

SECURITY IN THE SOUTH PACIFIC: THE LAW ENFORCEMENT DIMENSION

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The island countries in the Pacific are particularly vulnerable to destabilisation due to their fragile economies and still developing infrastructure in administration and government. The threat to their security does not arise from the conventional areas of inter-state conflict or military action. It is more likely to come instead from internal disaffection due to poor governance, ethnic and tribal rivalries over dwindling resources, increased corruption, the rise of local criminal activity and international crime. It may therefore be necessary to rethink questions of Pacific security, moving away from the traditional defence oriented thinking towards a broader perspective.

Les économies naissantes des Etats insulaires du Pacifique ajoutées à une administration et des gouvernements encore fragiles font que ces Etats sont particulièrement vulnérables à toutes manœuvres de déstabilisation.

En fait, les menaces à leur sécurité ne viennent pas des atteintes classiques à leur souveraineté telles que les conflits entre Etats ou encore les risques d'incursions militaires.

Il y a en effet plus de chances que cela soit du à des dissensions internes telles que des erreurs de gouvernement, des luttes entre clans ou des rivalités ethniques pour le contrôle de ressources limitées, l'augmentation de la corruption ou encore les activités criminelles locales ou internationales.

Dans ce contexte, l'auteur suggère qu'il est peut être nécessaire de repenser l'approche traditionnelle des questions de défense au profit d'une conception plus large qui prendrait en compte ces particularismes locaux.

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I INTRODUCTION

The post Cold War era has seen a search for threats to security in a very much broader area than what was looked at before.¹ One reason for this may be that the vast machinery poised to counter threats to security in the conventional sense now found that it was running out of targets. Highly trained and resourced agencies had to face either dramatic cuts or reorient themselves to face newly discovered threats. And suddenly, law enforcement found that it was no longer the Cinderella in the security field, and that it was being wooed by powerful agencies.

But that is not the only cause for looking at crime, or rather trans-national crime, as a major threat to security, especially in smaller states. The last two decades saw dramatic changes in communication technology, travel, commercial transport and financial operations, together with lowering of national barriers and increased globalisation. Money could be transmitted rapidly across national boundaries, with considerable anonymity. Such transactions hardly left a paper trail. Travel was easy and fast while visa restrictions were removed, reduced or where they existed, easily circumvented by the utilisation of passports of convenience. Globalisation tended to reduce territorial boundaries still further. The constant movement of large volumes of currency between countries offered criminal elements some degree of ease in merging their ill-gotten gains into the swirling flow of legitimate money.

Even in the case of middle level developing nations, threats to security from trans-national crime are high. The value of earnings by organised crime is placed by the United Nations at around US\$ 1.1 trillion per year. The international drug trade alone exceeds US\$ 400 billion a year (McFarlane, 1999). That amount of money could obviously wield considerable influence on the international scene. It would "allow criminal organizations to accumulate a degree of power and wealth that rivals and in some cases surpasses that possessed by governments. As these organizations become more deeply entrenched in their respective societies, they pose a threat to both democracy and the rule of law" (Williams and Savona, 1996).

The impact of trans-national crime on the security of states is perhaps more evident in the case of relatively small Pacific Island nations. Most of these states have poorly developed economies and limited administrative and political expertise. Some states such as Niue have populations less than 2000. Such small nations would be easy prey to big

1 The opinions expressed in this article are those of the author and do not necessarily reflect the policy of the Australian Federal Police (AFP). The author has based his assumptions and observations largely on empirical data gathered during 19 years of police work in the Pacific. References have been provided where published works or statements of individuals have been quoted.

international criminal organisations in search of a base for their illicit operations or a target for fraud. The need to guard against such attack would be paramount for these smaller states struggling to make ends meet and facing with apprehension the looming cloud of financial catastrophe visible just over the horizon.

II IS THERE A NEED FOR A CHANGE OF PARADIGM?

The end of the Cold War did not signify the end of conflict. Today, all over the world, low intensity conflict is raging, almost uncontrolled in some regions. The vision of peace breaking out all over the world still remains a pipedream. The bulk of these conflicts are based on ethnic, religious or ideological grounds, and rarely on territorial disputes. In 1999, of 27 major armed conflicts recorded, all but two were internal (Yearbook 2000). Exceptions are instances such as the dispute over territory between India and Pakistan and the Balkan conflicts. These conflicts ensure that the old paradigm of security is still valid to some extent, though more often than not the conflict is intra-state as opposed to inter-state.

In countries that do not face such conflict, threats to security are still there, and perhaps growing. These threats are not those that could be dealt with by a well-trained and equipped army. They are more insidious and less apparent to the non-observant eye. They may develop from within the country or appear from the international scene. A good example of the former is corruption where the very *raison d'etre* of a State can be undermined to such an extent that security of the nation would be at great risk. This has been noticeable in some African and South American nations where corruption has become endemic.

