The Bougainville independence referendum: Assessing the risks and challenges before, during and after the referendum

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Abstract

This paper analyses some of the key political and strategic dynamics of Bougainville’s promised referendum, due to be held between 2015 and 2020. It identifies a number of significant risks, primarily located in the period before and after the vote. These are connected to likely frustrations should legal impediments be raised to the holding of the referendum, issues related to the resumption of mining and the role of spoilers, and differing expectations between the PNG Government and Bougainvilleans over the outcome and how it will be implemented.

The paper argues that much can and should be done between now and the referendum to help mitigate these challenges, requiring pro-active support from key states in the region. While it is not inevitable that Bougainville will return to bloody conflict, if major risks are not identified and countered—and tensions are allowed to rise unabated—it could have serious consequences for Bougainville, PNG and the immediate region.
The Bougainville independence referendum: Assessing the risks and challenges before, during and after the referendum

Introduction

We are the indigenous people of our motherland Bougainville. We alone have to decide our future, our destiny. No outsider can decide for us.

John Momis, President of the Autonomous Region of Bougainville, 2013

Between 2015 and 2020, the Autonomous Region of Bougainville is scheduled to hold a referendum on its future political status—that is, whether it should remain part of the southwest Pacific state of Papua New Guinea (PNG) or progress to full independence. The path to Bougainville’s referendum has been long, complex and costly. Bougainville’s secessionist movement has evolved over many decades but the complications caused by a lucrative but environmentally-destructive mine, a civil war which killed thousands of people, and a national government reluctant to set precedents for other provinces, has ensured the question of Bougainville’s political status has remained a difficult and divisive issue.

The ‘Bougainville Peace Agreement’, signed in 2001, guaranteed Bougainvillean a referendum which would include the option of independence, following a prescribed period of autonomous government. It is yet to be determined, however, whether the referendum proves to be the final resolution to Bougainville’s struggles or whether it has simply facilitated a temporary lull in hostilities.

This paper will analyse some of the key political and strategic dynamics of Bougainville’s promised referendum. It will identify foreseeable risks and challenges that may be encountered during the preparation, conduct and aftermath of the vote.

The paper is set out in four main parts, followed by a conclusion. The first part provides an overview of Bougainville, the crisis, key provisions of the Bougainville Peace Agreement, and the significance of the referendum. The second part analyses factors that could affect Bougainville during the pre-referendum period. This includes issues associated with achieving the pre-conditions for the plebiscite—namely, disarmament and good governance—and problems associated with expediting the resumption of mining to boost fiscal self-sufficiency.

The third part focuses on the referendum period itself. It discusses what is required for a ‘free and fair’ election, flags the potential for ‘spoilers’, and the need for appropriate security arrangements. The fourth part covers the post-referendum period, focusing on the critical first 12 months following the vote. This is when the durability of the outcome will be tested and when unmet expectations by various parties over the referendum’s result, as well as what it means and how it should be implemented, could have serious consequences. Finally, the conclusion to this paper will summarise its key findings, consider various perceptions of Bougainville’s preparedness for potential independence, and note the potential ramifications for regional security of any disintegration in Bougainville’s situation.

With regard to an analytical framework, four factors will be reviewed when assessing the potential risks before, during and after the referendum. These are politics and law, security, economics, and sociological factors. ‘Politics and law’ will analyse pertinent provisions in the Bougainville Peace Agreement, relevant aspects of PNG-Bougainville inter-governmental relations and other applicable political and legal issues. ‘Security’ will evaluate the capacity and role of the police, armed forces, ex-combatants and ‘spoiler’ elements. ‘Economics’ will cover risks associated with the resumption of mining, the potential of non-mineral resources, and other factors affecting Bougainville’s economic growth. ‘Sociological factors’ will look at aspects of
Bougainville identity, the Pacific context, and how public (mis)perceptions could influence stability and security in Bougainville.

Using this approach, this paper will argue that significant risks exist in Bougainville with regard to the referendum. These are primarily located in the period before and after the vote, and are connected to likely frustrations if legal impediments to holding the referendum are raised, the temptation and dangers of expediting the resumption of mining before the referendum, the role of spoilers, and differing expectations between the PNG Government and Bougainvilleans over what the outcome of the referendum will be and how it will be implemented.

With the timeline closing in on the promised referendum, this paper argues that there are significant indicators that Bougainville’s peace process may be running ‘dangerously adrift’. As Anthony Regan warns:

“In today’s post-conflict situation, where resort to violence as a method of redressing grievances is still deeply ingrained, it might prove even more difficult to resolve these tensions than in the 1980s.”

While it is not inevitable that Bougainville will return to bloody conflict, if major risks are not identified and countered—and tensions are allowed to rise unabated—it could have serious consequences for Bougainville, PNG and the immediate region.

**Part 1: The crisis, the peace agreement and the promised referendum**

The philosopher George Santayana once famously observed that ‘those who do not remember the past are condemned to repeat it’. To understand Bougainville and its path ahead, it is essential to understand relevant aspects of its journey to date. The purpose of this part is not to recite history but to provide a necessary context for issues that could resurface and influence the stability of Bougainville before, during and after the referendum. This includes the nature of Bougainvillean ‘identity’, the role of the Panguna mine, and internal divisions and factions within Bougainville.

**Bougainville’s character and identity**

Bougainville is what Yash Ghai and Anthony Regan describe as ‘a reluctant part’ of PNG. It is the remotest of PNG’s provinces, located over 900 kilometres from the mainland (see the maps at Appendix 1). From a cultural, linguistic and geographic perspective, Bougainville sits within the Solomon Islands archipelago. It became part of PNG ‘in one of the “accidents” of late-19th century colonial map-drawing’. German and British colonial boundaries were reinforced when Australia administered the combined territories of Papua and New Guinea following World War 2, and then cemented when PNG gained its independence from Australia in 1975. But the result was an uncomfortable fit and gave rise, for some Bougainvilleans, to secessionist dreams.

Bougainville consists of three main political regions—north, central and south Bougainville. These regions span two main islands, Buka and Bougainville, as well as a scattering of outlying atolls. Culturally, Bougainville is primarily Melanesian and has a population of around 250,000 people, which includes up to 25 language groups spread across ten clans. The majority of clans practise matrilineal inheritance and succession, which sets it apart from other parts of PNG.

The distinctive, dark black skin colour of Bougainvilleans contributes to a sense of uniqueness. Douglas Oliver describes Bougainville as ‘the black spot in an island world of brown skins’. The ‘jet-black’ people of Bougainville commonly refer to mainland Papua New Guineans as ‘redskins’. Adding to this separate sense of identity, Bougainville has its own flag, seal and anthem, which are recognised in its own constitution.

**The origins of Bougainville secessionism**

Demands for independence—including the idea to hold a referendum—are not new to Bougainville. For decades, political support for secession has been mobilised around Bougainvillean identity and grievances concerning the Panguna mine. Patrick Gesch claims the
idea of a plebiscite can be traced back to the early 1950s. Ghai and Regan assert that many Bougainvilleans saw independence as a genuine possibility from the late 1960s.

