

## **Does the State let PNG down?**

Nations have developed different models of government. A core principle (in democratic countries) entails the “separation of powers” between three arms of government, namely: the Executive; Legislature and Judiciary. These provide a system of checks and balances upon each other, set out in the Constitution, with distinct powers and functions. They complement each other, sharing some responsibilities, but mutually restraining abuses.

The Executive in PNG consists of: - the Head of State, Government (comprising Cabinet, including Prime Minister and other Ministers) and public service. In some countries the Executive includes a President, sometimes merging functions of Head of State and Prime Minister. The Executive prepares policies and implements them and the law. The National Parliament is the Legislature, which makes the laws. Under the Westminster system, applied here, the Cabinet members also sit within the Legislature; under other systems that does not apply. The Judiciary comprises the judges and magistrates who interpret the laws and protect the Constitutional rights of the population.

PNG has made great progress in a short period before and since Independence. Despite shared heritage, no country is as culturally diverse. Yet it has established itself as a proud and remarkably unified nation, despite ongoing regional and tribal differences, and growing economic and social disparities. It has a comprehensive range of public institutions, which are dynamic. Consequently, over the past 30 years, despite serious traumas, from Bougainville to incessant Highlands conflicts, PNG has avoided the man-made catastrophes prevalent in many developing countries.

Yet the State seriously underperforms, with reforms usually too little and late. It’s not a poor country in terms of human and natural resources, but is in terms of household income, employment, social indicators and services. Although PNG has comprehensive laws, policies and institutions, policy is rarely applied. There are too many tiers of government and institutions, and poor recognition of roles and responsibilities, especially between politicians and implementing agencies. The country is over-governed, yet with few effective services, especially away from the centre. A small and relatively poor country cannot afford national and provincial governments, proposed district authorities, LLGs and wards, each comprising politicians and officials, but inadequate operating funds for their functions. A widespread view is that provinces are the least relevant, providing limited public answerability, whilst Districts should only be administrative, but different models may be applicable in different regions. Priority should be on implementing the chosen system(s) effectively.

A National and Economic Fiscal Commission (NEFC) review shows both inequitable and totally inadequate government funding for basic services and infrastructure across this country, although administration is over-funded. The annual shortfall is ironically about the sum government has committed for a stake in the gas project!

The State needs to concentrate upon core functions, notably provision of public goods and services and suitable investment conditions for growth, whilst ensuring

competitive markets and planning and overseeing resource utilisation. Growth is generated particularly by private investment, including the informal sector, which provides the livelihood for most of PNG's population, especially in rural areas. The private sector runs commercial enterprises (including services, such as telephones) better than the State, and the State's continued involvement is largely holding back investment and services.

Many of the toughest (though stimulating) jobs in remote locations are performed by public servants, for example in education and health, often with few facilities or support. Many public servants are striving with great dedication though few resources. These are the ones who merit society's recognition, including honours and awards, rather than those in plush offices, earning lucrative incomes or providing party favours!

Regardless of the effort of many dedicated individuals, the reality is that PNG's Public Sector as a whole is failing to deliver, and those performing are carrying many who are not.

The public sector may not be over-staffed in total, but staff and other resources are widely in the wrong places or poorly utilised. Whilst NCD has fine roads and offices, services and public infrastructure, especially in rural areas, have gone backwards over the years and in many areas are non-existent. Whole villages, which hitherto had access to health services and markets, are now isolated, without road, airstrip or shipping service. Others have occasional access. They've effectively been forgotten by the State, (except at election time). In some cases outside contact may continue through missions or NGOs, generally more attuned to community concerns than government.

A core problem with State institutions is bad management, resulting in poor-performance and waste, unaccountability, corruption and failure to rectify abuses, lack of focus, over-extending and dabbling in activities better performed by others. A major cause of this bad management has been failure to differentiate roles, between legislators and executive, politicians and public servants. Whilst the public demands the provision of the best staff and services, under the prevailing system of patronage leaders appoint wantoks and mates to key positions in exchange for support. Some politicians blame the community and custom for pressuring them, but this is a cop-out. A modern State cannot function on personal favours and obligations, but requires firm policies, procedures and standards, followed transparently. Leaders have a duty to set an example, not resist those standards.

PNG simply cannot have it both ways. Unless appointments to boards and management are based upon merit, and managers allowed to undertake their assigned tasks, performance will be unsatisfactory and the public will remain the loser. The laws have been tightened in 2003/4 to improve top public service and statutory body appointments and dismissal procedures, but adequate political will is required to apply them and other governance laws. One can have the best laws, but if individual leaders are intent upon ignoring or circumventing them and government and wider society are prepared to turn a blind eye, the community must expect unsatisfactory services, the loss of key professionals needed in these organisations (some heading overseas), and failure to attract good new recruits. Constant political interference and lack of process

in agriculture, fisheries, forestry and tourism appointments and decisions in recent years has seen sectoral institutions, some already weak, deteriorate badly. Managers and board members of commodity organisations, who should be answerable to producers, instead run around providing goods and services to Leaders, at the industries' expense. Public accountability has been replaced widely by private answerability to individual leaders or sponsors, expecting privileges in return. The capacity and morale of whole organisations have collapsed, sometimes in very short periods, with widespread reports of public officials serving outside interests, e.g. seeking or controlling PNG resources.

PNG needs an effective public sector, with clearly defined roles and strengthened checks and balances, including by the Legislature (e.g. Public Accounts Committee) over the Executive, and through independent watchdogs, including an effective Ombudsman Commission over the legislature and executive. The framework is there, but much greater commitment is needed make it work. In some cases, including law and order institutions, it requires the appointment of some outside management, able to escape wantok pressures, to help restore institutional credibility. The responsibility does not simply lie with leaders. The wider public, including school students, have a major role to play by becoming better informed on roles and responsibilities, and demanding public accountability by national and local leaders and organisations, over services, appointments, budgets and expenditure.