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POLITICAL ENGINEERING AND PARTY POLITICS IN PAPUA NEW GUINEA

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ABSTRACT

In this article I investigate whether 'political engineering' can work to address problems of party system instability in new democracies. I look at the ambitious recent attempts to engineer the development of stable party politics in Papua New Guinea, one of the few post-colonial states to have maintained an unbroken record of democratic government. Despite its enviable status in this regard, in recent years Papua New Guinea has been plagued by increasing political instability caused, in part, by the fragmentation of its party system. The article analyses Papua New Guinea's new political institutions, introduced in 2001, which are designed to encourage the development of a more coherent party system, stabilize the formation of executive government, and fundamentally change the conduct of the electoral process.

Introduction

In recent years, the possibility of 'political engineering' – crafting the institutional 'rules of the game' to achieve certain objectives – has become an increasingly attractive option for influencing the development of political system in new and established democracies alike (Diamond, 1999; Sartori, 1994; Weaver and Rockman, 1993). Political engineering is not a new idea: indeed, the possibility of influencing the development of a political system via institutional design has ancient antecedents in political science. However, it was perhaps given contemporary prominence by Sartori (1968), who argued that political development, particularly in new democracies, could be aided by the adoption of institutions that constrain the centrifugal tendencies which affect many newly created nations.

It is now widely accepted that some institutions of government can be

purposively engineered so as to reward particular types of behaviour and thus achieve particular outcomes. In societies facing deep internal cleavages, for example, the careful design of political institutions can hold out great hopes for the building of a sustainable democracy (Harris and Reilly, 1998; Horowitz, 1991; Lijphart, 1977; Sisk, 1996). Some political engineering strategies focus on the creative manipulation of electoral systems to achieve these and other aims (Farrell, 2001; Reilly, 2001; Reilly and Reynolds, 1999; Taagepera and Shugart, 1989). Similarly, there is a long and ongoing debate on the relative merits of presidential and parliamentary structures (Lijphart, 1992; Shugart and Carey, 1992), and on the virtues of various forms of legislative reform, such as the introduction of parliamentary committees or of bicameralism (Olson, 1998). Still other political engineering approaches focus on the desirability of devolving power via decentralization, federalism or autonomy (Ghai, 2001; Hannum, 1996).

Attempts specifically to alter the functioning of a country's party system are another form of political engineering. The 1990s' political reforms in Japan and Italy, as well as the earlier political restructuring of post-war Germany or post-1958 France, had party system reform as a primary objective. But in most democracies parties are usually assumed to develop organically, rather than being deliberately designed in the manner of other, formal, political institutions.

There are several reasons for this. First, because political parties in theory represent the political expression of underlying societal cleavages (Lipset and Rokkan, 1967), parties and party systems are not usually seen as being amenable to overt political engineering. (Conversely, elite-based parties with relatively weak societal roots are usually viewed as more pliable, and the growing prominence of such parties may thus portend a greater degree of attempts to engineer contemporary party systems.) Second, while some authoritarian states have attempted to control the development of their party system (e.g. the mandated two-party and three-party systems that existed under military rule in Nigeria and Indonesia, or the 'no-party' system that currently exists in Uganda), most democracies allow parties to develop freely. Their presence can be encouraged via public funding or granting free airtime during election campaigns, or retarded by restrictions on their size, membership or even ideology, but they are generally understood to remain beyond the reach of formal political engineering in most circumstances.

This is particularly the case in countries which have a well-established record of free and fair elections, open and competitive politics, and peaceful turnover of power from one side to the other. Over the past year, however, one such 'established democracy' – the Pacific state of Papua New Guinea – has embarked on a sustained attempt to deliver a more stable form of political system via changes to the rules by which governments are elected and take office. Papua New Guinea's political reforms encompass a revision of the electoral system, the introduction of new rules controlling the formation of executive government, and a series of financial and other

incentives which aim to promote the development of a more structured and disciplined political party system. Taken together, they represent an attempt to deliberately 'engineer' the development of a stable party system in a democratic state. If successful, they should help bring a degree of pre-dictability to that country's robust but chronically unstable form of parliamentary democracy.

