

MOVEMENTS TOWARDS SECESSION 1964–76

by James Griffin

Although there were isolated calls for secession in Bougainville before 1964, it is an apt date to begin a discussion of relations between the colony of Papua New Guinea and Bougainville District (later Province). Following the Federal elections in Australia in December 1963, a new regime was established in the Australian Department of Territories under Charles Barnes (minister) and George Warwick Smith (secretary); the first exploratory steps were taken in what has been called ‘the greatest single event in the economic history of Papua New Guinea’ [Downs 1980: 340]; and the first nation-wide elections for a national legislature — the House of Assembly — on a common roll were held [Bettison et al. eds 1965]. The Barnes–Warwick Smith regime was to embrace enthusiastically the World Bank report on Papua New Guinea [IRBD 1965] advocating a selective and intensive development policy to replace the so-called ‘uniform development’ of the preceding minister, (Sir) Paul Hasluck (1951–63) [Hasluck 1976]. Neither Barnes nor Warwick Smith had any experience of Papua New Guinea and ardently believed that what was good for Australians would in the long run benefit Melanesians. Independence, they thought, need not come to Papua New Guinea until the 1980s or 1990s [Griffin et al. 1979: 138–42], and economic should precede political development [Parker 1971]. Therefore, when the Conzinc Riotinto of Australia Exploration¹ (CRAE) prospector, Ken Phillips, visited Kieta in January 1964 and established a year later that a substantial mineral deposit existed in central Bougainville, the Australian Administration was obliged to promote its development vigorously but unimaginatively according to Australian mining principles. Meanwhile, the elections to the House of Assembly, with only one member exclusively representing Bougainville, alerted its leaders to the relative powerlessness of the district, to the reality that independence would occur in the foreseeable future, and to the fact that a destiny of integration within Papua

New Guinea had been decided for them. Obviously, if Bougainville leaders wished to dispute that destiny, moves would have to be made before the independence movement gained full momentum.

Fortunately, Ken Phillips set down a memoir of his experiences from 1964 to 1966 [Bedford and Mamak 1977: 151–60]. It is interesting both for what it says and for what it does not say. Briefly, what appears is that Phillips was not made aware of any of the following points:

- the disgruntlement of people in the Panguna–Kupei area with their own lack of returns from (small scale) gold mining that had been carried out from 1930;
- the depth of resentment at the lack of development in and alleged ‘neglect’ of the province by the Australian Administration, for a dramatic example of which see the literature on the Hahalis Welfare Society [Rimoldi 1971; Rimoldi and Rimoldi 1992];
- the poor state of race relations, worse than in most areas in the country;
- the prevalence of cargoism [Ogan 1974]; and
- the emerging sense of ethnonational identity which was both ascriptive and historically conditioned [Griffin 1973a, 1973c, 1973d; but see Denoon 2000].

What is noteworthy is that Phillips himself appears to have got on quite well with the local people and that he and the *kiap* in charge at Kieta, Assistant District Officer Max Denehy, were convinced that Australian rules should not be the name of the game in the land of the Nasioi and that the villagers in the explored area would have to be compensated substantially if mining was to go forward without violence. Denehy, however, was removed in 1966, after a number of obstructive incidents, not provoked by him, led to police intervention and his transfer elsewhere as a scapegoat [Bedford and Mamak 1977: 159].

Under Warwick Smith, Canberra assumed detailed day-to-day control by telephone and telex [Downs 1980: 346] where experienced, delegated authority should have been exercised. Even psychologists were sent in to analyse the putative mental ills of people who would not understand why they did not own the sub-surface of their land [Downs 1980: 349]. Eventually in 1967 a martinet, Tom Ellis, was made supremo in the Department of District Administration in Port Moresby while a soul-mate, Des Ashton, was made district commissioner in Kieta. The task of persuading villagers to freely accept the presence of CRAE had been rendered virtually impossible by Barnes’s visit to Kieta in early 1966. He stopped for a mere half hour in Port Moresby for briefing, flew to Kieta, took no notice of Denehy, drove straight to a meeting with the people and told them that Panguna was to be developed for the benefit of Papua New Guinea as a whole and that their benefits would be confined to multiplier effects. The Kieta councillors asked