External threats would arise most notably from criminal activities conducted by organised criminal groups or even entrepreneurial criminals operating individually. These attacks can take the form of fraud aimed at the country itself or activities such as money laundering that will have tangential effects in discrediting the country in its standing in the world financial community. The Russian Central Bank had claimed that up to US\$ 80 billion (A\$153 billion) was manipulated through banks chartered in Niue (AFP News 2000). The listing of several Pacific Island nations by US monetary authorities as financially questionable during the past year is an example of this aspect. In the case of one Pacific nation, the cash flow situation fell into dire straits and the country had to be bailed out by the United States providing it temporary relief.²

2 In 1999, Nauru faced a major cash flow problem when foreign financial institutions black listed it. Nauru has to import all its needs, and a return to a subsistence economy is not possible. There is no local agriculture or even a proper supply of water. If the cash flow is blocked, the daily needs of the population cannot be met. The US intervened by arranging with the First Hawaiian Bank to provide relief.

McFarlane (1994) lists five types of crime that have an impact on national or international stability. These are listed below, with an emphasis on their effect on the Pacific.

- (1) *Corruption*: As mentioned earlier, corruption can have a serious de-stabilising effect on countries. Russia in recent times has provided a good example of this problem. Corruption had eroded the confidence of the people in their government and led to serious financial and social repercussions. It is reported that corruption has permeated all aspects of the State apparatus in Russia and that it enabled criminal elements to drain out the currency reserves of the country.
- (2) *Drug Trafficking*: The multi-million dollar profits earned by organised crime groups dealing in drugs may be used to suborn the State through corruption of politicians, administrators and law enforcement officers. This has been clearly demonstrated in some South American countries and even Asian countries such as Pakistan. In small Pacific Island nations, the chances of corrupting inexperienced politicians and officials are very high, especially as costs of maintaining political power escalate in monetary terms and 'vote-buying' becomes more prevalent. There have been cases of Australian criminal identities paying regular sums of money to politicians likely to come to power in their own countries. In one recorded instance, the politician did come to power, though by that time the 'donor' had met with an untimely death.
- (3) *Narco-terrorism*: This is one aspect that has not been manifest in a significant way in the Pacific though it has led to major destabilisation in countries such as Italy and Lebanon. In Colombia and Peru, narco-terrorism had led to the loss of at least 24,000 lives in 1991 alone, when terrorists and insurgent groups combined with drug cartels to thwart Government control. This compares with around 3000 deaths through terrorist activity in Northern Ireland over the past 25 years.
- (4) *Organised Crime*: Russia is a good example of the effect of organised crime on security of the state. "Criminality has become the most important factor threatening the change towards (democratisation) in Russia. In particular, organised crime undermines the economy, safety and security of the Russian people" (Chebotarev, 1993).
- (5) *Fraud and White Collar Crime*: Fraud can lead to the collapse of financial institutions, as seen in the cases of the Bank of Credit and Commerce (BCCI) in UK³ and the

³ BCCI was a largely Abu Dhabi owned bank with assets exceeding US\$23b. Depositors were alleged to have been defrauded of over US\$20b, and the collapse had significant repercussions in the British banking sector.

recent allegations of fraud involving the Bank of China. In the latter case, the sum alleged to have been misappropriated was US\$28 billion, out of which US\$10 billion, representing about 50 per cent of China's foreign reserves, is alleged to have been sent overseas. Vanuatu and Nauru have had near escapes from cases of potentially devastating fraud, fortunately diverted in time (Post-Courier 1997, McLeahy 1997). AFP and Victoria police had investigated similar attempts in 1997 by Australian criminal groups in Solomon Islands. In the case of the Pacific, the commonest fraud deals with bank guarantees sought by criminal elements, involving sums that were well above affordable levels of the country concerned.

There are other causes that could lead to de-stabilisation in countries. These cover a wide spectrum from political instability, ethnic and ideological divisions, and political and administrative inefficiency to environmental problems and the rapid erosion of available natural resources. This paper, however, will concentrate on areas affected by law enforcement.

III CURRENT SITUATION IN THE PACIFIC

If one were to look for a single word that could be applied across the board in describing the situation in Pacific Island nations, that word would be 'vulnerable'. Most of them are very small in land area and population, and some have minimal resources. Papua New Guinea (PNG) is perhaps the exception, with its landmass of 461,000 sq km and population exceeding 4.7 million. At the other end of the spectrum are island nations such as Niue covering 258 sq km, with a population of only about 2000. Any ill wind that blows across the South Pacific could do damage to the fragile economies of these countries.