Bougainville tried unsuccessfully to secede just prior to PNG's independence from Australia in September 1975. This involved a 'Unilateral Declaration of Independence of the Republic of North Solomons' and a failed bid for self-determination at the UN. Tensions soon escalated and, in mid-1976, a PNG riot police squad was sent to southern Bougainville to restore order. John Momis, now President of the Autonomous Region of Bougainville but at the time chairman of the republic's ruling council, denounced this action as an invasion.

Mutual concerns about escalating violence and destruction, as well as Bougainville's failure to secure international recognition for independence, ultimately led PNG and Bougainville leaders to the negotiating table. A settlement was reached in August 1976 on the basis of increased decentralisation. Bougainville was renamed 'North Solomons Province', in recognition of its geography, and re-absorbed politically into PNG with increased self-governance powers, a model later replicated to delineate provincial powers throughout PNG.

As Ghai and Regan convey, however, the powers given to Bougainville under the constitutional devolution arrangements ultimately proved to be quite limited. Bougainville had inadequate taxation abilities, little control over finance and no control over land, natural resources policy or the movement of persons. Overall, Bougainville's provincial government had 'limited power to respond to the ongoing tensions associated with the unresolved grievances of ordinary people over the impacts of the mine', which became 'a contributing factor to the violent conflict that developed in 1989'.

The role of the mine

Panguna, located in the mountains of central Bougainville, is the site of one of the world's largest copper and gold mines. Between 1972 and 1989, it served as an economic lifeline for the PNG Government. As Regan explains, Panguna 'was the first major mining project in PNG, its single most important economic asset [and] essential to the improved economic viability of PNG as a newly-independent state'. Operated by Bougainville Copper Limited (BCL), a subsidiary of Rio Tinto, the mine generated 44 per cent of PNG's foreign currency earnings and 17 per cent of PNG's internal revenue in its 17 years of operation.

But the mine caused significant problems in Bougainville. Peter Londey recalls:

> From the start, in the mid-1960s, local landowners had opposed development of the mine. Bougainvilleans resented the huge influx of workers from other parts of PNG, the environmental problems caused by the mine, and the fact that most of the profits went elsewhere.

Only 5.63 per cent of the mine's earnings went to Bougainville. Of this, 4.27 per cent was given to the provincial government and just 1.36 per cent to local landowners. For many Bougainvilleans, this was not enough to compensate for the loss of land, livelihood and environmental damage. Objections over the mine soon became entangled with calls for self-determination. A 'sense of grievance' began to infiltrate Bougainvillean identity and, according to Hugh Laracy, '[f]rom this sentiment was born a secessionist movement which has continued to dominate the political life of Bougainville'.

Regan, however, cautions against generalisations which simplistically pair desires to capture mining revenues with a cohesive drive for separatism. Pro-independence Bougainvilleans are not unified in their views on the Panguna mine. Some Bougainvillean secessionists maintain fundamental objections regarding the 'social desirability of mining', regardless of its economic costs and benefits. Ghai and Regan concede, however, that if Bougainville had wielded more appropriate powers under the 1976 decentralisation arrangements, the situation might have developed differently. Nobody foresaw that such tensions would ultimately lead to a civil war.
The Bougainville crisis

The Bougainville crisis has been cited as ‘the deadliest, bloodiest, and most destructive conflict in the South Pacific since World War 2’. In April 1988, the Panguna Landowners Association (PLA) lodged a PGK10 billion (US$11.6 billion) compensation claim against BCL. In November, the landowners’ protests turned violent, key infrastructure was sabotaged using stolen explosives, and mining operations at Panguna were halted. In 1989, the PNG Government declared a state of emergency.

The conflict intensified with the deployment of PNG police mobile (riot) squads and the PNG Defence Force (PNGDF) to Bougainville. Londey describes the chaos which followed:

Appalling abuses on the part of both forces helped turn grievances over the mine into a general separatist insurgency. The mine was forced to close and more than 15,000 non-Bougainvilleans left the island. After a year of human rights abuses and the burning of 1600 village homes, the PNG forces were withdrawn altogether in early 1990. This left the island in the hands of the main separatist force, the Bougainville Revolutionary Army. However, disunity, continuing human rights abuses and the re-emergence of local conflicts led to a period of anarchy, allowing PNG forces to return in areas where they had local support. The fighting escalated, with Bougainvilleans now fighting on both sides, and all groups committing atrocities.

In May 1990, the PNG Government imposed a shipping, aircraft and telephone blockade of Bougainville. On 17 May, PLA co-founder and Bougainville Revolutionary Army (BRA) leader Francis Ona declared the independence of the ‘Republic of Me’ekamui’. Like in 1975, however, this independence declaration was not recognised internationally. The BRA set up a ‘Bougainville Interim Government’ but it was dominated by the Nasiol clan and viewed with a level of suspicion, particularly in north Bougainville. By the end of 1990, the PNGDF controlled Buka and the BRA controlled the rest of Bougainville. This proved to be the opening act in a ‘nine-year destructive secessionist war against PNG’.

Complicating matters, the Bougainville crisis was not a war simply fought between the PNG Government, supported by the pro-government Bougainville Resistance Forces (BRF), and armed secessionists, led by the BRA; rather, it involved ‘several complex and changing groupings’. As Gesch observes:

What became clear ... was that no person had a single answer ... to what the crisis was all about.... [T]here was even a sense of frustration at trying to explain in verbal discourse something which had so many roots and heads. The naïve question, ‘why was there civil war on Buka, so far from Panguna?’, brought signs of exasperation from commentators.

Opposing Bougainvilleans fought, injured and killed each other; they also occasionally switched allegiances between the BRA and BRF based on localised factors. Separatist support was generally stronger in central and southern Bougainville but, even then, not all Bougainvilleans agreed with the BRA. There were various ‘competing visions of Bougainville’s future and the role of mining’. Internal divisions became even more apparent when the formal peace process began in the late 1990s. In particular, a small group of BRA broke away and formed the Me’ekamui, led by Ona, and refused to participate in the process.

The impact on society

The impact of the crisis on Bougainvillean society was profound. Like with many civil wars, the violence was ‘at a level of savagery and brutality that is difficult to comprehend’. There was a heavy loss of life, with around 10,000 Bougainvilleans dying of violence or disease. By the mid-1990s, over 60,000 Bougainvilleans were living in internally-displaced persons’ camps, with thousands more fleeing to the neighbouring Solomon Islands. PNG’s blockade limited the free movement of goods into Bougainville, including medical necessities, which increased fatalities and human suffering.

Bougainville’s major transport and electricity infrastructure was destroyed during the crisis. Entire villages were burned to the ground. Essential services such as health and education were crippled, and the island’s economy regressed into subsistence. Bougainville fell from being the
top performer on PNG provincial socio-economic indicators to the bottom, with schools forced to close and a whole generation of young Bougainvilleans missing out on formal education.\textsuperscript{49} Some of these crisis-related issues have had long-term development implications.

