

Political reform in Papua New Guinea: testing the evidence

Benjamin Reilly

Director, Centre for Democratic Institutions,
The Australian National University

Over the past few years Papua New Guinea has implemented a series of major political reforms in the electoral, political party and parliamentary arenas. In what constitutes an extremely ambitious attempt to change the way Papua New Guinea's political system works, the broad aim of this process of political engineering is to strengthen political parties, promote more broadly supported candidates and increase political stability. These three goals find their institutional expression in several different pieces of legislation introduced in 2001 and 2002, most notably the Organic Law on National and Local-Level Government Elections (OLNLLGE) and the Organic Law on Integrity of Political Parties and Candidates (OLIPPAC).¹

Some observers have already derided these reforms as failures. Alphonse Gelu (2005), for example, has written of the failures of the Organic Law on the integrity of political parties and candidates. Bill Standish has opined that the OLIPPAC and electoral law changes 'are likely to have little impact' (2005:11). Writing in this journal on lessons from Fiji for Papua New Guinea, Jon Fraenkel argued that the parliamentary and electoral reforms were predicated on 'exaggerated claims about the institutional causes of governance failures and naive

expectations that juggling with electoral rules will transform political culture' (Fraenkel 2004:130).

In this paper, I argue that if judged specifically against measurable performance indicators, rather than the elevated expectations of cultural change advanced by some of these critics, Papua New Guinea's electoral, party and parliamentary reforms have in fact already had a discernable positive impact upon political outcomes. Assertions to the contrary rely on outlandish interpretations of reform aims and at times ignore available evidence. And, as I will show, testable data to assess the impact of each of these reforms is readily available.

Background

The OLIPPAC and OLNLLGE laws aim to promote systemic change across Papua New Guinea's party, electoral and parliamentary systems. In regards to the party system, for instance, the reform legislation seeks to encourage greater political consolidation. Under new rules governing party formation, composition and funding, all political parties must be legal organisations with financial members, a party constitution, and allow internal competition for party leaders before

Policy dialogue

they can be registered. This provision for party registration is tied to a new system of party funding, under which each registered party receives 10,000 kina per member per year. The intention of these reforms is to move parties away from being used purely as vehicles for personal advancement and encourage intending candidates to stand for election under a party banner rather than as independents.

To stabilise Papua New Guinea's famously unruly parliament, new restrictions have also been placed on the freedom of members to change parties once elected. Politicians elected with party endorsement must vote in accordance with their party position on key parliamentary decisions such as a vote of confidence in the prime minister, or face a possible by-election. Prior to the introduction of these measures, not a single PNG government had lasted a full parliamentary term in office, with most falling via no-confidences votes as a result of post-election party-hopping. As a result, these reforms represent a serious challenge to established political practice, especially for independents (whose allegiances have often shifted in return for a ministerial position or similar inducement).

The final, and possibly most important, reform in Papua New Guinea has been the decision to change the electoral system to a 'limited preferential' system—a form of the alternative vote system used in Australia, but with voters limited to a maximum of three preferences. Under the new system, if no candidate has more than 50 per cent of first preferences (as is likely to be the case in most seats), the candidate with the lowest number of first-preference votes is eliminated from the count, and his or her ballot papers are transferred according to the preferences marked. This process continues until one candidate has a majority, or (as will also be likely) until there are no more votes to transfer. The candidate with the greatest number of votes is then declared the winner.

These various reforms are significant for several reasons. First, they are the result of a sustained and clear-eyed analysis of Papua New Guinea's political ills. They attempt to deal with the country's governance problems directly, rather than wishing them away. Second, they are, for the most part, home-grown institutional innovations which have been designed and implemented by Papua New Guineans, not outsiders. Finally, they are amongst the most ambitious and far-reaching forms of political engineering I am aware of, and amongst the most significant experiments in institutional design to be implemented in the Asia Pacific region (see Reilly forthcoming).

In the following sections, I look at the core objectives informing these various reforms and attempt to assess the extent to which these have been met using objective measures of institutional performance common in the scholarly literature. In each case, examination of these performance measures makes it clear that the electoral, party, and parliamentary reforms encapsulated in the OLNLLGE and the OLIPPAC have already changed political outcomes in Papua New Guinea.

