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DIRECTORATE OF
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Intelligence Memorandum

Papua New Guinea: Self Rule, Ready or Not

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CENTRAL INTELLIGENCE AGENCY
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INTELLIGENCE MEMORANDUM

Papua New Guinea: Self Rule, Ready or Not

Australian-administered Papua New Guinea, like so many other former colonial areas, is leap-frogging toward self-government long before it has attained the attributes normally associated with nationhood. Although the schedule is not certain, complete control of internal affairs may come by the end of 1973 and full independence by 1976.

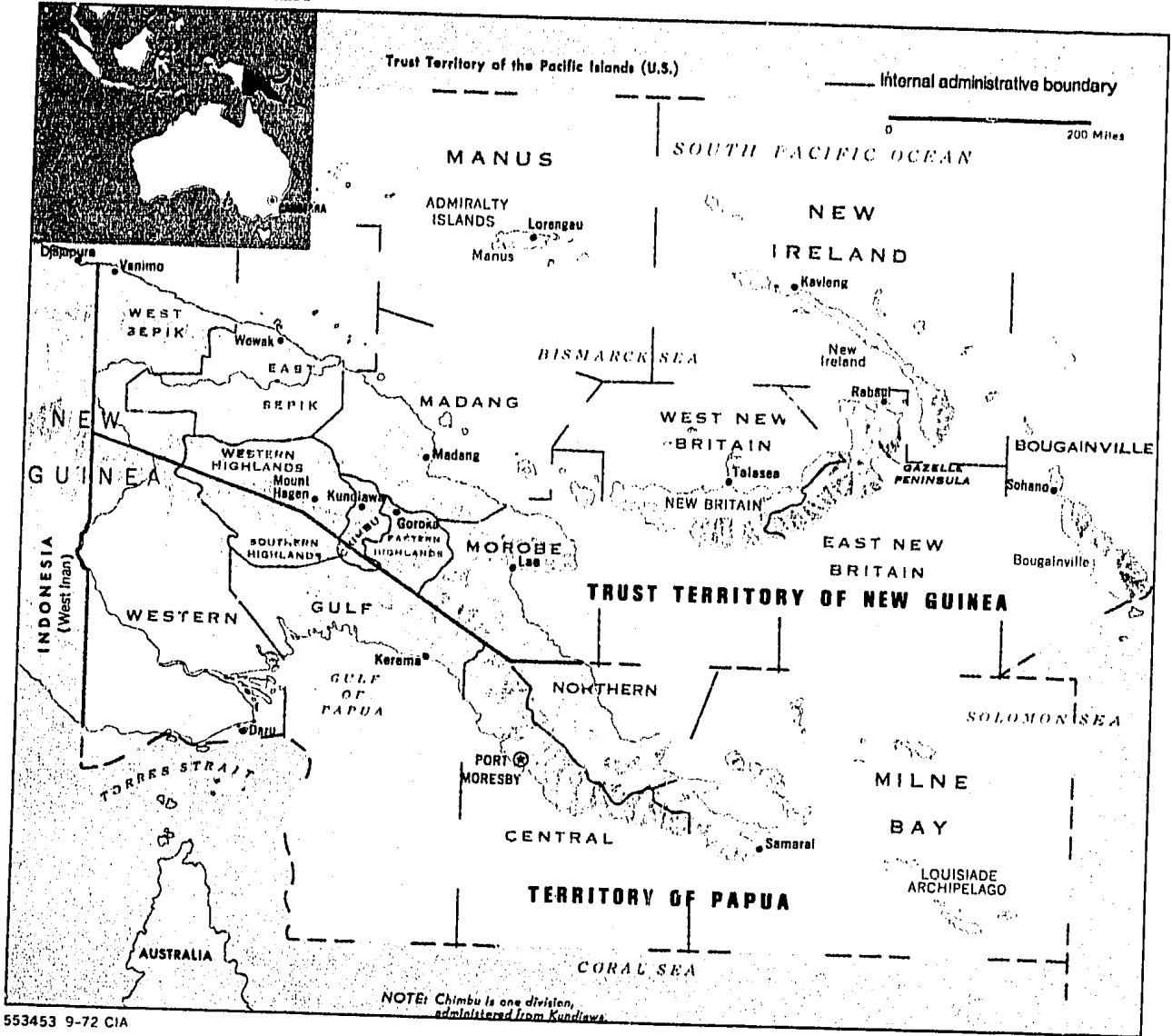
Most of the area's people lack formal education, few have economic or political skills, and a significant minority can be classified as primitive. Among such a population, there is virtually no sense of national identity; tribal and regional loyalties predominate.