The remainder of this article discusses the details of the new reforms, beginning with a description of Papua New Guinea's unruly political system. Representative government in Papua New Guinea features regular elections, high levels of political participation and an exceptionally competitive political system – but also a weak and fragmented party system, unstable executive government and frequent changes of Prime Minister via 'no-confidence' votes on the floor of parliament. The attempted engineering of the party system aims to keep these beneficial aspects of electoral competi-tiveness and participation, while tempering the excesses of political insta-bility and fragmentation. If successful, it may well provide some useful lessons to other countries grappling with similar issues elsewhere.

The Context for Reform

Much of the impetus for political engineering in Papua New Guinea comes from its unusual – in many ways unique – status as one of the developing world's few long-standing democracies. With a population of 5.1 million, Papua New Guinea is the second-largest country in Oceania, being con-siderably larger than New Zealand and second in size only to Australia. It also dwarfs the rest of the Pacific Island states. In terms of its system of government, Papua New Guinea has a unicameral Westminster-style national parliament composed of 109 members elected from a two-tier system of 89 'open' electorates of approximately equal population size and 20 'regional' electorates based on the boundaries of the country's 19 provinces and its National Capital District. Parliamentary terms last for 5 years. National elections have been held continuously since 1964; the most recent was held in June 2002. As discussed in more detail later in this article, two different electoral systems have been used: a plurality, first-past-the-post system between 1975 and 2002, and a modified version of the alternative vote before and since then.

Despite its relative obscurity, Papua New Guinea's recent history high-lights several issues which should be of broader interest to many political scientists. First, as its electoral record suggests, Papua New Guinea boasts one of the developing world's most impressive records of democratic longevity, with almost 40 years of continuous democratic elections at the national level, all of them characterized by high levels of participation and candidature, and numerous peaceful changes of executive power. From 1975 (the year of Papua New Guinea's independence) to 2002, there have

been nine such transitions in power: four times at general elections and five times on the floor of parliament. Accordingly, leading comparative politics scholars such as Larry Diamond have written of Papua New Guinea's 'remarkably vibrant and resilient democratic system' making it, with India, the most successful democracy of any of the 'Asian' developing countries (Diamond, 1989: 1). As one indicator of this, Papua New Guinea is one of only a handful of Third World countries that Arend Lijphart, in his recent book *Patterns of Democracy* (1999), considers to be amongst the world's 36 'established democracies'.

In addition to this unbroken record of democracy, Papua New Guinea is also one of the most ethnically diverse societies anywhere in the world. One oft-quoted illustration of this is the fact that Papua New Guinea is home to no less than 852 of the world's languages – more than exist in all of Africa – spoken by several thousand small and often mutually hostile clan and tribal groups. Indeed, Papua New Guinea is, on some indicators, the most fragmented society in the world in terms of ethno-linguistic heterogeneity. This extraordinary level of societal diversity has been both a blessing and a curse for democratic politics in Papua New Guinea. On the plus side, it virtually guarantees that no one group will ever be able to act as a hegemon and control power alone. The result is that national politics is, by necessity, characterized by cross-ethnic bargaining and multi-ethnic coalition governments, facilitating ongoing democratic rule in the context of shifting ethno-regional coalitions. Because of this, all governments to date have comprised impermanent coalitions of various parties, groups and individuals, including many independent candidates. Power must be shared. Papua New Guinea's remarkable record of continuous democracy owes much to this essential characteristic (see Reilly, 2000).

Yet, despite its impressive record of democracy, Papua New Guinea has had a difficult history since independence. It fares badly on many social and economic indicators, suffering poor job generation, high levels of unemployment and violent crime, and low levels of literacy, education and social opportunity. Corruption appears to have become an entrenched part of the political and business culture. On some indicators the country's per capita GDP is lower today than it was at independence in 1975. Papua New Guinea's ranking on the United Nations Human Development Index (a composite measure of socio-economic indicators which includes information on health, education and employment levels) is similarly low, at 133 out of 173 countries (United Nations Development Programme, 2002). The country has also experienced a number of secessionist movements – most notably a long-running civil war on the island of Bougainville, the subject of a recent peace agreement. In short, while the continuity of three decades of unbroken democratic rule in a hugely diverse social setting represents a significant achievement, it has brought few if any of the developmental benefits usually associated with democratic governance. So another distinctive feature of Papua New Guinea is its unfortunate status as a

country where an extended period of democratic government has *not* brought economic development.