for the royalties to go to the landowners and 40 per cent of the profit to development in the province [House of Assembly Debates (HAD) 1 August 1966]. At Panguna the next day, Oni, a leader at Moroni village (later to be disgraced for dealing with CRAE in land which he affected to 'own'), 'asked plaintively if there was not a silver shilling somewhere' for his people. To this Barnes said no — nothing — although even then he knew the mining ordinance was being changed to allow at least small occupation fees [Bedford and Mamak 1977: 158–9; Downs 1980: 342]. Yet two things can be said in extenuation. On the goldfields of Papua New Guinea, no clan had claimed before that prospectors could not help themselves to minerals if they had the requisite authority, and some of those prospectors were itinerant Papua New Guineans without any local rights [Downs 1980: 342]. Secondly, the aim of mining policy was to prevent rises in the price of land throughout Papua New Guinea and to ensure that no precedents were set which would elsewhere restrict use of land for development. Conzinc Riotinto Australia (CRA) was not allowed to deal directly in land with the Nasioi.

It was hardly to be expected that Catholic clergy, still smarting from their rejection on Buka Island in the early 1960s by the Hahalis Welfare Society [Laracy 1976; Rimoldi 1971], would not intervene as champions of their flock — some 75 per cent of the people of the province. One Australian priest was particularly articulate about this and contemporary grievances relating to forestry and road metal [Fingleton 1970], while American priests were not just incredulous about the British principle of eminent domain but condemned the moral pollution as well as the environmental destruction that industrialisation would bring [Downs 1980: 347–52]. It was, however, an Irish priest who asked Phillips 'if it was true that ... CRA was going to mine the whole of the Crown Prince Range with a hole running from Mt Bagana (central Bougainville) to Tonolei Harbour' (east of Buin on the south coast). The people, he said, were frightened the island would tip over and sink. Father Duffy, however, seems to have believed only the first part of that furphy [Bedford and Mamak, 1977: 156].

By 1967 CRA had forfeited credibility even though the advent of (Sir) Frank Espie as managing director rumoured a fluid link with SP brewery² and (Sir) Paul Lapun in the House of Assembly had won for minesite landholders five per cent of the royalties on copper in later 1966. An Australian official's opposition to this concession had been heartfelt and prophetic:

Either the government owns the minerals in the ground or it does not — there can be no compromise. (Interjection — it owns 95 per cent of them!) It might own 95 per cent this week, but in a few months it will own less and less again. Once the principle of all the people owning the land is compromised, there

will be trouble ... We have done everything possible to protect his [the owner's] rights, but the minerals in this country belong to all the people. They do not belong, nor should they belong to the owner of the land — to a person who has the good fortune to be sitting on top of a mineral. [HAD 14 June 1966: 154].

Paul Lapun's position was supported by Melanesian fundamentalists from other areas such as (Sir) Peter Lus:

I do not know about this new law you are trying to teach us ... How can it be that the ground underneath the surface belongs to the government? [HAD 14 June 1966: 1486].

In November 1966 Lapun's *Mining New Guinea Bill No. 2, 1966*, had 'provoked forty-five other members to enter a debate which occupied the better part of two days' [Downs 1980: 345; HAD 1, 11: 21–24, November 1966]. Even Sir Donald Cleland, the Administrator, had indicated that he thought the royalty to be reasonable and would 'take the heat out of opposition to the mine' [Downs 1980: 345]. So, officially, did Lapun:

I say to you that they [the landholders] will be content with 5 per cent. They will be happy ... I am a Buka man ... the people ... they will be happy ... and also pleased about the major part of the royalties going to the Government to help it develop this country. This is a fact. [quoted in Downs, 1980: 345].