On the positive side, the economy is expanding, education is improving, and a tiny educated elite with a balanced and moderate attitude toward self-government is emerging. A new territorial cabinet selected from a popularly elected legislature has been created and given some real responsibility. Prospects for progress in tackling the area's many problems are relatively good, given Papua New Guinean determination and Australian patience and assistance. There is less reason to be sanguine about the longer range, post-independence picture, although even then the outlook is for stability rather than disintegration.

Note: This memorandum was prepared by the Office of Current Intelligence and coordinated with the Office of Economic Research and the Office of National Estimates.

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PAPUA NEW GUINEA



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A Few Facts

Papua New Guinea is made up of two jointly administered territories, which are being prepared as a single entity for self-government: the UN Trust Territory of New Guinea (formerly German New Guinea and later a League of Nations mandate), which Australia has administered since 1921, and Papua, which has been an Australian territory since 1906. Included in the territories are a number of islands, the largest of which are New Britain, New Ireland, and Bougainville. The western half of New Guinea—West Irian—is part of Indonesia.

The two and a half million people of Papua New Guinea are immensely diverse. They belong to numerous and frequently antagonistic tribes and speak between 500 and 700 languages. Thirty-seven languages are used by tribes numbering 10,000 or more. The fragmentation of the people results in large part from the area's geographic features—high mountains, vast swamps, and jungle. About half of the territory's people live in a series of wide, well-watered valleys in the New Guinea highlands; these highlanders tend to be more backward than the coastal dwellers, who are more exposed to outside influences.

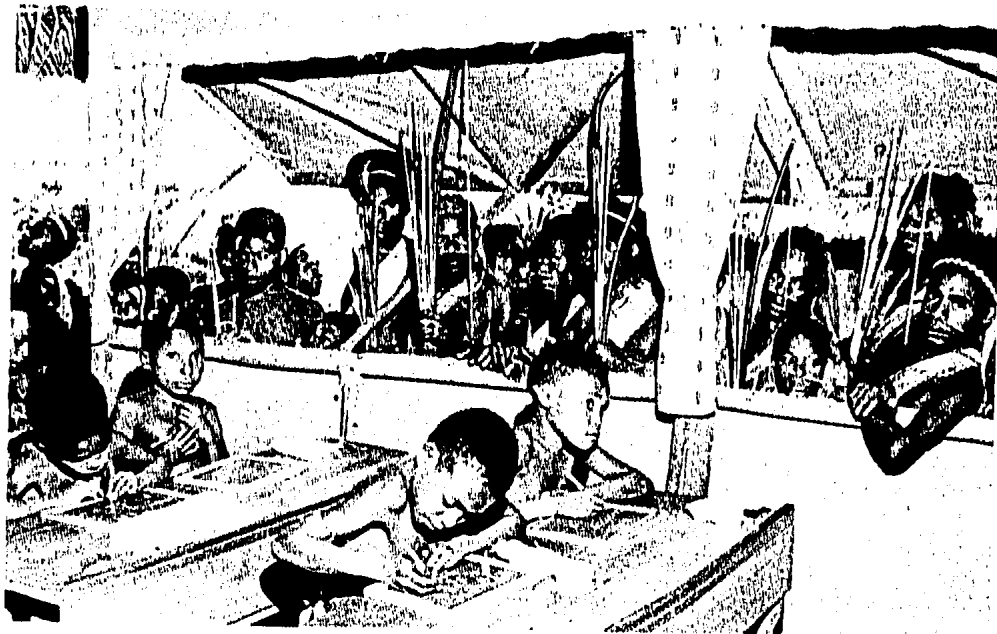
Papua New Guinea suffers not only from tribal but also from regional antagonisms. The people of Papua dislike those of the Trust Territory of New Guinea; the highlanders are suspicious of coastal tribes; and the inhabitants of the more developed outer islands look down on those of the "mainland."