During the past fifty years at least, there was no inter-nation warfare involving the island nations of the South Pacific. The only military intervention was in Vanuatu in 1980 when a unit of the Papua New Guinea Defence Force (PNGDF) arrived to assist the local Government to deal with the Santo affair. In Papua New Guinea itself, the military was deployed in the province of North Solomons to deal with an insurgency. But in the latter case, it was an internal matter within national borders. In a region where in Melanesia alone, there are over 1200 distinct cultures, those two cases are not significant at all. As Crocombe (2000) says, "It is a credit to Melanesians that conflict has not been greater. They have achieved a degree of national cohesion and stability much faster than Europe or Asia did".

This fortunate situation enabled most Pacific Island nations to do away with the expensive pastime of having a military establishment. Among the Pacific Island nations, only PNG, Fiji and Tonga have military forces. Tonga is the odd man out in the region, in the sense that it is a monarchy where democratic institutions have not reached full bloom. The army in that country performs largely a ceremonial role and has not figured in any

affairs of the State. In the other two countries, the military forces have unfortunately developed a poor reputation *vis a vis* security, being more a cause than an antidote for instability. One must, however, credit the Fiji military forces for having earned an enviable reputation in peacekeeping in the troubled Middle East. Forces in both these countries had also served with distinction during World War II.

Papua New Guinea does indeed have a case for the retention of a military force. It is the only island nation with a land border, in this case, with the troubled Indonesian province of West Papua. Problems involving the movement of insurgents from West Papua into PNG territory and the need to patrol the border would necessitate a military presence. The need to maintain the security of the State against internal separatist movements too would argue for such an arrangement.

The case for a military force in Fiji is less easy to defend. The country has no external threat to face or a land border to police. So far, the military forces in the country have figured in two major attacks on the stability of the State. But with around 1000 soldiers engaged in peacekeeping tasks worldwide, Fiji would find it difficult to review the issue, as peacekeeping duties have been financially beneficial and bolster national pride.

The other independent island nations in the region rely on their police forces to deal with all aspects of internal security, including surveillance of borders and exclusive economic zones. Police serve on the patrol boats supplied by Australia under the Pacific Boat scheme.⁴ Vanuatu and the Solomon Islands have para-military sections of the police forces that attend to these tasks. In both countries, these para-military units have figured in situations of instability. It was especially so in Vanuatu where the Vanuatu Mobile Force (VMF) had virtually set themselves up as a military force, and developed an unenviable record in undisciplined behaviour. The most notable case occurred in 1994 when elements of the VMF abducted the President and mutinied over alleged payment problems.

However, it would be unfair to associate the presence of military or para-military forces with instability. What is more useful is to examine whether de-stabilising factors were already present in the country, creating a need for the establishment of such units. In the case of Vanuatu, the problems in Santo perhaps gave some validity for the need of a

4 Australia announced the Pacific Patrol Boat project in August 1983, designed to assist a number of South Pacific countries with a capability to monitor their economic zones. Under this project, 22 patrol boats were supplied to the selected countries, the first in 1987 to PNG while the last was to the Federated States of Micronesia in 1997. The boats had a life span of 15 years but it has since been determined that complete refits would be done at the end of that period, adding another 15 years to their life. The package included training of crew, provision of advisers, and meeting cost of refits and some aspects of maintenance. The boats are used extensively in search and rescue operations, surveillance, policing tasks and, in some cases, border patrolling (Bergin and Bateman, 1999, RAN 2000, www).

body capable of taking on a coercive role. As far as the Solomon Islands is concerned, prior to the current 'troubles' the major problem was in the islands bordering PNG during the Bougainville insurrection in 1988. Both the Bougainville Revolutionary Army and the PNG Defence Force ignored the territorial border from time to time. This even led to some destruction of property in the Western Province of the Solomon Islands. But the paramilitary unit of the Royal Solomons Island Police (RSIP) had been established much earlier at a time when urban public order situations were the only threats in the horizon. That threat was well within the ambit of police riot squads to deal with. Nevertheless it is a fact that the 'militarisation' of the Reconnaissance and Surveillance Unit of the RSIP occurred during the height of the Bougainville episode. Assault rifles and General Purpose Machine Guns (GPMG) replaced riot gear, a change that has had tragic consequences during the militancy problems in Guadalcanal in 2000.

Members of the Mobile Forces from Vanuatu and the Solomon Islands have taken part in peacekeeping operations in Bougainville, and those from Fiji and Vanuatu in the Solomon Islands. However, with the exception of those from Fiji, the units from these countries have failed to make an impact in the field. Sometimes, such operations could be counter-productive. As Bell (1994) says of the United Nations, if any organisation "takes on tasks for which it is not fitted, and which it cannot sustain or conclude effectively, it will damage itself as well as the people of the area concerned".