As Satish Chand articulates, the killing and destruction that occurred is ‘a major blemish on the history of PNG and the Pacific more generally’.\textsuperscript{50} Bougainville civilians were subjected to massacres, torture, murder, arbitrary arrests, forcible evictions, looting, destruction of houses and villages, disappearances, mass rapes, and other human rights violations.\textsuperscript{51} Consequently, much of the population suffered trauma and, by the time the ceasefire was finalised in 1998, ‘Bougainville society was deeply wounded, physically, mentally, socially and spiritually’.\textsuperscript{52}

The peace process

Several peace talks and agreements failed during the 1990s before war weariness and military stalemate enabled negotiations that led to a truce in 1997 and a ‘permanent and irrevocable’ ceasefire in 1998.\textsuperscript{53} Bougainville’s peace process was supported by neutral, unarmed military and civilian personnel from Australia, New Zealand, Vanuatu and Fiji who helped to ‘create the secure space’ needed to facilitate peace and autonomy negotiations on Bougainville and advance the processes for the disposal of weapons.\textsuperscript{54}

The New Zealand-led Truce Monitoring Group in 1997-98, the Australian-led Peace Monitoring Group in 1998-2003, and the Australian-led Bougainville Transition Team in late 2003, supplemented by a small UN Observer Mission to Bougainville (UNOMB) between 1998 and 2005, proved to be a successful mix of ‘light’ international intervention, which helped Bougainville move closer towards ‘a lasting peace by peaceful means’, an objective stated in the preamble to the eventual peace agreement of 2001.\textsuperscript{55}

That agreement was a ‘joint creation’ of PNG and Bougainvillean leaders.\textsuperscript{56} According to Edward Wolfers, it represented ‘an attempt to channel previous, violent conflicts into political processes and institutions’.\textsuperscript{57} With three ‘pillars’, the agreement provided an agreed roadmap to the formation of an Autonomous Bougainville Government (ABG), which began in 2005; demilitarisation through a three-stage, UN-supervised weapons disposal process; and a guaranteed referendum within 10-15 years following autonomy on the question of Bougainville’s future political status.

Conclusion

The journey towards Bougainville’s independence referendum has been long and costly but it is not yet complete. Although the referendum is set to be held between 2015 and 2020, the timing of the vote remains subject to consultations between the PNG Government and Bougainville, as well as the achievement of ‘good governance’ and the completion of weapons disposal, both of which could encounter definition and verification problems.

In addition, the vote’s outcome is subject to the ‘final decision making authority’ of the PNG Parliament, which must give its consent for the outcome to take effect. Complicating this mix, the ABG has begun negotiations to resume mining at Panguna to help resuscitate the economy. Each of these issues is problematic and subject to risk, as will be explored in the following parts of this paper.

Part 2: The pre-referendum period

In the pre-referendum period, there are two key processes in play. Both are high risk and could cause a significant disintegration in Bougainville’s security situation if they are not managed carefully. The first is the scheduling of the referendum. Although the Bougainville Peace Agreement prescribes a timeframe and conditions for the referendum, it may ultimately depend on favourable political will from both the ABG and PNG Government to ensure the plebiscite proceeds in a timely way.
Running parallel to this process, complex and contentious negotiations have begun on the possible resumption of mining at Panguna. This forms part of a concerted drive for Bougainville to become more fiscally self-reliant but could, if rushed, become a fast-track to destabilisation.

**Politics and law**

The Bougainville Peace Agreement says the ABG and PNG Government will consult and agree on a date for the referendum. This is yet to occur. The vote must be held ‘no earlier than ten years and, in any case, no later than fifteen years’ after the first ABG election, which was undertaken in May-June 2005. This means the window for the referendum opens in mid-2015 and closes in mid-2020.

The timing of the referendum, however, is concurrently subject to Bougainville meeting two prerequisites: namely, the achievement of ‘good governance’ and the implementation of the weapons disposal plan.\(^{58}\) It remains to be seen whether the conditions and time periods mandated by the agreement will ultimately be compatible and, in the event of a conflict, which one will take precedence.\(^{59}\)

Definitions and benchmarks for achieving the prerequisites are also problematic. ‘Good governance’ is not entirely defined by the agreement. It will be determined by taking into account ‘internationally accepted standards of good governance’ as applicable in Bougainville and a broader PNG context, and include:

> ... democracy and opportunities for participation by Bougainvilleans, transparency, and accountability, as well as respect for human rights and the rule of law, including the Constitution of Papua New Guinea.\(^{60}\)

Some aspects of this multi-faceted description, such as ‘human rights’ and ‘the Constitution’, are deceptively large. Taking into account ‘internationally accepted standards of good governance’ is also not easy. Definitions vary in emphasis, content and context.\(^{61}\) What makes this conversation more awkward is that PNG itself arguably struggles to meet international ‘good governance’ guidelines but has an influential voice in determining whether Bougainville satisfies relevant benchmarks.

The Asian Development Bank, for example, has assessed that PNG has ‘[w]eak governance and institutions [which] undermine all economic activity, delivery of public services, credibility of the state, and efforts to improve the population’s well-being’.\(^{62}\) Transparency International ranked PNG 144\(^{1}\) out of 177 countries on its ‘Corruption Perceptions Index’ in 2013, making it equal to Iran, Nigeria and the Central African Republic.\(^{63}\)

Arguably, it would be unfair for Bougainville to be held to standards that PNG itself has not attained but this does not mean it is impossible. There is considerable scope for disagreements to occur between the PNG Government and Bougainville over the definition and verification of ‘good governance’. Further, the UN Economic and Social Commission for Asia and the Pacific (UNESCAP) acknowledges that ‘[v]ery few countries and societies have come close to achieving good governance in its totality’.\(^{64}\) And in post-conflict situations, as Klaus Rohland and Sarah Cliffe highlight, there is often ‘a trade-off between sustainable national capacity building and rapid reconstruction’.\(^{65}\) Bougainville’s report card reflects these challenges.

On the positive side, especially given its post-conflict context, Bougainville has made slow, steady and reasonable progress on the implementation of autonomy. It has established its own government, a constitution, a parliament, police, and bureaucracy. The ABG has drawn down its foreign investment, education and public service powers, and held a series of ‘free and fair’ elections.\(^{66}\) The ABG’s achievements also include:

> [Oversight of ] the rebuilding of schools, aid posts and roads, as well as the revival of the copra and cocoa industries. It has also facilitated extensive (and expensive) post-conflict reconciliation across Bougainville.\(^{67}\)

Nevertheless, it is an ongoing and challenging process. Volker Boege and Lorraine Garasu assess that Bougainville’s ‘[a]dministrative capacity is weak, economic recovery is still limited, and
infrastructure development slow’. There is a general perception that the ABG is underperforming in health and education. Overarching this, the ABG’s authority does not yet, in practical terms, cover all of Bougainville. While the ABG has made progress in restoring relationships, services and access to Panguna, a separate ‘no-go zone’ has emerged in Siwai, in southeast Bougainville, where currently the ABG has very little reach.