There is considerable variation in the development of the people of the area. In their education, skills, and knowledge of the outside world, they range from the relatively well-educated Tolai people of New Britain—who provide more trained personnel to the territorial administration than any other indigenous group—to those primitives for whom possession of a steel axe is the one concession to the modern world. Probably fewer than a hundred persons have a university education. This diverse population is now engaged in an accelerated movement into the twentieth century and toward nationhood.

Perhaps the best example of the over-all condition of national political development occurred in 1971. In that year, the area's name having been changed and a flag, emblem, and national day having been chosen the Australian Administrator proclaimed that a significant step had been reached in the development of the Papua New Guinea nation. His message was printed in a special government gazette with labored explanations as to just what a "nation" is.

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Mission School



Goroka Teachers' College

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The use of pidgin English is one of the most important elements in breaking down the barriers dividing Papua New Guinea's multiple communities and in developing a sense of unity. Now officially known as Neo-Melanesian, pidgin came to New Guinea during the German administration. The New Guinea version is a derivative of English, German, and Kuanua—the language of the Tolai. To a considerable extent it is already the *lingua franca* of the Trust Territory of New Guinea, and it is gradually taking over in Papua. Its vocabulary is expanding as linguistic requirements arise, and it is spoken far more than literacy figures imply. For several years it has been used widely enough to make possible a territory-wide radio news-service and several newspapers.

The possibilities of pidgin have not been lost on the rising group of educated, politically minded Papua New Guineans. In addition to providing inter-tribal communication, pidgin serves as a bond among Papua New Guineans seeking to set themselves apart from the white man. Pidgin is the language most often used in the Papua New Guinea House of Assembly, and the oath of office is administered in both English and pidgin—"Mi askim God long helpim mim." In 1967, the Australian Administrator made several speeches in pidgin, surprising and pleasing his hearers by the ease of communication with the "Nambawan Gavman."

The Australian administration nevertheless continues to press for the wider use of English as a common tongue. Since the 1950s the government has refused to assist Christian mission schools unless they teach in English, and pidgin is not taught as a subject in its own right in administration or administration-assisted schools. Although most educated Papua New Guineans advocate the adoption of pidgin as a national language, they are aware of the need for leaders who speak English.

Education and Administration

Australia did little to advance education in Papua New Guinea until the mid-1950s. Education was left largely to the Christian missions, which lacked the resources to do more than provide a primary education for a relative few. The first public high schools were established in 1957, and the training of native secondary teachers began ten years later; the University of Papua New Guinea was founded in 1966, and the Institute of Technology in 1968. As a result, it will be another decade or two before the educational

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system: will be turning out enough secondary and university graduates to meet the minimum requirements.

Current literacy rates are not available, but projecting from the 1966 census, literacy in English is believed to be about 16 percent of the population and in pidgin 18 percent, although there may be some overlap between the two groups. Advanced schools, including the university, enrolled over 3,000 students this year, but only about 25 percent of primary- and secondary-age children are now in school, far short of the goal set for 1971-72 by the Australian administration.

At present about two-thirds of the territorial administration's employees are Papua New Guineans, but most of them serve at lower levels. Although the number of Papua New Guineans in senior posts is growing, there are still only a handful. Unless standards are drastically lowered, foreigners will be required in technical and professional positions for some years to come.

Toward Self-Government

Not until after World War II did Australia take the first halting steps toward preparing Papua and the UN Trust Territory of New Guinea for independence. In 1949, Canberra passed legislation combining the administration of Papua and the Trust Territory. The top official was—and still is—the Australian Administrator, who is appointed by the Australian Ministry of External Territories. An appointed, advisory legislative council, composed chiefly of white planters and missionaries but including three natives, was established in 1951. The administrator governed chiefly through district officers whose subordinate patrol officers selected and supervised native village authorities. Local government councils advised the district officers. Canberra's idea was to move Papua New Guinea through a series of carefully phased steps toward eventual independence.

