housing for government employees, has deteriorated. Government officers, at national and provincial levels, are frequently unable or unwilling to visit the more remote parts of the countryside. One attempt to address this – the allocation to MPs of money from an Electoral Development Fund for discretionary spending – has been widely criticised and has reinforced a growing cynicism towards politicians. The declining visibility, and, for many, legitimacy, of the state has contributed to the growth of *raskolism*. It also helps explain an upsurge in compensation demands against government, both for land acquired earlier by government (for schools, roads, airstrips, town development, etc.), and, more recently, for losses suffered as a result of police actions (in which the burning of houses, killing of pigs, theft, and

physical abuse of women and men have been reported).

In towns and at mine sites there has been a burgeoning recourse to private security firms (which sometimes employ reformed *raskols*); but the general deterioration of law and order has impeded recruitment of outsiders and deterred longer-term foreign investment.

The economic situation reached a crisis point in 1994-1995 with several branches of government unable to meet debts or salary commitments. The government was forced to seek further World Bank assistance and to commit itself to a programme of micro-economic reforms, at least some of which are politically unpopular.

While attempts are now being made to address the country's economic problems, there are many who believe that the decline in standards of economic management since the 1970s is irreversible. The revenue generated by big resource projects has not been used productively, unemployment is high, and while a small number of Papua New Guineans have become very wealthy, the expectations of the vast majority of the population remain unfulfilled. Compared to other Third World countries, literacy and general education rates are low, nutrition levels are poor, infant and maternal mortality rates are high, and life expectancy is low. In some parts of the countryside there is a visible decline in living standards. This has contributed to social unrest and helped undermine the state's capacity to deal with such unrest.

The Bougainville rebellion

In 1975, separatist elements on Bougainville, reluctant to see the bulk of the returns from the Bougainville copper mine flowing out of the province, announced their independence as the Republic of the North Solomons. In doing so they appealed to a longstanding sense of differentiation from the 'redskins' of the mainland and of resentment at perceived neglect by the government in Port Moresby. The negotiation of the Bougainville Agree-

ment and the introduction of provincial government (with financial provisions including a derivation grant to return some of the mining revenue to the province), together with the renegotiation of the agreement with the operating company, Bougainville Copper Ltd (BCL), appeared to have succeeded in reconciling Bougainvilleans to their membership of the Papua New Guinea nation; Bougainvilleans became prominent in national politics and administration, and the North Solomons provincial government became probably the most successful of the country's second-tier governments.

In 1988, however, a split within the Panguna Landowners' Association (PLA) – which represented landowners around the mine site – brought to the fore a group of younger, more militant people, who campaigned against environmental damage from the mine and sought substantially increased compensation from BCL. When their demands were ignored, the new group embarked on a campaign of sabotage against mine installations, and harassment of mine workers and members of the officially recognised faction of the PLA. Ultimately, this led to confrontation, in which the militant landowners, joined by other disgruntled groups in south and central Bougainville and, initially, with support from sympathisers elsewhere in the North Solomons province and beyond, were ranged against the security forces – police and military – of the Papua New Guinea state.

After an early period of failed negotiation with what became the Bougainville Revolutionary Army (BRA), in 1990 the Papua New Guinea government withdrew its personnel and imposed an effective blockade of the province. Its hope appears to have been that an ensuing collapse of administration and disappearance of services would undermine support for the BRA and generate demand for the return of the national government. In fact the situation worsened. The BRA failed to establish any sort of order, there was widespread destruction of property and dislocation of people, and resentment against the government culminated in a declaration of independence. Division between

'hawks' and 'doves' in the national government (the former led by former PNGDF commander Ted Diro), did not help the situation.

Towards the end of 1990 the security forces returned to the north of the province and attempts were made to re-establish government services. In so doing, the national government made use of local 'resistance' forces opposed to the BRA and of an emerging structure of councils of chiefs. But continued opposition from the BRA and its supporters, exacerbated by well-publicised reports of human rights violations by the security forces (involving, in one instance, the use of Australian-supplied helicopters), proved a barrier to resolution of the conflict.