Lapun's bill was carried 31/21 from among 64 members of the House of Assembly. Lapun was not prophetic. Although they believed in Lapun [Ogan 1973], the Panguna people still wanted CRA to leave. Consistently they asked for the copper to be left in the ground for their children or grandchildren to exploit. They would know how because they would be educated. Copper would not rot [Griffin, 1970].

In 1967 the House of Assembly ratified an agreement with a newly incorporated Bougainville Copper Pty Ltd (BCPL), which was given an initial lease of 42 years with provision for two extensions of 21 years each [Boniwel, 1972: 98]. From 1965, when the CRAE report admitted to 'a large body of low-grade copper ore which could support mining operation', to 1967, when it was estimated that there were substantially more than 90 million tonnes of ore with 0.63 per cent copper and 0.58 pennyweight per tonne of gold, expectations were to grow by 1969 to 'at least 760,000 [later 900,00] tonnes of ore with a grade of 0.47 per cent

copper and .4 dwt gold per ton' ['White Paper', Papua New Guinea House of Assembly, *Parliamentary Papers*, June 1969]. With preliminary expenditure of A\$40 million and ultimately some A\$400 million investment (much of it from foreign borrowings), BCPL needed guarantees of its authority and rights. It was assured by the Australian Administration that Papua New Guinea's independence would not come for at least 15 years. It is not clear what CRA's attitude would have been if it could have anticipated Gough Whitlam's³ more precipitate thrust for independence by 1975. Bougainville Copper Ltd, or BCL (as BCPL became in 1973), was to be exempted from company tax until 1981–82 and other concessions were to be made until the capital investment was recovered. Subsequently 50 per cent of its taxable income, eventually rising to a 66 per cent ceiling, was to be paid in tax [Griffin 1970: 9–10]. Yet, at the time, the agreement appeared favourable to Papua New Guinea. The government was to get a 20 per cent equity, there was scope for national shareholdings (9,000 residents took out one million shares) and the Panguna Development Foundation was to be set up [Togolo, and Vernon, both this volume] with two million shares held in trust for later distribution to Papua New Guinea residents. Provision was made for training programs, entrepreneurial promotion, scholarships and so on. Nevertheless, there had not been one Papua New Guinean signatory to the agreement, leaving its legitimacy open to postcolonial challenge. When, in BCL's first full year of operation (1973–74), profits came to a stupendous and abnormal A\$158 million, the Agreement came to look like a 'rip-off'. However, company officials maintained they did not anticipate the upswing in copper and other metal prices. The deregulation of gold in the world market in 1972 from a fixed US\$35 an ounce to an immediate average US\$89 an ounce (and then later to over US\$800) proved a bonanza. CRA has been adamant that in 1967 it would not have signed an agreement with terms such as the revised one of 1974.

The most dramatic incidents before 1973 occurred in 1969 when the Administration resumed the expatriate-owned Arawa plantation and Arawa village land for the mining town, as well as land belonging to Rorovana village for the Loloho port site. Having granted BCPL a special lease of about 10,000 acres near Panguna, having moved resident villagers to sites nearby and having satisfied itself that some A\$20,000 in occupation fees and a prospective A\$80,000 per annum in royalties for 1,000 people whose land was required was just, the Administration assumed a show of force would overcome further opposition, just as it had the obstructive behaviour of minesite owners and their neighbours. After all, this was not only the received wisdom of two generations of *kiaps* (government field officers) but of humane anthropologists employed by the company to advise it on village relations [Griffin et al 1979: 151, 175]. In early August 1969 passive

resistance to the riot squad by the Rorovana resulted in sensational media publicity for their cause. It was raised in the Australian Parliament by Labor members while Paul Lapun and ex-seminarian, student and secession activist Leo Hannett (b.1942), assisted by a few academics, unionists and religious leaders, toured eastern Australia. The tactics:

were extraordinarily effective. CRA was faced with costly delays; repression was going to mean ineradicable hostility. Paul Lapun talked about appealing to the United Nations. There were fears of guerilla warfare. The world press looked askance. And there was a Federal election coming up in Australia [Griffin 1970: 11].