A combination of circumstances during the past decade, however, has forced Australia to accelerate preparations for self-government. During the 1960s the United Nations Trusteeship Council, influenced by African and Asian nations, demanded speedier action. In 1969 the Tolai people launched a politico-economic movement in the Gazelle Peninsula of New Britain island, shocking Canberra into realizing that self-government could not be delayed another 20 years. In Australia the opposition Labor Party announced in 1970 that if it won Australia's 1972 parliamentary elections (to be held in November) it would give Papua New Guinea independence within three years.

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Voting for the Third House of Assembly

Territory-wide popular elections for a House of Assembly—empowered to legislate for the “peace, order, and good government of the territory”—were instituted in 1964. Since then, there have been two elections for an expanded legislature, the most recent early in 1972. At the demand of the first elected house, an embryonic cabinet was set up in 1968. A few elected Papua New Guineans from the legislature were named as ministers and sat on the Administrator’s Executive Council.

Australia informed the UN Trusteeship Council this year that it is willing to grant full self-government to the territory during the term of the present House of Assembly (1972-76) if “the people so desire it.” The Papua New Guinea adviser to the Australian delegation then told the Council that the territory desired “immediate self-government.”

The present thinking is that under self-government, Australia would retain control over foreign affairs and external defense, but would transfer internal responsibility to Papua New Guinea. Actually, the Papua New

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The Opening of the 1972 House of Assembly in Port Moresby

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Guinea elite is itself divided on the territory's future political development. The largest group wants self-government as soon as possible on a territory-wide basis; a slightly smaller group would postpone self-government until greater social development has been achieved; and a much smaller group, chiefly in the more prosperous outer islands, wants self-government on a local rather than a territory-wide basis.

Political Parties and Leadership

Not surprisingly, political parties are a recent development in Papua New Guinea. The oldest party—also the best organized and best led—is the Pangu Pati (Papua and New Guinea Union Party) which has been around only five years. Its leader, Michael Somare, age 35, has been a member of the House since 1968. A former journalist and broadcaster, he is articulate and well traveled. His party, with 31 seats, is only the second largest in the house, but Somare is “chief minister” in the cabinet because he was able to organize a working coalition. Pangu has tried to develop a territory-wide organization, but most of its success has been in the “mainland” coastal towns and in the territory's major trade unions, which it has controlled since 1970. From inception, it has been committed to “immediate home rule” and early independence, but it envisages a continuing close relationship with Australia. Pangu's performance in the House of Assembly has been generally constructive.

With 42 of the House's 100 elected seats, the United Party has greater parliamentary strength than Pangu; but because of its inability to attract the support of smaller parties, it has been relegated to the role of parliamentary opposition. The United Party was established late in 1970 as a vehicle for conservative opinion. Like Pangu, the United Party has territory-wide representation, but it draws its principal strength chiefly from New Guinea highlanders and Australian planters. Members of these two groups founded the party in response to the Australian Labor Party's announcement that, if elected, it would give the territory self-government and independence by 1975. The highlanders feared that this would mean the loss of Australian development assistance, while the Australian expatriates saw independence as a threat to their economic interests in the territory. The party calls for more social and economic development before proceeding to self-rule. Australian expatriates probably do most of the party's decision-making, although titular leadership is vested in a Papua New Guinean. The United Party's parliamentary leader is Mathias Toliman.

Two small parties have been formed within the past 18 months; the People's Progress Party (eight seats) and the New Guinean National Party

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Chief Minister Michael Somare in a special radiobroadcast to the people of Papua New Guinea explaining the new government, May 1972

Some of the people were very cross with their member of the House of Assembly because he had joined the coalition government. They have said they will kill their member or hurt him. This is against the law and anybody who tries to kill or hurt a member of the House of Assembly will be punished.

There are many important things the government will look at. These include the problems of land and land ownership. Another question is when will we have self government? Now that Pangu has joined the coalition, the coalition government will have to decide this question, not the Pangu Pati. We will not have self government tomorrow...

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(ten seats). Both are members of the coalition government, although they tend to be more conservative than Pangu. The ethnically based Mataungan Association of New Britain, formed in 1969 and led by John Kaputin, has three seats. Although it supports the government coalition, it chose not to participate in the cabinet, and its political course is unpredictable.