With BRA activists and supporters coming and going between south Bougainville and the nearby Solomon Islands, and PNGDF naval vessels attempting to prevent such movement, it was not long before clashes occurred between members of Papua New Guinea's security forces and the Solomon Islands' Police Field Force. Relations between the two Melanesian states deteriorated in 1992 after Papua New Guinea security forces personnel killed two Solomon islanders during a raid on a Solomon islands village believed to be harbouring BRA rebels, and the Solomon Islands island of Oema was 'annexed' by PNGDF troops. While Papua New Guinea's prime minister apologised to his Solomon Islands counterpart over these incidents, he nevertheless commented that if the Solomon Islands did not cooperate in preventing the use of its territory by the BRA, 'this sort of thing is bound to happen'.

With the national government gradually regaining control in the province, towards the end of 1994 peace talks were arranged on Bougainville in the presence of a multinational South Pacific Peacekeeping Force and a UN observer. The non-attendance of the top leadership of the BRA and its political arm, the secessionist Bougainville Interim Government (who alleged there were plots to assassinate them) meant that no settlement could be reached. However, some prominent members of the BRA did

attend and those present – particularly women community leaders – called on both sides to end the conflict. A dialogue has since been established and some progress has been made towards peace and reconstruction. As part of this process a Bougainville Transitional Government has been created, with a former national court judge and BRA supporter as its premier. But even if peace is restored in the near future, there will be lingering bitterness between different factions on Bougainville and a massive problem of restoring health, education and other services in the province, let alone reviving the mine.

The role of the PNGDF

In the years preceding independence there was a good deal of discussion amongst Papua New Guinea's emerging national leaders as to whether the independent state should maintain a defence force; some saw a relatively well-provisioned and cohesive military as a possible future threat to democratic government. In the event, it was decided to maintain a defence force, separate from the police constabulary, and having rejected suggestions that it be given a political role (along the lines of the Indonesian military's *dwifungsi*), the principle of subordination of the military to the civil authority was established in the constitution and emphasised in military training. In effect, the PNGDF was maintained, in the independent state, in essentially the form in which it had been inherited from Australia. It has continued to receive substantial support through the Australian government's Defence Cooperation Program, but has also signed status of forces agreements or memoranda of understanding with New Zealand, the United States, Indonesia and Malaysia. In 1992, the Defence Secretary said, 'We may be able to learn from Malaysia on handling domestic security and from Indonesia on civic action'.

Foremost amongst the functions of the PNGDF listed in the constitution was the defence of Papua New Guinea, though it

seems to have been generally accepted that, if attacked, Papua New Guinea could do little more than mount a holding operation awaiting assistance from Australia and other allies. The PNGDF's role also included provision of assistance to the civilian authorities, but only under certain specified, limiting conditions.

In 1980 the PNGDF, with logistic support from Australia, assisted the newly independent Vanuatu government in putting down a local rebellion, but apart from that, patrolling the borders with Indonesia (to deny access to the OPM) and later the Solomon Islands (to prevent the movement of the BRA between Bougainville and Solomon Islands), and policing the waters of its 200-mile economic zone against illegal fishing, the PNGDF has not had an external role to play.

As foreseen by many commentators in the 1960s and 1970s, on the other hand, the PNGDF has been called upon increasingly to assist the civil authorities in maintaining law and order. Since the 1980s, it has been employed regularly to assist civilian authorities, including, in 1992, to help maintain order during the national elections. More substantial involvement in internal security operations came in 1988 with the beginning of the armed rebellion on Bougainville. The subsequent inability of the security forces to resolve the conflict has been seen by many within the military as due to political indecision – or, as some put it, 'political interference' – which has restrained the security forces at key periods. Since 1989 there have been several public altercations between senior military personnel and politicians. A more balanced assessment, however, might point to well-documented instances of inefficiency and lack of discipline, to human rights abuses which alienated large segments of the local community, and to the impossibility, in situations like that on Bougainville, of achieving a military solution without a political settlement.