Also hampering Bougainville’s progress are regular tensions in the relationship between the ABG and PNG Government. The PNG Government is perceived as ‘reluctant to transfer sufficient powers and resources to allow the ABG to develop’. Funding from the national government is a particularly vexed issue. So far, it ‘has not [given to Bougainville] much more than the minimum’.

Attempts are intermittently made to improve inter-governmental relations. Prime Minister Peter O’Neill visited Bougainville in January 2014, the first visit of a sitting PNG Prime Minister since 1997. He told the PNG Parliament on his return that the national government is ‘firmly committed to implementing the peace agreement’ and ‘returning normalcy’ to Bougainville. He acknowledged that roads, health centres and schools need to be rebuilt, water and sewage systems repaired, and Radio Bougainville restored. He admitted that current ‘funding arrangements may be inadequate and this needs to be addressed’, adding also that his immediate priority was to rebuild Bougainville, ‘so that when we hold the referendum, Bougainvilleans will be able to make a meaningful choice’.

However, while the rhetoric sounds impressive, practical action is lacking. National funding to Bougainville remains seriously in arrears. The PNG Government previously agreed to give the ABG PGK100 million each year between 2011 and 2016 for major development projects; by mid-2013, it was estimated to be PGK188 million behind in payments. There is a growing sense of frustration in Bougainville that ‘if they can’t give us the money, then let us go. We will find it for ourselves’.

The peace agreement mandates a Joint Supervisory Board, involving equal numbers of PNG Government and ABG senior officials, as the primary dispute resolution mechanism to try and ‘resolve any differences’. It stipulates that consultation should be employed first, then mediation or arbitration and then, if it is still unresolved, taken to court. However, the Supreme Court of PNG is listed as the final court of appeal. Should that eventuate, Bougainvilleans’ frustration and despair about having a national institution decide their fate, which they would likely perceive as not being inherently sympathetic to their interests, could become a catalyst for the dispute to escalate. This may also be relevant, for example, if rigid interpretations of the plebiscite’s prerequisites are applied which serve to delay or deny Bougainville its promised referendum.

**Security**

The second prerequisite for the referendum is the completion of weapons disposal. Disarmament in Bougainville has been a slow process. It began in December 2001, with the help of the Peace Monitoring Group and UNOMB, and has involved a three-stage procedure of identification, containment and destruction. Technically, the weapons disposal process has been completed. The peace agreement specified that the plans had to be ‘fully implemented’ before the inaugural ABG elections. The parties were informed by the UN in May 2005 that:

... the weapons disposal agreement had been implemented with the destruction of more than 2,000 arms. [UNOMB has] determined that a substantial level of compliance had been achieved by the parties and that, consequently, the security situation on the ground was conducive to the holding of elections.

However, illegal arms persist on Bougainville, and law and order continues to be a challenge, compounding a perception that the issue of weapons disposal may need to be revisited. Some areas of Bougainville are effectively controlled by armed groups that have not yet joined the peace process, which includes the Me’ekamui Defence Force. Questions have also been raised about the adequacy of weapons disposal processes completed up to 2005, with allegations that up to 120 weapons were stolen from containers during the second stage of the plan.
addition, some perceive that the UN’s verification of disarmament in 2005 was politically driven in order to facilitate the achievement of autonomous government.\(^\text{82}\)

While nobody knows exactly how many weapons remain, one estimate claims there are up to 2000 arms of mixed quality still in circulation and that there are 14 armed militia groups still openly carrying weapons in southern Bougainville alone.\(^\text{83}\) Regardless of the precise number, as former President James Tanis acknowledges, ‘[e]very gun still being carried on Bougainville today is a threat to a human life. The war is over. Peace will not be built with guns’.\(^\text{84}\)

In terms of what more can be done on disarmament, the issue of outstanding reconciliations remains an inhibiting factor. As Peter Reddy explains, Bougainvilleans will not surrender their weapons until relevant reconciliation ceremonies have occurred:

\[\text{[R]econciliation itself [holds] the key to trust and feelings of safety. The reconciliation of enemies [is] a more important and credible guarantee than the physical presence or absence of weapons. In order of priority, weapons containment [comes] well after reconciliation.}\(^\text{85}\)

Importantly, some overdue reconciliations occurred between Bougainville and the PNG Government in early 2014. Ceremonies, involving both PNG Prime Minister O’Neill and ABG President Momis, were held in Port Moresby and Bougainville.\(^\text{86}\) But there has been no reconciliation yet with the PNGDF, which is ‘one important, yet unresolved, aspect of the peace process’.\(^\text{87}\) There are also questions about who would oversee and verify further weapons disposal, given that UNOMB and peace monitors are no longer stationed on the island.

Consistent with other parts of PNG, there may always be a lingering number of small arms on Bougainville. This makes weapons disposal benchmarks difficult to ascertain. UNOMB verified the destruction of all contained weapons in 2005, which should technically be sufficient to satisfy the requirements of the peace agreement. There has also been a sustained peace on Bougainville, which should be taken into consideration, with the ceasefire only ‘broken by sporadic minor outbursts of petty criminal violence’, which are not atypical in PNG.\(^\text{88}\)

However, as for ‘good governance’, there is scope for the PNG Government and Bougainville to disagree on the benchmark for the completion of this prerequisite. It may, therefore, rely ultimately on the political will of both parties to agree and for the referendum to proceed on time.

**Economics**

The most critical risk in the pre-referendum period, however, is arguably not connected to definitional disputes and delays but the parallel process of negotiations over the future of the Panguna mine. Independence, as Karl Claxton argues, will require ‘a big income stream’, although mining involves big risks.\(^\text{89}\) There is also considerable confusion about the link between Bougainville’s revenue generation and its autonomy and independence options. Fiscal self-reliance is not a specific prerequisite for the referendum. However, some commentators perceive that ‘good governance’ implies a viable economy, especially in the context of an aspiring state, and this has increased attention on the mine.\(^\text{90}\)

The ABG has already instigated negotiations to resume mining at Panguna. If done well, this could eventually generate large revenues for Bougainville and boost its long-term economic prospects.\(^\text{91}\) It is, however, unlikely to be a quick process. At the moment, Bougainville’s economy is very limited. It is nowhere close to meeting a fiscal self-reliance threshold; indeed, there may be ‘no possibility of Bougainville [ever] achieving fiscal self-reliance’ using a technical statutory definition of the term.\(^\text{92}\) Most Bougainvilleans have cashless, subsistence livelihoods. As Boege and Garasu assess, the ‘fiscal base for autonomy is far from consolidated, and revenues for the autonomous government will be constrained for some time to come’.\(^\text{93}\)

The mine is seen by some as a shortcut to prosperity. As Regan contends, ‘[g]iven the lack of economic alternatives, Bougainville is unlikely to achieve [fiscal] self-reliance for many years without a return to mining in some form’.\(^\text{94}\) Momis says that he ‘sees re-opening Panguna as the most realistic way of contributing to broad based economic growth’.\(^\text{95}\)
The mine’s potential has also been tied to referendum preparations. Momis says there is a ‘limited time … to focus on exploring the possibility of re-opening Panguna’ which is linked to getting ‘real autonomy working … before people are faced with a choice about independence’.96 Momis claims that Panguna could potentially re-open ‘in the early 2020s and the ABG would be in receipt of substantial taxation revenues during the projected three-year construction period’.97 He also contends the mine would help provide income, taxes, employment and social services, as well as revive infrastructure redevelopment. But this would seem to be overly optimistic, particularly in the short term.