Somare's Government

Chief Minister Michael Somare's 17-man coalition cabinet was approved in April 1972 by a vote of 54-42. Somare is well regarded by Australians, who are especially pleased that since coming to office he has moderated his call for immediate self-government. Somare has had to take into account his coalition's dependence on the support of minor parties that favor a more slowly paced movement toward self-government. His latest statements raise the probability of self-government by the end of 1973, but he left open the possibility of some slippage.

Somare's political sensitivity has been demonstrated in his choice of ministers. He chose candidates who, by New Guinea standards, are well qualified and who represent the territory's major regions. Of the ten ministers who sit on the Administrator's Executive Council, five are members of Pangu, four are from Pangu's coalition partners—the New Guinea National Party, and the Peoples' Progress Party—and one is an independent.

Somare drew his ministers from a House that is generally better educated than in the past. Although some of the newly elected members are still functional illiterates, most have enough English or pidgin to get by in the normal day-to-day business of the House. At least 20 members have secondary or university educations and have had experience in public or community affairs. Elected Australian membership in the House is down from 20 to eight.

Somare's parliamentary majority is not large, and he faces the possible defection of the three members of the Mataungan Association and the independent member of his cabinet, but there is little chance that this could bring down the government. In general, the cabinet appears to be a strong team and prospects are good that it will endure.

Somare has moved quickly on major problems. One of his first acts was to establish a committee to formulate legislation on land ownership, perhaps the most contentious issue in the territory. The problem is how to provide a legal basis for ownership of land in a tribal society and what to do about the land that is owned or leased by Australians. The cabinet has also authorized

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a constitutional planning committee to consider the kind of government best suited to the country's needs, with particular attention to the merits of a parliamentary system as against a presidential system and of central versus regional administration. Increased education is to be one of the priorities of his government. Somare has stated that Australian money and expertise will be welcome after self-rule, but only under conditions—as yet unspecified—laid down by the people of Papua New Guinea.

Law and order is likely to be a recurring problem. Tribal disorders have been on the increase in the highlands, urban crime has grown as unskilled workers move into the towns, and New Britain's Gazelle Peninsula is an area of smoldering discontent. Until the Papua New Guineans take charge of their own internal affairs, control of the some 3,700 police will still be in Australian hands, so unhappiness over police action or inaction will be directed more at Canberra than at Somare.

Regionalism

The most complex problem facing Somare's cabinet is posed by discontent among the Tolais in the Gazelle Peninsula. Their complaints focus on three issues: Australian control of 43 percent of "Tolai land," Australian control of the civil service, and Australian and Chinese domination of local business. The Tolais particularly resent the fact that although educationally they are the most advanced group in the territory, they are deprived of significant influence in their home area. To promote their objectives, the Tolais have formed the Mataungan Association. Its leaders have called for immediate territorial self-government under a presidential system with statehood for the major regions of the area. The Mataungans have repeatedly and violently opposed Australian policy on land usage; an Australian official was murdered in 1971, leading to a protracted trial this year of five Tolais which has further soured relations. Chief Minister Somare's early appointment of committees on land and constitutional planning was obviously directed at the Mataungan problem.

In Bougainville, a similar mass movement emerged several years ago to oppose the expropriation of land for a large copper mine. Like the Mataungan Association, the Bougainville group is ethnically based, favors local self-government, and even speaks of secession. Unlike the Mataungans, it has lost steam in the past two years; its candidate for election was defeated this year. Less successful imitators of the Mataungans have appeared in two other areas, and more will probably surface.

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Politics is so new in Papua New Guinea that the future role of these local organizations is difficult to assess. Mataungan leader John Kaputin has said that "Mataunganism is nationalism in a raw state." The participation of the two major local movements in the elections indicates their interest in the national movement. Although they appear to be impediments to unity, the ethnically based movements may instead prove to be building blocks to nationalism.



John Kaputin

The Economy

The bulk of the Papua New Guinean population is engaged in subsistence agriculture. A relatively limited modern sector, dominated by Australians, is based on estate agriculture, forestry, and mining.