The 1991 report, *Security for Development*, observed that, 'the most serious, foreseeable threats facing Papua New Guinea are internal' and recommended that the PNGDF's priorities be re-

ordered. This was done the same year; towards the end of 1991 the Papua New Guinea and Australian governments released a joint statement announcing that Papua New Guinea was to give highest priority to internal security needs, and that Australian assistance would be geared to supporting Papua New Guinea's disciplined forces in maintaining internal security.

Persistent over-budget spending by the Defence Department, largely as a result of the Bougainville operation (in 1995 operations came to a virtual standstill because the PNGDF was unable to pay local creditors), and its inability to pay allowances due to servicemen, have strained relations between the PNGDF and the government. A 10-year programme to reorganise force structure, increase force size (from around 4000 to 5200 in 1995), and replace major equipment was drawn up in 1988 but did not receive cabinet approval until 1991 and was never implemented. Meanwhile, a law and order sectoral programme presented with the 1993 budget proposed to cut force size and place primary emphasis on civic action work.

Since the early 1980s, when the force's first Papua New Guinean commander resigned to contest elections, there has been a politicisation of senior ranks of the PNGDF. Several senior officers have left to stand for parliament and there is now a well-established pattern of changing commanders when governments change. Notwithstanding this, relations between senior military officers and the government have gone through some tense periods, with the PNGDF defying the government on at least two significant policy decisions affecting its interests. Discipline within the Force has also been a problem. There have been several incidents in which PNGDF personnel have gone on a rampage against civilians, and one in which soldiers marched on the National Parliament following a pay dispute.

Nevertheless, despite rumours of possible coups in 1977 and 1987, and an incident in 1990 in which the police commissioner, apparently under the influence of alcohol, called for an uprising of police and soldiers, the army has politically

remained in the barracks. Considering the small size of the PNGDF and the country's geographical and social fragmentation, early fears of a military coup seem unrealistic.

Overview

Given its geographical location and its historically close ties with Australia, Papua New Guinea has, since independence, enjoyed a fairly stable and benign security environment, enabling it to develop a universalist foreign policy while assuming something of a leadership role amongst the Melanesian states and acting as a 'bridge' between Asia and the island Pacific. Despite occasional tensions in its relations with Indonesia, arising from the activities of the OPM and the Indonesian military in the border area, and recently in its relations with the Solomon Islands, over the activities of the BRA and its supporters (who have maintained an office in the Solomon islands capital Honiara), Papua New Guinea has been free from external threat and has generally enjoyed good relations with its neighbours. Internal problems of social unrest, however, exacerbated by poor economic management and growing popular cynicism towards politicians, have come to pose a serious challenge to the country's social, economic and political development, particularly since the outbreak of rebellion on Bougainville. These developments have been recognised in a formal shift in the priorities of the PNGDF, from external defence to internal security, and have been acknowledged in Australia's development assistance and Defence Cooperation Programs. Although successive Papua New Guinea governments have attempted to address the problems of law and order through a series of measures, sometimes draconian, a poorly developed sense of nationhood and state legitimacy, and limited state capacity, have substantially constrained such efforts. This has created some problems for Australia, as Papua New Guinea's closest neighbour and its major source of development assistance and defence support, and it has clearly troubled some

Indonesian security analysts, who, placing a high premium on political stability, see Papua New Guinea's lack of tight social control as a potential security problem for the region.

By 1996 there had been significant progress towards a resolution of the conflict on Bougainville but little progress towards the solution of broader problems of social order. The picture of a weak state, heavily dependent on the disbursement of favours to remain in office, is by no means unique to Papua New Guinea, however. In Papua New Guinea's case a robust, if poorly coherent, democratic polity seems unlikely to pose any significant security threat to its neighbours.