Problems of Party Politics in Papua New Guinea

In recent years, it has become increasingly accepted that one reason for Papua New Guinea's economic decline is the shortcomings of its political system. One shortcoming is the way that first-past-the-post elections in a context of great social diversity can ensure the election of candidates who have almost no support beyond a block of votes from their own clan or tribal group. With an average of 26 candidates standing in every seat at the most recent elections in 2002, this has resulted in a plethora of minimally supported victors at elections. At recent elections, there have been increasing cases of politicians winning a seat with as little as 6 or 7 percent of the vote. In contrast to the majoritarian effects of first-past-the-post rules in other contexts, in Papua New Guinea the system has enabled candidates with a very small support base to entertain hopes of winning. It has also rewarded vote-splitting devices such as the placing of 'dummy' candidates, whereby one group will pay the nomination fees or electoral expenses of a friendly candidate from a different grouping in order to divide an opponent's vote.

As a result, winning members supported by an absolute majority of voters at Papua New Guinean elections declined from 19 in 1977 to just 4 in 1997. The 2002 elections continued the trend, apparent since independence, of increasing numbers of successful candidates being elected with extremely low levels of electoral support. For example, while only 11 members won with less than 20 percent of the vote in 1977, by 1997 only 45 elected members could gain *more* than this level of support. Strikingly, the 1997 election saw 15 MPs elected with less than 10 percent of the vote each, including 3 candidates who won their seats with less than 7 percent of the vote.

Such results point to a number of problems in the nature of representation in Papua New Guinea. For many MPs, their constituency is not the electorate which they supposedly represent, but the much smaller subgroup within their electorate to which they owe their allegiance, and their parliamentary positions. Standish, for example, has written that 'it is assumed that 'representatives' will only work for the benefit of a small minority who actually voted for them, which can be as low as 7 per cent under the first-past-the-post ballot' and that 'usually the majority . . . of voters opposed the winner, and often refuse to let their elected member visit them' (1994: 60). Another consequence of this system is an extreme volatility in electoral outcomes, as small shifts in vote shares can and do see different candidates elected. As a result, Papua New Guinea has extremely high rates of political turnover: over half the parliament regularly lose their seats at each election.

The problems of tribal allegiance and minimally supported electoral

victors have inevitably affected the development of Papua New Guinea's political parties and party system. In contrast to most other 'established' democracies, political parties in Papua New Guinea have virtually no mass base, little in the way of political philosophy and very limited input into the policy-making process. They function almost solely as parliamentary factions. Indeed, the only real significance of parties lies within the parliament itself, via their role as aggregative groupings from which parliamentary coalitions can be built. Their extra-parliamentary functions amount to little more than limited and intermittent roles as providers of electoral campaign assistance, although some parties have developed external business arms. As there is little in the way of policy-relevant or ideological distinctions between most parties, elections tend to be focused on competition between local tribes and clan groupings rather than on broader regional or national issues. Candidates will often associate themselves with several different parties prior to an election, or change from one to another.

The combination of these factors has created a tendency for strong candidates to choose parties, rather than parties choosing candidates, and for some parties in recent elections to endorse multiple candidates in each seat in the hope that the winner will thus vote with them once in parliament. This practice – which represents an attempt by party leaders to increase the prospects of a winner being aligned to 'their' party, in the absence of other mobilizing factors such as any significant party identification or party vote in the community at large – itself contributes to the weakness of party loyalty and party discipline. Because of this, party identification has become less and less meaningful. Increasingly, electors vote for independents rather than party-affiliated candidates: at the 1997 elections, 61 percent of the vote went to independent candidates.

One consequence of this is that, while Papua New Guinea stands out as a relatively rare example of democratic longevity in the developing world, its party system has steadily atrophied over the past decade. Indeed, the country's political parties have become less and less structured with each election. As a result, the party system is today unstable (no government since independence has survived as elected for a full parliamentary term), fragmented (42 parties contested the 2002 elections) and ephemeral (a number of important parties that played a significant role in government through the 1980s and 1990s no longer exist, while a raft of new ones have emerged). A broader indicator of the systemic crisis in the country's party system is the stark fact that the largest single grouping at the 1992 and 1997 elections were independent candidates, who won more than one-third of all seats on both occasions.