Admittedly, the sums being speculated are tempting. Some contend that the reserves left at Panguna could be worth up to US$50 billion in today’s market, with Rowan Callick noting that ‘[t]he copper price has quadrupled since the mine closed, the gold price seven times’.98 Beyond this, ‘there are more reserves beyond the pit but still in the mine lease area’ which could add significant extra value.99 Andrew Smith argues that ‘recommencement of mining seems inevitable’ but adds also that ‘doing it right isn’t assured’.100

The problem, of course, is that rushed negotiations on such a contentious and emotive issue, which was at the core of the crisis and still attracts deeply-held and divided opinions across Bougainville, could spark a renewed armed conflict in itself even before the referendum begins. The US Agency for International Development identifies the mine as ‘high risk’ and probably ‘the most conflict-prone problem in Bougainville today’.101 Although a number of people remain fiercely opposed to reopening Panguna, talks are continuing with landowners on the potential resumption of mining.102 A ‘joint Panguna Negotiation Coordination Committee’, which includes representatives of the ABG, affected landowners, the PNG Government and BCL, has been formed.103 The ABG is also hosting a series of regional community forums within Bougainville, and Momis claims 97 per cent of Bougainvilleans now support reopening the mine if acceptable terms for its operation can be negotiated.104 But anecdotal evidence seems mixed, and Central Bougainville politician Jimmy Miringtoro, for example, claims many Bougainvilleans ‘don’t want any mining’ to resume at all.105

But even if a resumption of mining can be agreed in-principle, there are other complications which will delay its progress. Panguna landowners insist their original compensation claim of PGK10 billion (worth US$2.5 billion in today’s market) is paid before any mining resumes.106 Some Bougainvilleans argue that ‘as they suffered in a conflict that originated in the areas around the mine, the people of those areas owe a “blood debt” to the rest of Bougainville’ from any mining royalties.107 The Me’ekamui assert that there should be no mining until after independence, to ensure all royalties remain within Bougainville.108 Investors will also have needs and interests, not least as the Panguna mine could cost as much as US$3-4 billion to reopen.109

Logistical and practical issues will obstruct the chances of Panguna providing any revenue before 2020. Major infrastructure reconstruction will take time. Environmental, social baseline and pre-feasibility studies need to be completed first, which could put any decision about the future of the mine at least three years away.110 BCL has told its shareholders that pre-feasibility studies will not begin ‘until consultations with governments, landowners and other stakeholders result in broad agreement for redevelopment’.111 Some claim it would take ten years for the mine to generate enough company taxes for Bougainville to reach fiscal self-reliance.112 It is, therefore, unlikely to be the source of fast revenue generation asserted by some pro-independence supporters.

Further, resumption of mining needs to be de-linked from the referendum to minimise risk. Adequate time must be taken to ensure negotiations are not rushed and do not aggravate conflict. Commentators such as Chand have come to the same conclusion, asserting that the resumption of mining could help Bougainville in due course ‘but only if the mistakes of the past are not repeated’.113 BCL Chairman Peter Taylor said in 2013:

> It is a slow process, but we expect that. My attitude has been and continues to be [that] I would rather take my time and get it right, than rush and get it wrong.114
There needs to be a greater focus on developing capacity in less contentious industries in Bougainville. Agriculture, fishing, and tourism are potential options. Bougainville exported copper, copra, cocoa and timber prior to the crisis. Chand observes that ‘small-scale alluvial mining is already booming [and] cocoa planting is expanding’, while there is also considerable potential in the tourism sector. The growth of local businesses should also be encouraged. Sylvia Simili and Chand explain that private entrepreneurship creates economic interdependencies, which can also play a significant role in sustaining peace as they provide incentives not to return to crime or violence in a post-conflict environment, as well providing a means for ex-combatants to become ‘valuable members of the community’.

There are, of course, challenges in boosting the Bougainville economy without a reliance on mining investment. These include the workforce required, law and order, transport and infrastructure. Major trunk roads, airports and jetties need to be upgraded to transport goods and services, and the power supply network needs to expand. But, most importantly, the political will must be there. At this stage, the ABG seems focused on mining. Momis says the immediate economic benefits that reopening Panguna could bring cannot be matched in other sectors, arguing that other industries are not strong enough to drive Bougainville forward and ‘it will be nigh impossible to generate enough revenue to run the autonomous government’ without a resumption of operations at Panguna, concluding that ‘unless we have the mine open, we will be moving at a snail’s pace’.

But the risk involved in pushing Panguna to reopen quickly is high. As some Bougainvilleans have recognised themselves, Panguna should never be used as a condition for Bougainville’s political future. Indeed, it would seem preferable—arguably for both foreign donors and the Bougainvillean people—to slowly improve the economic status quo than to have Bougainville descend into bloody conflict again as a result of hurried agreements and aggravation. Delaying any decision on the future of the mine until after the vote on independence would seem the more sensible option to help mitigate this contingency.

**Sociological factors**

With regard to sociological factors in the pre-referendum period, the main risks emanate from confusion and misinformation among the general populace about referendum processes and the future of the mine. There needs to be greater awareness in Bougainville about the timeframe for the election, the options that might be presented in the vote, and what the outcome will mean. Some Bougainvilleans, for example, seem to expect the vote will take place in 2015. This type of misunderstanding could become a source of considerable frustration and potential instability in the period leading up to the referendum. As Bougainville politician Steven Pirika Kamma explains:

> When the Bougainville Peace Agreement was signed in ... 2001, the document was widely circulated [and] the people knew what it meant. However, it is now 14 years on and a lot of people’s recollection of the peace agreement is beginning to fade.

Likewise, extensive and ongoing consultations across Bougainville are required as part of negotiations on the resumption of mining. Because of the crisis, every Bougainvillean feels they have a stake in what happens at Panguna. Confusion and misunderstandings will only intensify tensions.

Ultimately, whether the referendum and mining negotiations proceed smoothly in the pre-referendum period may hinge on the leaders sitting at the negotiating table at the time. Bougainville is due to hold its next ABG elections, including to determine its President, in 2015. The PNG Government is due to hold its national elections in 2017.