The major threats to Pacific Island nations are internal. Of these, problems of law enforcement stand out as one of the major issues. These problems vary from country to country. In PNG, violent crime has become the major threat. Unlike in Russia, where fraud and other types of white-collar crime had made inroads into the administration, PNG faces crime in the 'raw' or violent version. In Port Moresby, a siege mentality has developed due to the feeling of insecurity experienced by residents and by commercial enterprises. Attacks on banks, restaurants, or any commercial institute with cash on the premises have escalated. At the same time, violence has become almost gratuitous. The rate of murder or serious injury due to crime has escalated dramatically. Business enterprises have to increase their prices to cover security. Physical security measures have to be established around institutions and guards employed on a 24 hour basis. Transport of goods and money becomes a costly and dangerous exercise. At the top end of the scale, unlawful groups have threatened even the Parliament itself and some politicians have become dependent on criminal elements for their safety and even for the retention of power.

Even in the Solomon Islands, subsequent to the initial outbreak of violence due to ethnic clashes, crime has become a major obstacle to peace. While the leaders are participating in negotiations, the economy is being brought to its knees by criminals attacking commercial enterprises, extorting large sums of money and generally practising

looting and pillage on all and sundry. Each such act adds another obstacle to the already overburdened tasks of the negotiators at the peace talks.

Externally, the criminal threat poses a different type of danger. Many island states have been victimised by criminals and unscrupulous financiers. Hardly a month passes without a new group of 'benefactors' offering the cash strapped government of some small island nation a package of assistance from dubious sources. These range from treasures of ancient Orders with a mandate to do good to the needy, to a share of "Hitler's or Marcos' gold". Offers have been made to set up investment schemes ranging from grandiose holiday resorts to mines looking for non-existent minerals and even theatre productions that cannot fail. The magnetite affair in Vanuatu and the musical in London financed by Nauru are two good examples.⁵ In the case of offered assistance, the receiving country is asked to provide Bank Guarantees for a substantial sum to 'show good will'. In one instance, the Government of Vanuatu signed Bank Guarantees to a value exceeding the annual budget of the country (*Post-Courier*, 1997, McLeahy, 1997). It took the combined efforts of law enforcement agencies in several countries to retrieve the instruments and to bring the offenders to justice.

A more insidious threat is posed by the proliferation of off shore banking centres in the Pacific and the spread of cyber-crime. In the case of several countries, the existence of poorly regulated off shore centres led to countries like the U.S. taking punitive fiscal measures against them. In 1999, three countries were blacklisted by American international banks, leading to considerable financial distress.⁶

The internet suddenly appeared as a heaven-sent source of earning money with minimum outlay and effort. The establishment of internet gambling, e-marketing and renting or sale of cyber space became quite lucrative to small nations looking for cash. The amounts earned were significantly large and there was no visible danger to the country. While such activity is not necessarily criminal, one of the possible harmful effects could be financial ostracising by developed countries.

5 The Vanuatu Government was offered in 1997 a development scheme costing about 1.5 billion US dollars on the grounds that 4 billion tonnes of magnetite was found in the country. There was no evidence to show that such a deposit existed. In 1993 the Nauru Government underwrote a musical titled 'Leonardo' in London, produced by the adviser himself, to the tune of 4.5m Australian dollars. The entire Cabinet was flown by chartered aircraft to attend the premiere. The show collapsed after one month.

6 In late 1999, Palau, Vanuatu and Nauru were blacklisted by several international banks in the U.S. over concerns regarding money laundering. Such action could be a disincentive to investment and disrupt financial activity of the countries concerned.

The effect of succumbing to such criminal attacks would be devastating especially to smaller economies that have no reserve to fall back upon. A country could easily face bankruptcy and its investments and resources lost beyond redemption.

It is unfortunate that most Pacific Island States do not have law enforcement machinery that can effectively deal with these problems. In some cases such as violent crime or the simpler types of fraud, a well-trained and resourced police force would be able to deal satisfactorily with the problem. Unfortunately, even in larger countries with significant resources such as PNG, the police forces are poorly equipped, inadequately trained and lack resources necessary for operations. As a result of these shortcomings, the morale of police personnel falls, thereby entering a vicious spiral that pushes the law enforcement effort downwards at an ever-increasing rate.

Most Pacific Island States would find the tackling of cyber-crime and other more sophisticated attacks on the security of the state, with any degree of success, beyond the capability of their law enforcement agencies. Even for the law enforcement agencies of developed nations this is new territory. "New technology enables various forms of crime to be carried out from remote sites, faster, with greater anonymity and on a larger scale. Electronic crime is difficult to detect and investigate because it is often multi-jurisdictional, committed at great speed, and the electronic trails go cold very quickly" (Keelty 2000).

The trade in illicit drugs is perhaps one of the most destabilising factors in the world. Estimated by the United Nations International Drug Control Programme to be in the region of US\$400 billion, it is approximately eight percent of total international trade (The Economist, 1997). In several South American countries, drug barons have assumed power over political leaders by colossal levels of bribery.

The situation in the Pacific is not as serious but has the potential to develop into a major destabilising factor. Currently, the only illicit drug produced in commercial quantities in the region is cannabis, and that too only in very few countries. Even where it is produced, there is still a discernible lack of sophistication in processing and marketing. While the trade in cannabis is lucrative, it has still not reached levels where it could make a significant impact on local politics or the security of a state.