Electoral reform

The primary aim of the switch from first-past-the-post to limited preferential voting (LPV) was to promote the election of more broadly supported candidates. Other aims included more peaceful campaigns, promoted by the need for candidates to win not just their own tribal block vote, but also votes from other clans and regions too in order to maximise their chances of electoral success. As well as encouraging the election of more broadly representative candidates, it was hoped that preferential voting would also encourage more moderate campaign tactics by making politicians from different parties reciprocally

Policy dialogue

dependent on transfer votes from their rivals—a supposition strongly supported by evidence from Papua New Guinea's three pre-independence elections, when a similar system was used (Reilly 2001).

The real test of these aims will come in 2007, at the next national elections. However, the LPV system has already been partially tested in 2003 and 2004, in a series of by-elections for disputed contests from the 2002 national elections. Although these six by-elections constitute a much smaller sample than a national election, they include a range of different regions and contexts, including Port Moresby, the Sepik, Central Province and highlands provinces such as Simbu, Enga and the Western Highlands. They should thus give a reasonable indication of how LPV will work across the country as a whole.

As the first PNG elections of any type to be held under the LPV system, the by-elections also provide important (if preliminary) indicators of the new system's likely performance. The evidence gleaned from these by-elections as well as the abundant historical evidence from the pre-independence elections provide an opportunity to assess claims by critics such as Fraenkel that preferential voting 'will do more to modify the style, rather than the substance, of political campaigning' and is 'likely to yield a substantial increase in invalid voting' (Fraenkel 2004:130).

First, let us examine the proportion of the vote needed to win a seat. This has been one of the major drawbacks of first-past-the-post elections in Papua New Guinea, where most winning candidates achieved victory on only a small minority of the vote. The average percentage of the vote needed to win a seat under first-past-the-post voting was down from 18 per cent at the 1997 elections (Reilly 1999) to an even lower 16 per cent in 2002 (Baker 2005). The 2002 elections, the last to be held under first-past-the-post rules, saw only one of the 2,878 candidates gain an

absolute majority, with almost two-thirds of the parliament elected on less than 20 per cent of the vote.

In stark contrast, at the six by-elections held under the new LPV rules, every winning candidate gained over 50 per cent of the vote, either outright or following the distribution of preferences. This is particularly notable because, unlike in Australia (or Fiji), voters are limited to a maximum of three preferences, meaning that there is no guarantee that the LPV system will deliver winners with an absolute majority. The percentage of votes gained by the victorious candidate in each seat were as follows: Abau Open (50.09); Angalimp-South Wahgi Open (55.71); Chimbu Provincial (50.16); Yangoru-Saussia Open (51.42); Moresby North-east Open (50.55); Wabag Open (53.19); and Mean (51.85).

This represents a threefold increase on the average proportion of the vote obtained by winning candidates at the 1997 and 2002 national elections. By any interpretation, this is a dramatic improvement in support levels for successful candidates under the new electoral system—a substantive, not stylistic, change in PNG politics.

What about claims that the new system will result in a substantial increase in invalid voting? Again, this is an empirical question that can be easily tested. At the six LPV by-elections, invalid vote percentages ranged from 0.9 per cent in Wabag up to 3.3 per cent in Moresby North-east. These represent comparatively low rates of invalid voting—indeed, they differ little from the invalid voting rates in the same seats at the 2002 national elections held under first-past-the-post, despite the greater complexity of the LPV system (see Standish 2005:13). At the 1997 elections, similarly, invalid voting rates were on par with the six LPV by-elections, ranging between zero and 4 per cent across all electorates (PNG Electoral Commission 1997).

Policy dialogue

So, testing the evidence reveals both predictions—that the new system is unlikely to impact on electoral outcomes, but is likely to substantially raise invalid voting—to be false.

Ten years ago, I made a prediction of my own, arguing that a change to preferential voting in Papua New Guinea would result in lower levels of campaign violence (Reilly 1996). This was based on the contention that such a system could encourage politicians to campaign for the ‘second-choice’ votes of electors and provide parties and candidates with an incentive to make appeals for voter support across group lines. To attract such second-level support in Papua New Guinea’s fragmented, clan-based society, candidates would need to make cross-ethnic appeals and demonstrate an ability to represent groups other than their own. Numerous examples of this kind of accommodative behaviour were evident at Papua New Guinea’s pre-independence elections, which were held under preferential voting rules (Reilly 2001). I argued that a return to preferential voting was thus likely to lead to lower levels of electoral violence than was the case under first-past-the-post.