While dispute resolution procedures are provided for in the peace agreement, there is a risk that if Bougainvilleans feel the PNG Government is unnecessarily delaying or preventing the referendum, or that mining is going to resume against their best interests and without adequate consultation, it is likely to exacerbate problems. Indeed, some Bougainvilleans may be tempted to revert to less peaceful means to redress their grievances. In the chilling words of one ex-combatant, ‘we have a war here and it is not over’.
Part 3: The referendum

The conduct of the referendum will itself be a critical period for Bougainville, with emotions and expectations running high. The peace agreement explicitly mandates that independence must be included as an option on the ballot paper. It also requires that the referendum is ‘free and fair’. Bougainville has a good post-autonomy elections record, which augurs well for the referendum, but risks still remain. As this part of the paper argues, challenges include the potential for ‘spoiler’ elements and the provision of security for both voters and votes in the event of any armed disturbances.

Politics and law

Voting in elections on Bougainville is voluntary, with polling generally undertaken over several weeks to give mobile polling teams sufficient time to access each area and an adequate opportunity for all Bougainvilleans to participate. While counting is often slow, sometimes taking several weeks, election staff are generally well regarded and the results tend to be generally accepted and not subject to the widespread appeals that sometimes plague other parts of PNG.

The National Electoral Commission and Bougainville’s electoral authorities will be jointly responsible for conducting the referendum, with international monitors invited to observe. An explicit requirement of the peace agreement is that the referendum must be ‘free and fair’, which is clearly important for political legitimacy reasons and to minimise complications and challenges in the post-referendum period. However, ‘free and fair’ is not defined by the peace agreement and there are no precise definitions available internationally. The UN General Assembly’s ‘Universal Declaration of Human Rights’ states that elections should be genuine, organised according to universal suffrage, conducted by secret ballot, and the outcome should reflect the will of the people.

When assessing ‘free and fair’ requirements for the Bougainville referendum, context is also important. PNG is a democracy but it has a somewhat flawed reputation with regard to elections. Scott Flower and Jim Leahy have observed that:

> In the months before every election in PNG, there are reports that the Electoral Commission is underprepared to hold elections, that there are problems with the roll and with voter identification, that there will be violence, that security forces are under-resourced to deal with violence and that there will be significant corruption associated with various seats…. The management of elections in PNG, although arguably improving with each election, has the appearance of perennial crisis management.

Assessments in the lead-up to the Bougainville referendum are likely to echo similar sentiments, although Bougainville’s susceptibility to these issues is considered far less problematic than elections in certain of PNG’s other provinces, such as the Highlands. Observers should nevertheless be prepared for negative forecasts and assessments, with outsiders fearing the worst, and to keep in mind the PNG context.

Post-autonomy Bougainville has received comparatively good election reports, often in difficult circumstances, which bodes well for the conduct of the referendum. In 2005, for example, there were heightened tensions leading up to the inaugural ABG elections. UNOMB verified weapons disposal as complete only a few days prior to polling, assisting Australian police were unexpectedly sent home leaving the Bougainville police to manage election security on their own, and Francis Ona made a series of rare and unexpected public appearances appealing to Bougainvilleans not to partake in the vote. But as Wolfers notes, the election ‘was held in the presence of international observers, who concluded it was ‘free and fair’’. It was, as Henry Ivarature says, ‘a significant political achievement’ for the Bougainvillean people.

Likewise for the second ABG elections in 2010, international observers concluded that the vote was ‘free and fair’. The Pacific Islands Forum team said:
While there were technical problems and shortcomings, the Forum team did not consider these significant enough to impact on the overall integrity and legitimacy of the election process. The Forum Team was also impressed by the cooperation, goodwill and patience of the people of Bougainville in the electoral process, demonstrating a fundamental commitment to ensuring a free and fair election.129

Meeting the (non-security) requirements of a ‘free and fair’ election is thus arguably less risky than some other aspects of the process. To keep this risk minimised, however, it is important that the referendum maintains the support of key stakeholders, the referendum is funded properly,130 there are high rates of participation, and parties who have remained outside the peace process to date are engaged to the best extent possible. This will help deflect any potential challenges on ‘free and fair’ election standards in the post-referendum period, when groups or individuals may seek to challenge the result.

**Security**

The security of both voters and votes is also paramount in ensuring a ‘free and fair’ referendum. Thus the persistence of weapons in the community will again become relevant during this period.131 The existence of ‘spoilers’ is also of concern, as ‘[t]he referendum on independence cannot be conducted under the shadow of a gun or it will have no legitimacy’.132

In terms of countering the threat of weapons and ‘spoilers’, the peace agreement provided for the withdrawal of the PNGDF from Bougainville over a decade ago. The unarmed Bougainville Police and Community Auxiliary Police remain, although many are critical of their capacities. Even President Momis has admitted that ‘we have a police force that is not strong enough … [which is] a real problem’.133

Nevertheless, Bougainvillian police officers have established a good record in successfully managing the security of local elections, even during periods of heightened tensions. In the 2005 ABG elections, international observers verified that the Bougainville police performed their duties professionally and kept ballot papers secure.134 In 2010, the Pacific Islands Forum team said security was managed well, adding that they ‘did not observe any evidence of threats or intimidation with polling stations or counting centres’.135 Indeed, the team specifically commended the Bougainville police for their ‘contribution to the prevailing atmosphere of professionalism’.136

The threat of ‘spoilers’ has existed in previous ABG elections but has not yet come to fruition on any significant scale. In 2005, international observers reported that ‘[r]umours persisted throughout the polling period … in relation to whether various people or groups would or would not disrupt the election’.137 Generally these proved to be baseless, although spoilers were present in some areas. The observers noted that some voters in Siwai and Buin ‘were told their funds deposited in a local scheme would be forfeited if they voted and that others were directed not to vote under the threat of arms’.138

But the potential for armed and organised spoiler elements could rise during the referendum given the issues at stake. There is a risk that Bougainvillians who have remained outside the peace process and have access to weapons, such as (self-proclaimed King) Noah Musingku’s group in Siwai, or certain Me’ekamui rebels, may seek to spoil the plebiscite in an effort to derail the ABG from legitimately and democratically earning sovereignty over Bougainville, which is arguably against their interests. Musingku, for example, who shows no intention of joining the peace process, reportedly maintains an ‘army’ of men equipped with automatic weapons, and could foreseeably view the independence referendum as a threat to his ‘kingdom’.139

Koike is another potential ‘spoiler’ who has reportedly collaborated on a number of occasions with Musingku. Stan Staarygin assesses that ‘what his gang lacks in number, it makes up in ruthlessness…. Throughout the 2000s, almost all criminality in South Bougainville was attributed to Koike’s gang’.140 Chris Uma, who commands the gang at the Morgan’s Junction roadblock leading to Panguna, should also not be discounted. Uma recently rebranded his group the ‘Original Me’ekamui’, apparently in an attempt to gain more political legitimacy. His stated ambition is to be the ruler of a Me’ekamui Bougainville.141 As Staarygin says, Uma has ‘never
been a part of the peace process or disarmament and no amount of efforts have had any tangible effect on co-opting him'.