The danger lies largely in the prospect of international drug trafficking where the region would become a transit point in global trade routes. Australia and New Zealand are target countries for the trade in heroin, cocaine and cannabis. The major flow of heroin and cannabis is from the so-called Golden Triangle, especially from Burma, and the Golden Crescent, comprising mainly Afghanistan and Pakistan. Cocaine is routed via the Pacific from South America. During the last ten years, seizures by Australian Law Enforcement Agencies, mainly the Australian Federal Police, indicate that there is indeed a considerable flow of such illicit drugs. In 1994, 15 tonnes of cannabis resin were seized, with the

operation stretching from Australia to Noumea. In 1997, ten tonnes of cannabis resin were seized in Australian waters while the ship that brought the drugs to the Pacific was seized in New Caledonia. In 1999, the AFP and other law enforcement agencies seized 50 kilograms of heroin shipped to Australia via Vanuatu. In October 2000, AFP officers assisted the Fijian police to seize 357 kilograms of heroin in Suva and to dismantle a criminal ring with connections to several countries.

The nexus between illicit trade in drugs and organised crime has been too well documented to bear repetition.⁷ The drug trade is invariably followed by organised criminal activity, corruption of political and administrative leaders, and social upheaval. The permeative effects of drug abuse have been seen in many countries through which the trade passes. Pakistan has been used as a conduit for heroin and cannabis produced in Afghanistan, which lacks a seacoast. Today, abuse of illicit substances, mainly heroin, in Pakistan has reached unbearable proportions, with percentage figures of addicts higher than in any other country. A similar situation has arisen in China, where the number of officially registered addicts quadrupled during the last decade. Unleashing this spectre on the fragile political systems and economies in the Pacific could lead to horrendous results, posing perhaps the biggest threat to security in the region.

IV CASE STUDIES

A Papua New Guinea

In its 25 years of existence as an independent State, PNG has faced many threats to its security. A country with over 700 different clans, it faced problems right from its formation. Moves for autonomy by some provinces predated independence. Tribal warfare was a regular feature in the newly independent nation. An insurrection in the North Solomons Province flared into near civil war in 1988 and has been festering ever since. An attempt to end the problem in Bougainville by using mercenaries created a major security problem in 1998 in what is known as Sandline Affair.⁸ Crime has escalated in the cities and

7 Evidence of this nexus is extensively documented in several papers produced by the US Departments of State and Justice, examples being (a) International Narcotics Control Strategy Report, *Money Laundering: A Changing Scenario* (1997) US Dept. of State Washington, and (b) US Department of Justice, *The National Money Laundering Strategy for 1999* (1999) Washington. Several articles are also available on web site www.ex.ac.uk/~Rdavies/arian/scandals/laundry.html. An example is South, N, *On Cooling Hot Money: Transatlantic Trends in Drug-related Money Laundering and its Facilitation* (1995) www.alternatives.com/crime/SOUTH.HTML.

8 In 1998 the Government of PNG sought the assistance of the mercenary group Sandline to put down the rebellion in Bougainville. The episode ended when the Commander of the Defence Force arrested the Sandline personnel and deported them. This led to a serious destabilisation of the country, but the democratic institutions stood the test. Effective work by the police assisted in preventing the country sliding into anarchy (*Post-Courier*, 1998).

has reached endemic proportions, affecting industry, commerce and life in general. But despite all this, the country has maintained a vibrant democratic form of government with an independent judiciary and an active free press. This certainly is in stark contrast with some newly independent states elsewhere in the world that degenerated into dictatorship and civil instability.

PNG is one of the few states in the region to possess a defence force. The PNGDF has its roots in World War II where it formed part of the Australian army, with several of its soldiers being recognised for valour. The current strength of the force is 4300 officers and other ranks, which constitutes 0.89 per thousand of the population. In comparison, Australia and New Zealand have military forces in the region of 2.5 per thousand while Fiji, with its peacekeeping commitments worldwide, has double that figure. The PNGDF has small maritime and air elements, with very limited capacity (O'Connor, 2000).

Financially, the PNGDF is in dire straits. The current annual budget is insufficient for its day-to-day needs and even the bare essentials such as food are often in short supply. Soldiers in some bases have been sent to their homes, as there is no money to feed them. Allowances have not been paid and uniforms are in short supply. These are ingredients that could lead to mutiny, and soldiers have taken to the streets in demonstrations on the slightest provocation. In September 2000 there were widespread protests by PNGDF personnel over living conditions (*Post-Courier* 2000, *The National* 2000). Unless these problems are rectified with sustainable allocation of resources, the PNGDF could very well be a cause of insecurity rather than being available to serve as a remedy.