Again, the 2004 by-elections and the new LPV electoral arrangements provide an initial opportunity to test this claim. A detailed study of all six by-elections conducted by a team of Australian National University and University of Papua New Guinea researchers found significantly lower levels of electoral violence under the limited preferential system than had been the case at recent first-past-the-post elections in the same electorates, where optimal electoral strategies had often been to coerce, intimidate or prevent the supporters of rival candidates from voting at all. Bill Standish, who has previously questioned whether systemic electoral reform could arrest this pattern of ‘gunpoint democracy’, concluded that

...these polls have been much less violent than those in 2002, with much

less tension and coercion in the campaigning, voting and counting phases...Was this because of LPV? Maybe, but also note the strong police presence and that these are only mid-term by-elections, and so the stakes are not as high and the competition (and election frenzy) is less intense (Standish 2005:6).

While these are sensible caveats, it is clear that the observed outcome so far has been more peaceful elections—a conclusion reached not just by the academic study but also by the PNG police, who reportedly ‘commended the limited preferential voting system, saying it brings candidates and supporters together [and] enables candidates to move around freely without fear’ (‘Police report an unusually quiet campaign in Wabag’, *The National* 27 September 2004:1). The available evidence to date thus supports the contention that changes in electoral rules has encouraged more peaceful election campaigns in Papua New Guinea—precisely because the incentives confronting candidates and their supporters under the new system will lead to changes in political behaviour. But the real test will be the 2007 poll, where both the scale and the stakes of the elections will be much higher.

Political party reforms

The political party reforms encapsulated within the OLIPPAC are perhaps the most ambitious aspect of the legislation. They seek to enhance the stability of Papua New Guinea’s parliament by strengthening parliamentary parties, encouraging independent MPs to join these parties once elected, rewarding parties that put forward female candidates, and encouraging smaller parties to merge together. The overall aim is to promote the emergence of a more consolidated and less fragmented party system. Again, these objectives have been

Policy dialogue

criticised by observers such as Fraenkel, who argued that the party formation rules 'are likely to be more damaging' than the electoral reforms and 'are likely to attract increasing intervention by the country's high courts in the political process, and consequently to weaken the separation of powers' (Fraenkel 2004:130).

Again, rather than speculating, the success or otherwise of the political party reforms to date can be tested empirically by examining the structure of Papua New Guinea's pre-reform and post-reform party system. The simplest performance measure of all is to see whether the numbers of political parties has changed since the party reforms were implemented. Here, again, the trend is clear: the number of registered parties has fallen sharply since the OLIPPAC reforms were introduced, from 42 in 2001 to 15 in 2004 (Sepoe 2005:3). However, as a primary aim of the OLIPPAC reforms was to encourage erstwhile independent candidates to join political parties, looking at raw party numbers is not the best way to measure the impact of the new arrangements, as the whole point of the reforms was to encourage the formation of meaningful parties in the first place.

More appropriate performance indicators would include the extent to which independents have joined established parties, the number of female candidates put forward by parties, and the extent to which party mergers have occurred, in comparison to the pre-reform period. Again, while the longer-term pattern will not be evident for some time, initial trends on most of these measures have been positive. For instance, there has been a sharp decline in the number of independent candidates elected to parliament, from 36 in at the first sitting of the 1997 parliament to 17 in 2002. In addition, most of these 17 independents then chose to join established parties so that by 2005 there were only two independents MPs in the PNG parliament. Similarly, the number of parliamentary parties

declined from 22 at the first sitting of the 2002 parliament to 15 in 2004 as a result of inter-party mergers, at least some of which appeared to be reactions to the incentives for party aggregation inherent in the new laws (Baker 2005:108).

On this evidence, the revised institutional incentives for party formation, and for independent candidates to join established political parties once elected, have played a modest but positive role in consolidating the Papua New Guinea party system. Despite the seemingly inexorable increase in political fragmentation observed at successive elections prior to the OLIPPAC's enactment, the overall number of parties represented in the current Papua New Guinea parliament is lower than it was a decade ago, as is the number of independents. While it is clear that considerable energy has also been put into finding a way around the party discipline requirements (party splits, for example, have provided one means of circumventing the new laws), they do appear to have acted as a restraint upon further party fractionalisation.