The ongoing dissolution of the Papua New Guinea party system has resulted in extremely unstable executive government. Part of this executive instability relates to the way in which parliamentary coalitions are put together by the leading political actors after each general election. Because most political parties are simply vehicles for achieving and then maintaining

political power, and have little in the way of a common ideology or policy agenda, there is a great deal of 'party-hopping' by elected parliamentarians moving from one party label or camp to the next, often in exchange for rewards such as the promise of a ministry or more direct financial inducements. The weakness of political parties and the common ideology of almost all participants results in potential leaders engaging in frantic post-election tussles for commitments of loyalty from newly elected members, in the hope of being able to piece together a parliamentary majority. All members, not just the small parties and independents, are targeted as potential allies. Inducements are offered in return for support, and in some cases members are 'locked' in remote resorts or hotel rooms until they have given guarantees of loyalty (hence the usual reference to post-election meetings of potential coalition partners as 'lock-ups').

As a result, prior to 2002 every government since independence had changed at least once on the floor of parliament via no-confidence votes against the incumbent Prime Minister. Because of this, a large part of every Prime Minister's time was taken up with keeping fractious parliamentary coalitions together. Because under Papua New Guinea's constitution a vote of no confidence leads to a change of government but not to the dissolution of parliament, the stability of governing coalitions is always at the mercy of competition for ministerial office among parliamentarians. As one commentator with long experience in Papua New Guinea has written, under such circumstances:

> [P]olitical stability is constantly threatened, for at the first whisper of a conspiracy towards a vote of no confidence, normal executive and legislative functions are immobilized, as the Prime Ministers and their rivals go about mustering parliamentary support. Corruption and patronage are the natural results, while the political system becomes discredited. (Ghai, 1990: 329–30)

Another example of the weakness of the Papua New Guinea party system has been the extent of party-switching that takes place. The governing party from 1999 to 2002, the People's Democratic Movement, counted over half the parliament amongst its membership but received only 4.4 percent of the vote at the 1997 election, according to electoral returns. Nearly all its members had thus been recruited from other parties or from the swollen ranks of independents. The willingness of members who stand for office under the endorsement of one party to join another party once elected to parliament has been one of the more distinctive features of Papua New Guinea's parliamentary politics. In tandem with its unusually fragmented political system, this practice of 'party-hopping' has seen parliamentary politics become an ongoing game to see who can control executive government. Overall, the combination of weak political parties, high candidacy rates, low party identification on the part of the electorate and a high turnover of politicians from one election to the next has served to institutionalize instability in parliamentary politics.[1] As a consequence,

Papua New Guinea politics – and hence, policy – has become a prisoner of weak and unstable executive government.

The Reform Package

Political instability has long been cited as a key factor undermining policy stability, continuity and planning in Papua New Guinea. But until the emergence in 1999 of a new Prime Minister, Mekere Morauta, there had been little government enthusiasm for tackling these problems. Ironically, Morauta himself came to power not by election but rather via a vote on the floor of parliament after the previous incumbent, Bill Skate, resigned in anticipation of losing a no-confidence vote. Once in power, however, Morauta placed an overhaul of the country's political institutions at the top of his agenda, announcing that his government's intention was 'legislating for political integrity and stability'. A package of legislation aimed at reforming three key areas of politics – the electoral system, the parliament and the party system – was introduced in 2000.

Declaring the new political party laws to be 'the most important Constitutional change this country has made since independence', Morauta said that:

> Papua New Guinea has been a strong parliamentary democracy since it gained Independence in 1975. But Parliament has not worked as well as it should. In recent years, instability within the system has brought about a paralysis in decision-making, and consequently a failure in policy-making, in the implementation of policy, and in the delivery of basic services to the people. Many observers have commented that a basic reason for this is that politicians have demonstrated a lack of commitment to the people who voted them into parliament and to the platforms and parties that they stood for in election campaigns.[2]

The reform package – popularly known in Papua New Guinea as the Integrity Law – represents an ambitious attempt to rework Papua New Guinea's political system from the top down. It focuses on changing the rules which govern the formation, composition and funding of political parties; introducing new constitutional provisions aimed at stabilizing executive government and limiting no-confidence votes against the executive; and reforming the electoral system in order to encourage more representative and widely-supported candidates. Taken together, these new 'rules of the game' represent one of the most far-reaching attempts to 'engineer' the political system conducted by any democratic polity. The following sections discuss the most pertinent details of the new provisions.