The Australian Prime Minister, John Gorton, now overrode Barnes and Warwick Smith and allowed CRA/BCPL to negotiate directly with villagers. The result was substantially improved compensation for the Rorovana people for the resumption of their land as a port. This was later applied also to the Arawas on part of whose land the town was being built.

When Michael Somare's National Coalition gained power in Papua New Guinea in April 1972 and Lapun became Minister for Mines and Energy, Donatus Mola (Member of the House of Assembly, North Bougainville) Minister for Business Development, and Father John Momis Deputy Speaker, the stage was set for a new mining policy and a radical renegotiation of the agreement. Although Frank Espie found this unthinkable [personal communication 1973], the bonanza profit of 1973–74 settled it. The renegotiation was accomplished in 1974 [Downs 1980: 540–5] and was accepted by Bougainville leaders. Because of the inclusion of a seven-year review clause in the revised agreement and the procedures set up by Bougainville Copper for compensation, it seemed to most observers that the mine would eventually be acceptable to Bougainvilleans and that mechanisms now were in place for resolving future problems.

The major question then became what degree of autonomy should be granted to Bougainville and, by extension, to the other provinces of Papua New Guinea. In Port Moresby it seemed inconceivable that Bougainville should be given unique status, and that this curtailed the scope of negotiations. Sentiment for secession had been expressed in the 1950s [Griffin 1972: 264] and was, one might say, 'officially' articulated on 8 September 1968, when 25 Bougainvilleans, led by Lapun and Hannett in Port Moresby, initiated the Mungkas Society [Griffin 1973b] and requested a referendum on their province's future [Hannett 1969]. The problem over land in 1969 precipitated a political society, Napidakoe Navitu [Griffin 1982], with Lapun as patron. It openly advocated secession

although Lapun at the time was deputy leader of the nationalist Pangu Pati. For various reasons Napidakoe Navitu did not succeed in branching out much beyond central Bougainville, and the attempt by its expatriate secretary, Barry Middlemiss [Griffin 1972: 272–4] to stage an informal referendum in 1969 proved a fiasco. A period of relative calm followed, with Lapun being finally converted to integration with Papua New Guinea. The appointment of Momis as deputy chairman of the Constitutional Planning Committee suggested that a formula could be found to satisfy Bougainvilleans, although the University of Papua New Guinea student-sponsored Bougainville Political Awareness seminar in Kieta in mid-December 1973 made it clear that secession was very much alive even among those who appeared well-adjusted to national institutions [Griffin 1973b]. As it turned out, the killing of two Bougainville civil servants in a payback at Goroka at Christmas rallied the whole province behind an ethnonational banner. By the end of 1973, under pressure from Hannett's Bougainville Special Political Committee [Mamak and Bedford 1974] and the Bougainville Combined Councils Conference [Griffin 1977], Somare was obliged to grant Interim District (later Provincial) Government to Bougainville. However, he had great difficulty in persuading Cabinet to agree to such a level of decentralisation. A condition was that it would be offered to all provinces [Somare 1975: 119]. One of the demands was for all mining royalties, except those going to landowners, to be paid to the provincial government without any reduction in normal subventions from Port Moresby.

Unfortunately, the National Government's failure and/or inability to deliver on a decentralising constitution, a provincial election, the royalties or any other conspicuous gesture of faith in decentralisation continually aggravated suspicion in Kieta [Ballard 1981: 110–115]. A tradition that only confrontation with Port Moresby would achieve results had already been created. As Daniel Tsibin from Buin had said in 1966, '... is it not a pity [for the government in Port Moresby] to be forced to build roads as a result of [the Hahalis] rebellion' [Tsibin 1966: 33]. Towards the end of 1974, the Bougainville Interim Provincial Government (BIPG) refused 'further negotiations and thereafter threatened to divert the Jaba River, which serves the copper mine, and to secede if its demands were not met' [Ballard 1981: 114]. This crisis was damped down when an agreement was signed at Arawa on 18 September:

transferring royalties unconditionally to Bougainville from July 1975, adding \$401,000 to the Bougainville works plan and providing for additional funds for BIPG staff and further discussions on tertiary educational institutions for Bougainville [Ballard 1981: 114].