The security of the referendum will be at risk if spoilers choose to act in any significant way. While Bougainville's police are capable of responding to low-level crime, given their limited size and capacity and the fact they must remain unarmed, they would be easily overwhelmed in the face of an organised armed attack. Ultimately, the security risk posed by spoilers, if not mitigated, could threaten both votes and voters. If any of them are allowed to disturb the plebiscite's conduct, the resulting uncertainty and fear within the community may negatively affect popular participation or voting behaviour. This, in turn, could threaten the achievement of a 'free and fair' election and thus the overall legitimacy of the result. Moreover, it could become the catalyst for the resumption of broader instability across Bougainville, which has been noted previously when isolated groups of armed ex-combatants have chosen to take matters into their own hands.

Economic and sociological factors

Economic and sociological factors during the referendum period are likely to play a lesser role with regard to risks. However, if controversies concerning the resumption of mining become confused with concepts of independence, risks identified earlier in this paper will remain in play, and could potentially split the votes of those who are for mining with those who are against. It could also exacerbate tensions and divisions within the community.

Further, from a sociological perspective, it is important to note that emotions during the election will be running high. In terms of potential risks from individuals or groups who may be unable to accept that an alternative view may triumph, these are more likely to materialise in the period after the election, rather than during the election itself, and will be explored in more detail in the following part of this paper.

Part 4: After the referendum

The 12 months following the referendum will be significant for Bougainville. This is when the legitimacy of the referendum will be judged and the longevity of its outcome tested. Unmet expectations by various parties following the referendum could potentially have serious security consequences for Bougainville. This is a significant and likely risk.

Politics and law

A major complication in the post-referendum period is that the referendum's outcome is not binding. The peace agreement commits only to holding a referendum, not to enforcing its result. Moreover, the outcome will be subject to the final decision-making authority of the PNG Parliament. While this may seem an erroneous state of affairs, Ghai and Regan explain why it was necessary:

The non-binding outcome of the referendum was contrary to the strong position of the Bougainvilleans for the first 18 months of the negotiations on political agreement. It was an issue on which they eventually compromised, under international pressure, in order to persuade the national government to agree to a constitutionally guaranteed referendum. They did so in the belief that, if they could unify Bougainvilleans and achieve a very high vote for independence, then, provided that the international community remained interested and involved, the PNG government would find it difficult to ignore the result. For its part the national government agreed not just because of international pressure, but also because it could argue that a non-binding referendum did not undermine its sovereignty, and it would have 10 to 15 years to demonstrate to Bougainvilleans that it would be in their interests to vote against independence.

The non-binding arrangement for the referendum therefore allowed the peace agreement to be signed and, in turn, helped secure peace on Bougainville for almost 15 years. However, there is a risk that in the post-referendum period, when the issue comes to a final head, one of the parties will find the outcome unacceptable and the peace process could derail again as a result.
While the outcome of the referendum will never be unanimous—and there is still time to sway the result, particularly given disappointments in Bougainville at what the ABG has been able to deliver—at this stage it seems likely that a pro-independence majority will prevail. This is due to a number of factors.

Crisis-related divisions of the pro-independence BRA versus the pro-government BRF subsided substantially during the peace process. Regan observed in 2002 that ‘factions that previously opposed one another ... now work together towards establishing a single set of institutions under agreed autonomy arrangements’. While ideology played a role in some crisis-related allegiances, some BRF simply feared ‘independence under a BRA-controlled Bougainville government rather than ... opposition to Bougainville independence per se’. The transitional, representative and institutional nature of autonomy has allayed some of these fears. Further, ‘the dynamics of the conflict entrenched a distinction between ‘us’ (Bougainvilleans) and ‘them’ (other Papua New Guineans)’.

Time has also played a role. During the autonomy process, Bougainville arguably became a ‘nation-in-waiting’. Nathan Kirschner observes that Bougainville is ‘one of the most comprehensive and successful applications of earned sovereignty’. Joanne Wallis argues that through the deployment of autonomy arrangements, reconciliation processes and its constitution, Bougainville has essentially been engaged in ‘state-building’.

Enhancing this pro-independence trend, and undermining its own long-term interests, the PNG Government has largely failed to demonstrate to Bougainvilleans how autonomy could potentially work to full effect. Its transfer of functions and powers has been slow, its promised budget and development grants are significantly in arrears, and the level of post-conflict reconstruction and restoration of services across Bougainville has been inadequate. This has entrenched Bougainvillean distrust and resentment of the national government and weakened the perceived benefits of remaining within the PNG system. As Momis has said:

‘[T]he people of Bougainville deserve to have a real choice between two comparably attractive options, namely full autonomy and independence.... If autonomy is perceived as not comparable to independence, then the people [will] have no choice.’

Yet the PNG Government faces significant economic and political repercussions if Bougainville elects to form a separate state. Marc Weller notes that a ‘divorce by agreement has [only] occurred in a few instances’ internationally; the difficulty being that ‘if people wish to form a new state, this can only occur at the expense of an existing one, both in terms of human and territorial resources’.

From the time of Bougainville’s unilateral declaration of independence in 1975, PNG leaders were very ‘conscious of the risk of other areas in the fragile new nation following Bougainville’s example and concerned about possible loss of revenue from the mine’. The potential for further fragmentation within PNG—a country of 20 provinces and over 800 language groups—remains of concern. PNG leaders were careful to emphasise that Bougainville’s autonomy arrangements under the peace agreement were a ‘one-off’, specifically mandated for its unique circumstances, and not designed as a template for other provinces.

Nevertheless, the national government currently faces problems managing the expectations of provinces, particularly East and West New Britain and Morobe, which seek more autonomy, as well as groups who want to separate from their established provinces. From this perspective, the PNG Government has little incentive to let Bougainville go easily, knowing it could become a catalyst for political insubordination elsewhere.

If it chooses to, the PNG Government could resist, delay or challenge any referendum result that it perceives as going against its national interest. In terms of legal options, the national government could exercise its authority and ‘vote it down’ in the PNG Parliament. Alternatively, the court system could be utilised and the PNG Government could contest the referendum’s legitimacy on the grounds that one of the pre-conditions for the referendum were not met, that it was not a ‘free and fair’ election, or on some other technicality. To delay implementation, the PNG Government could also prolong Bougainville’s transition to independence. As Regan argues, ‘the
timetable for moving towards independence would have to be agreed [and] it would not necessarily happen overnight'.

**Security**

If the PNG Government chooses to impede an outcome, particularly if it is independence, a clash of expectations with Bougainvilleans over the referendum’s result, what it means and how it should be implemented is a likely consequence—and this could have significant security implications. As Laracy forecast in 1991:

> What will be the outcome of this conflict cannot precisely be predicted, but it is unlikely that Papua New Guinea will allow Bougainville to secede. That would set a precedent that could destroy national unity. On the other hand, Bougainvilleans have long had firm and clear hopes about being able to control their affairs and have demonstrated a readiness to act and if need be, to suffer in order to achieve their goals.