Encouraging Political Parties

The first part of this package, aimed at stimulating the development of more meaningful political parties, is the most conventional part of the reforms.

Under the new *Organic Law on the Integrity of Political Parties and Candidates*, all political parties must be registered before they can compete at elections. In order to qualify for registration, a political party must be formally incorporated as an association; it must have a constitution; and it must have financial members as well as a secretary, treasurer and public officer. There is also a legislative requirement that parties exercise internal party democracy: all financial members of a party must be free to choose their executive at periodic elections in which all members have a right to vote, and to stand for election to party executive positions. The broader aim is to move parties away from being 'owned' by a few dominant personalities and encourage them to become more broad-based entities. It is hoped that, over time, this will help encourage the development of a more structured and institutionalized party system.

To address the chronic under-representation of women in Papua New Guinea's politics (only 2 of the 109 members elected in 1997 were women), parties that put forward female candidates for election will be able to recover up to 75 percent of their election expenditure so long as the candidate in question gains more than 10 percent of the vote. Again, the intention of these provisions is not just to encourage more female candidates, but to encourage parties to become more open organizations which any citizen, including women, can join and take part in.

The provision for party registration is tied to a new system of party funding. As well as being able to accept contributions from foreign sources (which had previously been banned), all registered parties are now eligible for public funding. However, unlike the customary forms of public funding in Western countries, which tend to be based on each party's vote share, the new legislation delivers party funding on the basis of each elected MP. Under the law, each registered party will receive 10,000 kina (about USD 3000) per MP per year. A party which has two representatives in parliament will receive 20,000 kina per year, whereas a party with 10 representatives will receive 100,000 kina per year. Independent MPs, or those belonging to unregistered parties, receive nothing. This 'top-down' approach is aimed at strengthening parties at the parliamentary level. Parties now have a strong financial incentive to recruit independent candidates and other members of parliament into their fold. Again, it is hoped that this will help to move parties away from being purely vehicles for personal advancement and encourage intending candidates to stand for election under a party banner rather than as independents.

Stabilizing Executive Government

This incentive to attract new members comes at a price, however. As part of the push to combat party-hopping and stabilize executive government, restrictions are now placed on the freedom of MPs to change parties, and specifically to leave the party with which they were aligned when first

elected. Any MP elected as a party member faces a range of penalties if they join another party or become an independent during the course of the parliament. In such a case, a 'leadership tribunal' decides whether their grounds for resignation from their original party were valid – which, according to the legislation, is only possible if the party has breached its own constitution or been declared insolvent. MPs elected with party endorsement must also vote in accordance with their party position on key parliamentary appointments. In effect, this means that each party member must vote with a majority of MPs from that party in four areas: on a vote of no-confidence against the Prime Minister or ministry; on the appointment of a Prime Minister; on a vote for the national budget; and on a vote to amend the constitution. Members can abstain from a vote, but if they vote against their party's position they face a range of possible penalties, up to and including dismissal from the parliament. Given that the majority of Papua New Guinea parliamentarians fail to be re-elected at election time, it is unlikely that many of them will risk this option.

To facilitate this process, every parliamentary party must also have a recognized parliamentary leader. After an election, the largest party in parliament will be invited to nominate a new Prime Minister and to form the government. Even if there are many other parties (as will likely be the case), the largest parliamentary party gets first shot at this key task. If the nominated candidate for Prime Minister fails to win a majority of votes, then the process is thrown open to any contender, and the groupings that can pull together enough support will form the government, as is the case today. MPs elected as independents cannot join a party at the first sitting of parliament prior to the vote for Prime Minister and, if they have voted to appoint a particular Prime Minister, they must continue to support that same Prime Minister in future votes of no-confidence against the Prime Minister or the ministry. All of this is supposed to have the effect of limiting the bargaining power of independents (whose votes are regularly 'bought' in a variety of ways at present) and of giving them much less leeway on key issues than party members – and, once again, giving them an *a priori* incentive to contest elections under a party label.