Once again, the only reasonable conclusion to be gleaned from examining these basic indicators of party system change is that the OLIPPAC reforms have played a positive role in promoting the consolidation of the PNG party system. While a number of studies have found that underlying political practices in Papua New Guinea remain essentially unchanged, the data suggests that political outcomes are, nonetheless, being affected. As Louise Baker has observed in a thorough and often critical analysis of the initial workings of the OLIPPAC,

...the reforms have had some success in strengthening the party system through its requirement that parties be registered...The OLIPPAC's requirement for compulsory registration has brought formality and coherence to what were previously chaotic, loose arrangements (Baker 2005:108).

Policy dialogue

Finally, the new laws also provide financial incentives for parties to put forward female candidates at election time. While the dismal proportion of women elected has not improved (one in Papua New Guinea's current parliament compared to two in the previous parliament), the most appropriate test of this aspect of the reform legislation would be to look at the number of female candidates nominated by parties, and compare this to previous years. Unfortunately, this data is not readily available at the time of writing. However, this information would presumably be relatively easy to assess given access to the full list of candidates at the 1997 and 2002 elections.

Political stability

The overarching goal of the OLIPPAC reforms was to increase political stability in Papua New Guinea. In order to evaluate their

success in achieving this objective, we need a means of assessing how 'stable' governments have been in both the pre-reform and post-reform periods. While there are several ways of interpreting this oft-stated objective, for many years a standard political science approach to measuring political stability has focused on the composition and longevity of executive governments (Taylor and Herman 1971). Under this approach, political and policy continuity depend significantly on executive durability. Thus, politics is more 'stable' when governments are long-lasting in terms of both time and personnel; conversely, executives are 'unstable' if their composition alters frequently, particularly if governments change between elections due to no-confidence votes, impeachment, party swaps or similar events.

The simplest means of measuring political stability in Papua New Guinea is thus to look at the continuity of governments and the

Table 1 **Changes of Prime Minister in Papua New Guinea, 1975–2002**

Prime Minister	Start date	Months in office	Reason for change
Somare	16 September 1975	23	Independence
Somare	9 August 1977	31	Somare retains Prime Ministership after general election
Chan	13 March 1980	29	No-confidence vote
Somare	2 August 1982	39	General election
Wingti	21 November 1985	21	No-confidence vote
Wingti	5 August 1987	11	Wingti retains Prime Ministership after general election
Namaliu	8 July 1988	48	No-confidence vote
Wingti	17 July 1992	25	General election
Chan	31 August 1994	35	Judicial decision
Skate	22 July 1997	24	General election
Morauta	14 July 1999	37	Skate's resignation
Pre-reform average		29	
Somare	5 August 2002	44 (at April 2006)	General election
Post-reform average		40+	

length of their tenure in office. As is well known, PNG administrations have historically been very short-lived, with changes of government on the floor of parliament due to no-confidence votes a standard feature of PNG parliamentary politics. Table 1 details the duration and the changes of Prime Minister in Papua New Guinea to date, and the reasons for the change in each case. Because it ignores the frequent changes to the partisan composition of governing coalitions in Papua New Guinea, measuring government tenure in this way significantly understates the real level of executive instability. Nonetheless, the average tenure of PNG governments on this measure in the period from independence until the passage of the OLIPPAC reforms stands at just 29 months.

The pattern since the introduction of the OLIPPAC reforms has been markedly different. The first government installed after the OLIPPAC laws were introduced, headed by Sir Michael Somare, has not been overthrown on the floor of parliament, despite numerous predictions that this would occur. It is, at the time of writing, the longest-lasting elected government in Papua New Guinea's history. Its 44-month unbroken term in office at April 2006 was already markedly higher than the average duration of all its predecessors. As well as being Papua New Guinea's longest serving leader, Somare appears set to become the first prime minister since independence to govern for a full parliamentary term. Were this to happen, as appears increasingly likely, it would mark potentially the most important change of all. If stable executive government can become institutionalised in Papua New Guinea, there will be profound consequences for the ability of incumbents to focus on policymaking rather than the numbers game, and thus to make credible commitments, and implement and deliver effective policy.