On the other side of the coin, the threat the country faces from across its borders is very limited. PNG's only land border is with the Indonesian Province of West Papua. There has been a movement for independence in that province, spearheaded by a guerrilla organisation called the Organasasi Papua Merdeka (OPM), which is ill armed and poorly led. However, with the example of East Timor before them, the OPM and the more recent group, Papua Taskforce,⁹ could develop a serious threat to Indonesian national integrity. In the early 1980s, there were problems with Indonesian troops trespassing into PNG in search of OPM rebels. But since then, relations between the two countries have been good, despite grass roots support in PNG for their Melanesian brethren over the border. Nevertheless, some military presence would be necessary on the border to uphold PNG's sovereignty. Other than this limited problem, PNG faces no foreign military threat.

Could the PNGDF be utilised to preserve the country's territorial integrity? The attempt to use military force in the North Solomons Province ended in failure. In the

⁹ The Papua Taskforce is a group trying to enforce the right to fly the Papuan flag in West Papua. It claims a following of 30,000.

context of PNG's multi-ethnic problems, any answer to separatist tendencies should be political, not military. The danger is that such problems could be exacerbated by the lack of good governance and the opportunistic involvement of criminals and unruly elements. Both these factors were noticeable in Bougainville. What was lacking was the failure on the part of the central government to provide adequate goods and services and appropriate measures of law enforcement. Both these elements are vital if political solutions are sought.

There are many other issues affecting security in PNG. These include, *inter alia*, ethnic disputes, injudicious exploitation of resources, and poor governance in so far as the administration fails to provide goods and services, prevent corruption and provide effective control of crime and threats to public order. Most of these issues are common to many South Pacific Island nations.

The criminal threat to the stability of the country is serious. The major cities are subjected to violent crime at unacceptable rates. In Port Moresby, the capital, crime figures are extraordinary. In 1999 this city of less than 300,000 people saw 81 cases of murder, 1495 cases of robbery (average of four a day), 282 rapes and 1152 vehicle thefts (RPNGC 2000).¹⁰ Violence has become a way of life, and people have begun to develop a siege mentality. This has major repercussions on local industrial and commercial sectors, affecting productivity and escalating costs, and seriously harming the quality of life of the people. Sikani says, "The many forms of criminal activity can severely hinder social and economic development. In Papua New Guinea, the increase in crime is virtually accepted as the price that we have to pay to achieve development" (Sikani 2000).

Fraud is one type of crime that is showing a marked increase. A decade ago, fraud was limited largely to someone having their fingers in the till. But today, fraud takes a heavy toll from commerce and government financial activities. In 1999, the RPNGC received 137 complaints of serious fraud, a figure no doubt below the actual level of such criminal activity.

Something similar occurred in the appearance of 'Quick Money' schemes such as U-Vistract and Money Rain. These two 'investment' schemes offered returns of over 1000 percent per year on money invested over short periods. More than 472 million Kina was invested in U-Vistract alone. A few of the early investors received handsome returns, paid from the money invested by subsequent investors. The very large majority of the investors received nothing but promises and excuses, the bulk of the capital having been sent out of the country through devious means. Despite the failure of these schemes to repay the

¹⁰ Statistics from Royal Papua New Guinea Constabulary records. It is very likely that these figures are not accurate as many crimes are unreported or unrecorded. The actual situation could be much worse.

investors, similar new schemes are still continuing to operate. It may be remembered that in Albania, a similar concoction led to social and political chaos when the bubble finally burst.

Foreign criminals, too, have offered fraudulent schemes that appear attractive to political leaders looking for money to fund development. Fortunately, PNG has not yet risen to this bait, though there have been some close calls.

Corruption has become virtually endemic,¹¹ and the current Prime Minister Sir Mekere Morauta's drive to eradicate it has so far met with limited success.

The Royal Papua New Guinea Constabulary (RPNGC) has an authorised strength of 5200 but the actual strength is about 1000 below that. The RPNGC has a proud tradition of over one hundred years of police work and is arguably the best police force in the Pacific Island nations. However, the ratio of police per 1000 population is very poor in comparison with countries such as Australia and New Zealand, being slightly over one per thousand compared to Australia's 2.2.

Financially, the RPNGC is badly underresourced. The current annual budget of Kina 97,113 million (A\$63,123m) is barely sufficient for recurrent expenditure and leaves no margin for pro-active policing or operations. Wages and pensions take up 72 percent of the total. In real value terms, there has been a decline of 35.3 percent from 1995. The Force is plagued with morale and discipline problems and it is only due to the efforts of a number of officers with great dedication that it has been able to function with some degree of efficiency. So far, it has maintained its professional approach when faced with situations¹² threatening the stability of the nation, such as the Sandline crisis referred to earlier and the many political crises over the past few years.

B The Solomon Islands

The problems facing the Solomon Islands today have a long history. The security of the State has been threatened by inter-ethnic violence that has evolved over the utilisation of land and resources in Guadalcanal. Although united under one constitution, the people of the Solomon Islands belong to different ethnic groups and have primary loyalties to their own particular island tribal affiliations. The country has yet to develop a national sentiment overriding such ties.