Taken together, these provisions are likely to provide a strong and immediate stimulus towards the formation of a more encompassing and structured party system at the parliamentary level. Over time, it is hoped the incentives towards party aggregation at this level will encourage the growth of more meaningful, broad-based and policy-focused parties beyond the confines of parliament as well. This will not happen overnight, of course, and it may not happen at all. The dissolution of the Papua New Guinea party system is in many ways a reflection of the fragmentation of its traditional society and the lack of clear ideological issues in a political process dominated by two-way exchange obligations, high levels of corruption and the perennial quest for 'development'. Political parties have so far found it difficult to build much in the way of voter loyalty or a stable

membership base. But inherent in the new party system laws is the expectation that parties can be 'built', to a certain extent, not from the bottom up (as is usually the case), but from the top down, by forcing what are currently shifting coalitions of independents and weak parties into more structured and indeed permanent alliances over the course of each parliament. This holds out the prospect that a meaningful party system can somehow be fashioned out of the chaotic base metal of the Papua New Guinea parliament.

Whether such an approach is actually feasible, however, remains to be seen. The early evidence from the 2002 elections suggests some mixed effects: while independent candidates won just 17 seats, the number of parties winning seats increased, with no less than 24 parties represented in the new parliament.

Changing the Electoral System

The final – and possibly most important – reform in Papua New Guinea has been the decision to change the electoral system away from the current first-past-the-post system to a preferential system. All elections following the June 2002 poll will be held under this voting system, a modified form of the alternative vote as used in Australia. This is a majority electoral system used in single-member districts that enables electors to rank-order candidates in their order of choice on the ballot by marking '1' for their favoured candidate, '2' for their second choice, '3' for their third choice, and so on. Under the system, any candidate achieving an absolute majority of first-preference votes is immediately elected. However, if no candidate has over 50 percent of first preferences, the lowest-ranking candidate is eliminated and his or her lower-order preference votes are transferred as marked to remaining candidates. This process continues until a majority winner emerges, or until there are no more votes remaining to be transferred.

In Papua New Guinea, a 'limited preferential' system has been chosen, which means that voters will have to mark a minimum of three preference votes on their ballot paper. Most seats will not therefore be won by an absolute majority, because many voters will doubtless choose to mark only the three preferences required. It should, however, ensure the election of much more broadly supported candidates than is the case today. In addition, by enabling voters to express their preferences between candidates, rather than simply their first choice, the new system is likely to mitigate the effects of 'vote-splitting', as aligned candidates will now be able to aggregate their vote totals via secondary preferences. Because of the potential impact of these lower-order preferences, office-seeking candidates should have a strong incentive to attract as many secondary preferences as possible from voters who gave their first-choice vote to other candidates – thus promoting 'centripetal' rather than 'centrifugal' political incentives (see Reilly, 2001). In sum, the new system should aggregate common interests while

ensuring a majority victor – two crucial weaknesses of first-past-the-post elections in Papua New Guinea.

Preferential voting is not new to Papua New Guinea: an 'optional preferential' vote was used for three early elections in 1964, 1968 and 1972 under the former Australian administration. The first-past-the-post system was introduced at independence in 1975, after a constitutional commission suggested that it would be much simpler to run and would produce similar outcomes to the preferential system (Constitutional Planning Committee, 1974). This proved to be a serious misjudgment in the context of Papua New Guinea's clan-based politics. Because first-past-the-post recast electoral politics as a zero-sum contest between clan-based candidates, most voters had little alternative but to express their choice in a 'friendly' versus 'antagonistic' pattern along predetermined ethnic lines. Rising levels of political violence, widespread dummy candidature and 'vote splitting' – friendly candidates with little hope of winning standing in order to 'split' an opposition block vote – and increasingly unrepresentative elected members appear to have been a result.

By contrast, research and analysis of the three earlier elections held under the optional preferential system provide clear evidence of how different electoral rules can encourage different kinds of political behaviour. First, under optional preferential voting, most winning candidates were elected with a majority of the total vote, rather than the small pluralities of 5 or 10 percent of the vote that have become common since then. Elected politicians could thus legitimately claim to represent – and be accountable to – a much broader proportion of the electorate than is the case today. Second, in order to achieve this majority support level, most candidates found that they could not rely on the votes of their own extended family or clan group alone to achieve a majority. They had to reach out to voters from other groups – often by 'pooling' their votes, i.e. trying to win not just first preference votes, but also the second preference or third preference votes from electors who had initially voted for someone else.