However, the provincial works program for 1975–76 was still to be negotiated, and for this, and other issues, the Bougainville Interim Provincial Government (BIPG) had planned enthusiastically and effectively, at an estimated cost of A\$5.3 million. The Department of Finance calculated that the province could spend only \$1.37 million [Ballard 1981: 117] — or, at least that is what it decided to offer. On 29 April a Port Moresby team came to Arawa and shocked the BIPG officials not only by the stringency of its offer but also by its dismissive attitude to the BIPG's careful planning and its seeming lack of commitment to operational decentralisation. No offer was made on the basis that the BIPG requests could be seen as a rolling program nor was this proposed by BIPG officials. An impasse had been reached. On 30 May, an almost unanimous vote of the BIPG assembly, with the support of allegedly 'some 200 elected traditional leaders', resolved that Bougainville should secede and declared its decision to be 'non-negotiable' [Griffin et al 1979: 214–15]. The BIPG asked for A\$150 million to set up its own government, in return for which there would be a slow phasing out of Papua New Guinea's 20 per cent equity in Bougainville Copper. Hannett, then provincial planner in the forefront of these decisions, declared the secession movement to be non-violent. Ironically, he had, in an interview publicised in the *Australian Financial Review* of 30 April, denounced secession as 'dishonest' and as a word put into the mouths of Bougainvilleans by outsiders when they were seeking only an appropriate degree of decentralisation. In July, (Sir) Alexis Sarei, chairman of the BIPG, estimated that secession was supported by 86 per cent of the people in the province [Griffin et al 1979: 216]. In August, Momis and the Hahalis leader, John Teosin, flew to the United Nations [Momis, this volume] expecting that some consideration would be given to their request for self-determination, only to find that the United Nation's concept allowed only for decolonisation within the imperially-determined boundaries, not for choice of nationhood by groups within such boundaries [Griffin et al. 1979: 214–61]. The Australian ambassador has recorded how Momis and Teosin were bewildered by the lack of concern of Afro-Asian representatives [personal communication Ambassador R. Harry to J. Griffin 1979].

On 1 September 1975, the now new Bougainville flag was raised at Arawa. Somare refused to use violence against secessionist leaders and concentrated his police on the maintenance of law and order. Although in early 1976 there were a few acts of riot, the issue was resolved by talks that began in February [Momis, this volume] and, to the credit of both sides, by August agreed on provincial government for Bougainville. Again, as with the 1974 renegotiation, there seemed enough flexibility in the system to deal with future problems, and those who signed the agreement for provincial government must be said to have had legiti-

macy with their own people. As the central government guaranteed adequate resourcing, there were grounds for confidence that a 'building-block' Papua New Guinean nationalism was now in progress [Griffin and Togolo 1997]. Only a rare dissenter, unimpressed by the 'nation-building' political science literature of the 1960s [see Connor 1972, 1973] felt that ethnonational sentiments did not necessarily have a price [Griffin 1976] and would need to be carefully monitored and, if possible, deftly manipulated. This foresight demanded that the National Government have some conspicuous presence in the province. Future hindsight would not then complain that, in spite of, or because of, the complacency engendered by the two basic documents of 1974 and 1976, the National Government in Port Moresby had proved to be as remote from Arawa in the 14th year of independence as it had been from Kieta under the *Pax Australiana*.

Endnotes

1. The subsidiary company which did the actual exploration as distinct from mining.
2. 'SP' (South Pacific), is the name of the Papua New Guinea brewery. It was a current joke to hear 'Espie', the name, as 'SP' the brewery, and some locals thought there was a connection.
3. Gough Whitlam was Australian Federal Labor Party Leader (1967–77) and Prime Minister (1972–75).