Under pressure to broaden the economy, Australia opened the territory to foreign investment in the 1960s, and in 1969 launched a five-year economic development program. Australia still provides more than 90 percent of the territory's investment capital, but much of this has been channeled into capital-intensive ventures that provide little training and few employment opportunities for Papua New Guineans. Japan is the second largest investor, concentrating on timber and fisheries. The territorial administration has for some time been reserving the right to hold an equity in any newly established foreign-owned business in the area. No share has been fixed, but in practice the Papua New Guinea equity varies from 20 to 50 percent.

Involvement of the Papua New Guinean people in the monetary sector of the economy had been slowly growing even before inauguration of the development plan. Some natives earned cash income as workers on Australian plantations or by growing small quantities of cash crops. Employment in government and industry has increased considerably in recent years, but the number of persons getting regular wages in cash remains below 100,000. Only a handful of Papua New Guineans hold jobs of even minor responsibility in business, production, or commerce.

The territory is not economically viable, although economic activity is increasing and per capita income is high compared with most less developed

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countries. The development program has thus far failed to meet its agricultural and educational targets, although the growth of extractive industries has exceeded expectations because of the large inflow of private capital. Australia contributes substantial grant aid to the area, with assistance this year amounting to about US \$175 million. Over half of this amount is for economic development.

Mining holds the principal promise for prosperity in Papua New Guinea. The largest mining project—and the largest enterprise in the territory—is the copper mine in Bougainville, which is controlled by a British company through an Australian subsidiary.

The islands of New Ireland, New Britain, and Bougainville, with about 12 percent of the territory's population, account for 60 percent of its income—mostly from copra, cocoa, and timber. As copper comes into production, the income generated in Bougainville will rise sharply, especially after 1976 when the tax holiday enjoyed by the enterprises will end.

Australia is the territory's principal trading partner, providing more than half its imports and purchasing some two fifths of its exports. Japan and the United States are both increasing their trade with the area; each accounts for about 11 percent of total trade—double their share five years ago. Japan is the largest customer for Bougainville's copper.

Papua New Guinea's economic future is bright only if the political situation remains stable. For some years the territory will have to depend not only on Australian government aid and trained personnel but also on Australian and other foreign private capital to develop its resources.

Papua New Guinea and the World

The territory is still so preoccupied with preparation for self-rule that it has given relatively little thought to external affairs. It is very much aware, of course, of its neighbor, Indonesia, and remembers the expansionist proclivities of the Sukarno government prior to 1965. The present Indonesian government has foresworn military adventurism, but is concerned over the fact that some West Irianese who oppose the Indonesian Government have sought refuge in Papua New Guinea.

Australia, which has pursued a policy of careful friendship with Indonesia, has played down the resulting cross-border incidents and has developed a relatively satisfactory relationship with Indonesian authorities

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through low-level border conferences and frequent local contacts. Canberra has quietly but firmly discouraged West Irianese suggestions of future union with Papua New Guinea. Papua New Guinea's leaders, aware of their own country's deficiencies and appalled at the even greater backwardness of West Irian, are likely to follow Australia's policies toward Indonesia.

Two Australian foreign affairs officers were assigned to Port Moresby last February to consider candidates for a Papua New Guinea foreign service. Australia is moving ahead with plans to place a High Commissioner in Port Moresby within the next two or three years. The United Kingdom, Indonesia, and Japan have approached Canberra about opening posts in Papua New Guinea.

A Summing Up

Despite a heritage of disunity, isolation from the twentieth century, and lack of preparation for self-government, Papua New Guinea is stumbling toward nationhood. It is trying to improve communication and understanding among its own people, and broadening their acquaintance with the world. The Somare government appears determined to come to grips with the numerous problems facing the country. The only genuine territory-wide political organization is still the Australian administration; the indigenous political structure is frail and untested. Somare and his colleagues face the difficult task of gathering loyalties and developing the expertise and apparatus to make a government work and a nation viable.

Removal of all Australian support is likely to come somewhat slowly, and the next few years will probably be relatively quiet ones of preparation. Major dislocations, if they come, are more likely to materialize later when the country, doubtless still unready, will receive independence.

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