This kind of 'vote pooling' in Papua New Guinea took place in three primary ways, nearly always predicated on the assumption that most voters would invariably give their first preference vote to their own clan or 'home' candidate. The most common and successful method of vote pooling was for a candidate who had a limited 'home' support base to campaign widely for second-level support amongst rival groups. This required a range of techniques, such as translating campaign speeches and travelling widely throughout an electorate, with the essential request being not for a first preference vote but for a second or third preference. For this strategy to succeed, candidates needed to be able to sell themselves as a good 'second-best' choice – which meant, in general, someone who would look after all groups fairly – and to campaign as much for second preference votes as for first preferences (see Reilly, 1997). A second strategy was for candidates with significant existing support bases to reach out to selected allies

for secondary support. Traditional tribal contacts and allegiances, for example, could be utilized to create majority victors, as was the case in a range of seats at the 1972 elections, where a number of winning candidates forged close connections with rival tribes and urged supporters to cast their preferences for a member of that tribe as well as for themselves (cf. Rumsey, 1999). A third strategy, and increasingly common by the time of Papua New Guinea's third election in 1972, was for groups and candidates to form mutual alliances, sometimes campaigning together and urging voters to cast reciprocal preferences for one or the other.

These alliances were a response to the incentives presented by the electoral system for campaigning on a common platform, whereby the sharing of preferences between aligned candidates was perceived as a rational activity which maximized prospects of electoral victory. They also appear to have given some impetus to the need to organize politically, and can thus be seen as the forerunners to the establishment of political parties in Papua New Guinea. Indeed, the Morauta government emphasized that the electoral system change was part of a package of interlocking reforms, all of which were aimed at reshaping Papua New Guinea's party system, and that all three objectives – promoting political parties, stabilizing executive government and changing the electoral system – should be seen as being a complementary and mutually interdependent part of one coherent package.

Political Engineering and Economic Development

As well as representing an unusual example of political engineering, one notable aspect of Papua New Guinea's political reforms is their explicit link to broader issues of social and economic development. There is a widespread recognition that, despite some successes, Papua New Guinea as a country is in many ways worse off today than it was at independence. Far from bringing 'development', the democratic aims of the Papua New Guinea constitution have been subverted, with the institutions of representative democracy increasingly providing a vehicle for the accumulation of public resources by politicians and their tribal support base (Ghai, 1997). As a result, the high hopes for economic development that were present in the early years following independence have been replaced by an ethos in which elites increasingly focus on the state, not the market, as the main avenue for accessing and accumulating wealth. Not surprisingly, this rapacious form of rent-seeking has been accompanied by a steady decline in Papua New Guinea's overall prosperity.

Much of the debate on the new political reforms has therefore highlighted the link between a functioning political system and the broader development agenda. Introducing the reforms, Prime Minister Morauta argued that by creating stability the new laws would also promote national growth, saying 'Papua New Guinea is at the development crossroads. This legislation will

help put it back on the path to development and prosperity'. While an explicit connection between the political reforms and stronger economic growth struck some observers as fanciful, comparative research across a range of contemporary democracies suggests that broad-based parties with strong ties to the electorate are associated with higher overall levels of development than more fractionalized party systems (Powell, 1982: 101), and that party system fragmentation represents a particular barrier to achieving economic reform (Haggard and Webb, 1994). The new political party laws, which aim to stimulate the development of more programmatic parties which will be able to translate public preferences into government policy, are thus expected to have direct consequences for economic performance and development.

Similarly, the issue of minority winning candidates has direct public policy implications. By my calculations, the parliament elected at Papua New Guinea's 1997 election received the support of just 18 percent of voters: in other words, 82 percent cast their ballot for losing candidates. This is by far the lowest level of electoral support for a parliament of any 'established' democracy, and indeed is much lower than that regularly received by legislatures in many quasi- or semi-democratic countries. Voter support levels for Papua New Guinea's government (that is, the ruling coalition) are lower still, at less than 10 percent – compared to an average of around 45 percent in most other 'established' democracies (Powell, 2001: 236). Again, this has direct policy implications. Research suggests that regimes that rely on only a small percentage of the population for their overall vote share have, in general, much weaker economic growth than those with more broadly-based governments (Bueno de Mesquita et al., 2001).[3] Encouraging the election of more broadly-supported candidates is thus an issue that touches directly upon wider issues of economic growth and development.