11 This statement is based on the author's observation of developments in PNG for the past 18 years, discussions with PNG-based AFP officers, RPNGC officers, the PNG Ombudsman, and media reports over the past decade, such as Pitt (1992) and Pentanu (2000).

12 AFP Liaison Officer's and Australian Department of Foreign Affairs reporting over the period, and reports in local media (*Post-Courier* 1998 and *The National* 1998).

Guadalcanal is the largest island in the country, approximately 5650 sq.km in area. Eighteen percent of the nation resides in this island, of which, 30,000 people (11% of total population) live in the capital, Honiara. The people on Guadalcanal claim that migrants from the neighbouring densely populated island of Malaita have taken a stranglehold over the local economy and even the public sector. Employment opportunities in the Capital as well as in plantations set up by foreigners have attracted a large number of Malaitans to Guadalcanal. By 1989, Malaitans constituted 40 percent of the residents of Honiara, of whom about half were third generation. Over 50 percent of workers in the Commonwealth Corporation Oil Palm Company were Malaitans (Naitoro 2000).

The situation has erupted into violence on a number of occasions, notably in 1988 and 1989. These incidents were brought under control with a mixture of policing and the Melanesian system of compromise. However, in late 1998, a group calling itself the Guadalcanal Revolutionary Army (GRA) embarked on a course of violence that the police force was incapable of dealing with. The ethnic divide unfortunately spread to the administration and the police. Malaitans living in Guadalcanal were harassed and property destroyed. It is estimated that about 20,000 Malaitans left Guadalcanal for Malaita. Consequently, the Malaitans formed an armed organization called the Malaitan Eagle Force (MEF) to counter the threat and managed to gain control of Honiara and the surrounding area. It would appear that a considerable section of the police force acted in collusion with the MEF, which managed to lay its hands on assault-type firearms issued to the police. Violence had not ended at the time of writing despite a negotiated settlement brokered by Australia and New Zealand.

An unfortunate aspect of this affair was that a significant quantity of sophisticated firearms had been made available to the police prior to the uprising. This was in an attempt to counter problems created by the Bougainville situation in PNG, where both the rebels and the PNG armed forces occasionally trespassed into Solomon Islands territory. These weapons now fell into the hands of the MEF, who used them with devastating effect. Two armed patrol vessels operated by the police were also commandeered by the MEF.

To compound the issue, internal AFP and Department of Foreign Affairs reporting indicate that the Western Province too has shown indications of a desire of autonomy, though no positive action has thus far been taken to further this aim.

While the problems in both cases were basically ethnic, the factors that exacerbated them were economic hardship and lack of services from the government. There was a feeling of disillusionment; a feeling that the government could not, or would not, provide a solution to a problem that affected the day-to-day life of the people (Naitoro, 2000; Hughes, 1999).

There is no easy solution to the problems facing the Solomon Islands. Two questions that could be asked are:

- Would it have been possible for an efficient police force to stop developments from escalating into a major problem?
- Could the presence of a military force have made a difference?

The answer to the first would appear to be in the affirmative. An effective police force, with a reputation for independence from political or ethnic constraints, would have gone a long way towards controlling violence. Although the Royal Solomon Islands Police (RSIP) took firm action at the outset, it was not consistent in its operations and allowed the movement to escalate into a virtual insurrection. It would appear that there was too great a dependency in seeking overseas assistance, looking for an external solution. When the Malaitans found that they had no recourse to assistance from the police, the MEF arose to fulfil the need. It may be worth remembering that in PNG, the RPNGC had remained firm against threatened serious outbreaks of violence that could have degenerated to similar situations. A determined insurrectionary movement cannot be controlled by the police, as was seen in Bougainville. However, in Solomon Islands, the situation was not all that serious at the outset. Determined, impartial political activity coupled with the judicious use of efficient police work could have solved the problem.

The role of the army is more difficult to predict. In roughly similar situations, the *Kumul* Force succeeded in Vanuatu¹³ while the PNGDF failed dismally in Bougainville. In the Solomon Islands, ethnic divisions may have split the military apart, as it did the police. It could even have led to an escalation of violence, as such action did in Bougainville. On the other hand, the presence of a well-armed military unit may have proved to be a deterrent to anyone planning armed insurrection. But once again in Bougainville, it was not the case. An essential ingredient for success would be the quality of the army.