Conclusion

The party, electoral and parliamentary reforms instituted in Papua New Guinea in recent years are not a panacea. While institutional crafting can help nudge outcomes in particular directions, large-scale changes to political behaviour in any polity are mostly the result of changes in actors' preferences and the underlying political culture, not the institutional environment they work within. Papua New Guinea is no different to anywhere else in this regard. Nonetheless, well-crafted institutions *can* make a difference, not just because they constitute the rules of the political game, but also because they condition the incentives for political behaviour. And, as readers of this journal know only too well, people respond to incentives.

Despite cries from some observers for 'more neutral and facilitative constitutional arrangements' in Papua New Guinea and elsewhere (Fraenkel 2004:130), the reality is that political institutions are never neutral. All institutional arrangements advantage some kinds of organisations and disadvantage others, just as they all privilege particular political strategies while constraining others. The challenge facing young democracies such as Papua New Guinea is thus to develop those institutions which are likely to engender and institutionalise desirable models of political organisation and behaviour.

The evidence of this paper is that the political reforms undertaken in Papua New Guinea in recent years have, on balance, played precisely this kind of role. In particular, clear improvements in political stability, party system cohesion and electoral processes have all been evident since the reforms were implemented. This is not to say that these might not turn around at some stage in the future, or that the institutional models chosen are necessarily the optimal

Policy dialogue

ones for Papua New Guinea. But measurable improvements have occurred, and in a state as frequently criticised as Papua New Guinea such outcomes should be acknowledged and applauded.

Despite this, some academic critics continue to assert that these significant achievements are, in fact, a failure. Such interpretations should not go unchallenged. Facile comparisons of Papua New Guinea with countries such as Fiji, or exaggerated claims of what institutional reforms purport to achieve, obscure more than they reveal. By the same token, enthusiasts for reform need to be honest about its limitations and the kinds of changes that political engineering can effect. For instance, while the OLIPPAC has helped stabilise government and introduced some much-needed incentives for party system development, it has not altered fundamentally established political practice. Similarly, despite the positive results so far, it is too early to say if the electoral reforms will prove to be administratively manageable at next year's national elections. In the meantime, however, we can give two cheers for political reform in Papua New Guinea.

Note

- ¹ 'Organic laws' have the status of constitutional law, and were introduced in Papua New Guinea in order to keep the Constitution focused on basic principles and institutions. Despite this, the PNG Constitution is one of the longest in the world.

References

- Baker, L., 2005. 'Political integrity in Papua New Guinea and the search for stability', *Pacific Economic Bulletin* 20(1):98–115.
- Fraenkel, J., 2004. 'Electoral engineering in Papua New Guinea: lessons from Fiji and elsewhere', *Pacific Economic Bulletin* 19(1):122–33.
- Gelu, A., 2005. 'The failures of the Organic Law on the integrity of political parties and candidates (OLIPPAC)', *Pacific Economic Bulletin*, 20(1):83–97.
- PNG Electoral Commission, 1997. *Report to the Sixth National Parliament on the 1997 National Election*, Government Printer, Port Moresby.
- Reilly, B., 1996. 'The effects of the electoral system in Papua New Guinea', in Y. Saffu (ed.), *The 1992 PNG Election: change and continuity in electoral politics*, Department of Political and Social Change, Research School of Pacific and Asian Studies, The Australian National University, Canberra:46–76.
- , 1999. 'Party politics in Papua New Guinea: a deviant case?', *Pacific Affairs*, 72:225–46.
- , 2001. *Democracy in Divided Societies: electoral engineering for conflict management*, Cambridge University Press, Cambridge.
- , forthcoming. *Democracy and Diversity: political engineering in the Asia-Pacific*, Oxford University Press, Oxford.
- Sepoe, O., 2004. Challenges of strengthening the political party system in Papua New Guinea, paper presented at the Political Culture, Representation and Electoral Systems in the Pacific Conference, Port Vila, 10–12 July.
- Standish, B., 2005. Limited Preferential Voting: some early lessons, paper presented at conference on Overcoming Constraints in Papua New Guinea, Lowy Institute for International Policy, Sydney, 18 January.
- Taylor, M. and Herman, V.M., 1971. 'Party systems and government stability', *American Political Science Review*, 65(1):28–37.