Conclusion

The first parliamentary test of the new party laws came after Papua New Guinea's 2002 elections, widely condemned as the worst since independence. These elections – the last to be held under the first-past-the-post system – saw widespread electoral violence, fraud, and theft of ballots. Over 30 people were killed in disputes between tribal groups and their chosen candidates during the polling period, with some areas reduced to virtual war zones. In the country's most volatile region, the highlands, polling had to be abandoned in several provinces, and at the time of writing new elections were scheduled for six seats in the Southern Highlands province.

Following a Supreme Court ruling that the formation of government could go ahead without these seats being declared, the new party laws swung into action. The largest party after the elections was the National Alliance, led by Sir Michael Somare – Papua New Guinea's first prime

minister and most successful political figure to date. Under the new laws, he was thus invited to be the Prime Minister, and was in fact elected by an 88 to nil vote at the first sitting of the new parliament, as numerous small parties moved to support his government. As these 88 parliamentarians were obliged to maintain their support until the next elections in 2007, Somare thus became the first prime minister in the country's history to be guaranteed security of tenure in office.

Overall, however, the net effects of the new laws are unlikely to be seen for some time. As a general rule, when any kind of political engineering is being attempted, institutions need to be kept constant for several years and through several political iterations (e.g. successive electoral contests) before their strategic impacts stabilize and become clear to political actors and voters alike (Taagepera, 1998). In addition, there is a particular and unavoidable time-lag in assessing this legislation which reflects the deals that had to be done to pass the current reform agenda through Papua New Guinea's unruly parliament – the very object of the reform exercise. The electoral system changes, for example, do not take effect until *after* the June 2002 elections – a key trade-off between the government and the backbench, who had rejected previous attempts at reform precisely because many believed (correctly) that it would threaten their own re-election chances. Indeed, two previous attempts to re-introduce preferential voting failed for precisely this reason.

Some other planned reforms had to be dropped altogether. These included a proposed life ban for parliamentarians found guilty of misconduct and a 10-year ban for those declared bankrupt; plans to abolish regional seats in order to increase the number of open electorates; and separate attempts to abolish the infamous Rural Action Program and Electoral Development Fund schemes (more commonly known as 'slush funds') under which every MP receives 1.5 million kina for spending at his or her discretion in each electorate. All of these proposals foundered on the rocks of self-interest, with sitting parliamentarians being unwilling to entertain changes to the perks and privileges they currently enjoy. On the positive side, plans to create a National Anti-Corruption Agency and changes to the role of parliament in accepting or rejecting proposed revisions to electoral boundaries have both been introduced in modified form.

Overall, only time will tell if institutional reform will work for Papua New Guinea. While there is a strong sense among observers and advisers that '*something* needs be done' to address the problems discussed in this article, there is also scepticism that Papua New Guinea's 'entrenched political culture of localised and personalised electioneering and fluid party allegiances can be changed from above – in effect, by constitutional fiat' (Standish, 2001: 295). However, while it may be too early to evaluate the success of the reforms, they do represent an innovative institutional response to an issue that has plagued many new democracies: the problem of political instability created by a weak and fragmented party system leading to regular

parliamentary upheavals and changes in executive government. If Papua New Guinea's political engineering does succeed in promoting more meaningful parties, more stable parliaments and more representative politicians – and it is a big if – it will represent a major breakthrough in the ongoing quest to build a sustainable political system that can support economic growth in that country. The result may be of relevance not just to Papua New Guinea, but to other countries struggling to institutionalize a stable party system and consolidate democracy.

Notes

1 For more detailed information on Papua New Guinea's party system, see Reilly (1999).
2 Morauta's full speech can be accessed at *www.thenational.com.pg/0704/ integrity.htm*.
3 Although this piece focuses on the link between economic stagnation and non-democratic regimes dependent for their support on a small 'winning coalition', its basic arguments can also be applied to democratic countries like Papua New Guinea, in which the government's electoral support comes from only a small fraction of the electorate. However, while the relationship between small winning coalition size and low economic growth is clear in Papua New Guinea (which is an extreme case), it may not apply more generally. I tested the relationship between economic growth and cabinet support levels across Lijphart's 36 established democracies using his data and found no correlation between these two variables.

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