It can be argued that had proper resources been allocated to improve governance and develop a strong and fair law enforcement mechanism, with effective courts and an efficient police force, the situation could have been avoided. The country has a young population, 60 percent of it being below 20 years of age. The seeds of discontent had been apparent for quite some time, and had not been addressed. Threats to security were looked at from a conventional point of view, and the Solomon Islands Government spent

13 In 1980, a small uprising in the island of Espiritu Santo, led by Jimmy Stevens, was effectively put down by a unit called the *Kumul* Force from the PNGDF that arrived on the invitation of the Government of Vanuatu. There was no bloodshed, and the insurrection was totally controlled, with Stevens being deported from Santo to imprisonment on the main island of Efate (*Pacific Islands Yearbook*, 1994).

considerable sums of money in obtaining sophisticated weapons, some of which were obviously unsuited for the needs of the country. A large consignment of weapons ordered by a previous Government is languishing in New Zealand when a new Prime Minister decided not to utilise them. However, some sophisticated and expensive weapons were purchased, and these ended up in the hands of one group of militants, thereby escalating the level of violence.

It may be worthy of note that during the initial stages of the problem in the Solomon Islands, the lawfully established government of the country sought assistance from Australia to police the situation. Australian policy at the time was that assistance could be provided only in training and advice, but not at an operational level. Direct intervention may have complicated matters due to the complex ethnic problems involved in the dispute.

V *PROJECTED DEVELOPMENTS*

It is likely that the Pacific Region will see more instability of the kind witnessed in PNG and the Solomon Islands in the near future. Fiji has still not recovered from its last attempted coup. Despite serious attempts at restoring normalcy, the prognosis for peace in that country is not very bright. While it is unlikely that a violent insurrectionary movement will develop in Fiji, political stability may be difficult to achieve. In most other Pacific Island nations, the ingredients for instability are clearly visible. Poor governance, a drop in resources (mainly in primary produce) and deep-seated ethnic rivalries are likely to continue and even worsen.

Vanuatu, in particular, has the makings of a trouble spot in the near future. Most of the factors reviewed here are present in the country. The government has failed to provide a satisfactory level of goods and services. Natural resources face the threat of unsustainable exploitation. Corruption has become a major threat to stability. The capability of the Vanuatu Police Force to deal with any serious breakdown of law and order is questionable, while the Vanuatu Mobile Force is showing signs of discontent and indiscipline. Provincial or tribal loyalties have not yet fused together to form a concept of nationhood.

Similar problems, if perhaps at lesser levels, exist in most Pacific Island nations. Tonga has its own problems with democratic practices of the Westminster type struggling to be born, coming into conflict with tradition. Samoa has experienced a political assassination. The very small nations face a bleak future, with resources dwindling and population growth threatening to outstrip sustainability. In cases where there is an escape valve in the form of an ability to migrate to other countries such as New Zealand, the threat had receded to some extent. But not all island peoples have such a capacity.

Most problems faced by these countries are universal. They occur in varying degrees of severity in all parts of the world. However, in the South Pacific, the redeeming feature is

that some problems are not beyond solution. Prophets of the environment have issued dire threats of global warming and rising sea levels that could engulf some of the island nations where the landmass is barely above sea level. On the other hand, most Pacific Island nations do not have unbearable population pressure, though in places such as Nauru the post-colonial period has seen increases in population to possibly unsustainable levels (*Pacific Islands Yearbook 1994, Canberra Times 1999*). The economies are small and need comparatively little in terms of aid to keep them afloat. Disputes have not always led to conflict. Solutions have been, and can be, found through the tradition of avoiding confrontation and the ability to talk through problems.

The nature of these problems and the failure of some aspects of traditional aid patterns may call for a change of attitude towards aid. The social problems of education, health and unemployment are the main obstacles in the path of development. It may be necessary to take a detailed look at 'hands on' assistance in these fields. Attempts should be made to develop a culture of good governance to replace current practises that verge on cargo cult philosophies so as to provide the background for stability. These are long-term issues, and aid donors cannot hope for a 'quick fix'. They will have to be ready for the long haul.

At the same time, cooperation and assistance in law enforcement should be enhanced to rid the countries of the burden of criminal threat that is crippling some societies. This cannot be done by increasing the firepower of law enforcement agencies and providing them with more and more training suited to developed nations. There are some officers in Pacific Island nation police forces who have undergone more training overseas than most officers in developed countries. But the parent services have not benefited from the effect of such training. This failure may largely be due to the fact that training is imparted in an atmosphere totally removed from the officer's environment. As such, it becomes an academic exercise, divorced from the reality of law enforcement in a Pacific Island.

Law enforcement agencies should be taught to make maximum use of available social forces and practices in establishing communal peace, while being moved away from the concept of projecting an image of power. Some difficulty may arise in changing from the idea of armed constabularies and paramilitary organisations, as these cater to the warrior ethic of some local societies. But if social peace is to be established, concepts must change. An atmosphere of security is vital to enable communities to develop a healthy regard for nation states, thereby providing stability.

Overall, the immediate prospect offers few grounds for complacency, yet the problems faced are capable of solution. However, these matters need to be addressed early before they give rise to violent confrontations. What is most needed now is a change of direction in the search for security in the South Pacific.

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