Arguably, if Bougainville votes for independence, PNG may seek to frustrate the outcome through delays or legal avenues. Conversely, if Bougainvilleans vote for autonomy, the PNG Government may be less likely to raise legal concerns and could move forward quickly to ratify the outcome. In either scenario, however, Bougainvillean secessionists are likely to be aggravated. They may feel, for example, that they have waited long enough for independence and the democratic process has not resulted in an adequate outcome. In these circumstances, recourse to violence cannot be discounted as a product of provocation, miscalculation or habit by groups or individuals seeking to redress their grievances. While no two cases are the same, the experience of Timor Leste and the violence and chaos which occurred in the aftermath of its 1999 independence referendum comes to mind.

The issue of any outstanding or hidden weapons also then (again) comes into play. Exacerbating this risk, ‘many young former combatants lack personal and professional prospects in life’. There is also a ‘lost generation’ of displaced, unemployed, fighting-age youth, increasingly engaged in alcohol and drugs, who have grown up in Bougainville idolising combatants and hearing stories of the crisis days. These groups of Bougainvilleans may not need much encouragement to take up arms as part of a renewed effort for the independence cause.

**Economics**

The Panguna mine will also play a central role in the post-referendum period. This is for two main reasons. First, the mine is likely to be connected to decisions by the PNG Government about whether to ratify an outcome which preferences independence; and second, if negotiations lead to a resumption of mining, Panguna could either play a starring role in Bougainville’s long-term economic development or its ongoing instability.

With regard to the first issue, if Bougainville votes to become independent, PNG could lose significant revenue if mining at Panguna restarts. Because of PNG’s lucrative liquefied national gas project, Panguna would no longer dominate PNG’s economy to the extent it did in the 1980s; however, the sums involved may still be significant enough to factor into PNG’s decision-making.

That said, the PNG Government may not need to lose out entirely on future mining profits. It currently holds a 19.06 per cent shareholding in BCL. There may also be scope to negotiate its retention of a stake in the mine in exchange for a supportive transition to independence. But the question is whether Bougainvilleans would be prepared to concede this in order to gain their political independence. The interests of Panguna landowners seeking a greater share of royalties and the Bougainville Government’s efforts to find ways to achieve fiscal autonomy make this seem unlikely. In fact, either party could insist that the PNG Government’s current equity be transferred to Bougainville, which could cause further friction.

Beyond issues pertaining to the PNG Government’s endorsement of the referendum result, there also needs to be careful, cautious and unhurried consideration of mining at Panguna to service Bougainville’s long-term economic growth. This, as has been stated already, should not be linked to the referendum timetable. Instead, it should follow extensive community consultations,
leading to a negotiated agreement that all key players—the landowners, Bougainvilleans from non-mining areas, foreign investors and other stakeholders—can live with.\textsuperscript{165}

It also needs to comprehensively address environmental management, compensation payments, local employment, community services, royalties, taxation, and foreign investment issues. Plans for revenues generated from mineral wealth also need to be given proper consideration by the Bougainville Government and reinvested back into community services and infrastructure. Otherwise, Bougainville may fall prey to the so-called ‘resource curse’.\textsuperscript{166} In this scenario, as Terence Wesley-Smith warns, the mine could lead to ‘a development process that can as easily produce poverty and insecurity as affluence and stability’ and serve to ‘weaken rather than enhance state capacity’.\textsuperscript{167}

**Sociological factors**

From a sociological perspective, risks of instability will be exacerbated if widespread misunderstandings remain in Bougainville over what the referendum and its outcome means and how long it may take to implement the outcome. Expectations over the potential for independence and how quickly it may deliver popular benefits also needs to be addressed. Otherwise, people could turn against their local leaders, the PNG Government or each other in the aftermath of the vote. Pre-election awareness about the potential outcomes of the referendum and post-election procedures will be important in mitigating this risk.

There are also other factors which will impact the success of Bougainville in the post-referendum period. As Londey argues:

> For the people of Bougainville, peace means far more than just an end to armed conflict: it encompasses a combination of economic recovery, restoration of infrastructure, education, and ... spiritual rehabilitation.\textsuperscript{168}

Regardless of the referendum result, policies need to be developed and implemented that promote Bougainville’s long-term stability and security, good governance and economic growth. If the referendum result is accepted peacefully and quickly, it augurs well for Bougainville’s political future. But this needs to be matched with prudent long-term planning. Ultimately, there will be a transition to a new generation of Bougainville leaders. Good foundations need to be set early to help Bougainville develop and prosper into the future.

**Conclusion**

The key question of Bougainville’s future political status was never resolved in the Bougainville Peace Agreement, it was deferred.\textsuperscript{169} Bougainvilleans and the PNG Government seem to have differing expectations on what the outcome of Bougainville’s referendum will be and what it will mean. A significant challenge in the post-referendum period will be how the PNG Government and Bougainville reconcile these, without the situation opening old wounds.

At this stage, while views on Bougainville are not unanimous—and there may still be time to sway voters either way—current trends indicate that most Bougainvilleans are likely to vote for independence.\textsuperscript{170} If this happens, any resistance or delay by the PNG Government to ratify the outcome would not be received well in Bougainville. Bougainville may choose to respond with another unilateral declaration of independence or, in a worst case scenario, a resumption of hostilities could ensue. As Regan assesses:

> There is a danger that a situation rather like that of the 1980s will be repeated, in which much touted expectations are not met, social tensions rise, and early secession—perhaps again supported by violence—re-emerges as an attractive, albeit simplistic, answer to Bougainville’s ills.\textsuperscript{171}

Compounding this potential for friction is the contentious and interwoven issue of the Panguna mine. It will need to be determined whether it is socially and culturally palatable to resume mining operations and, if so, under what conditions and at what stage in Bougainville’s political journey.
If armed conflict renews, either as a result of mining issues or as a fall-out from an aspect of the referendum, the security ramifications are not likely to be contained within Bougainville. The spill-over effects could affect other parts of PNG and the neighbouring Solomon Islands—which Pacific partners have spent the past decade, at great cost and effort, trying to stabilise through the Regional Assistance Mission to Solomon Islands.172

In this type of scenario, as Peter Jennings and Karl Claxton argue, Australia would ‘not have the option to stand aloof’.173 The burden to restore peace and security in Bougainville and its immediate region is likely to extend to Australia and other regional friends in the Southwest Pacific, particularly given previous successful regional interventions. Pacific neighbours may be asked to deploy another regional peacekeeping force or to ‘adjudicate’ the dispute in some way. This could put regional powerbrokers, like Australia, into a difficult position.

From an international perspective, a unilateral declaration of independence from Bougainville would be difficult to ignore this time, once the will of the Bougainvillean people has been democratically expressed in a legitimate and long-awaited plebiscite.174 Complicating this issue, because of assurances made to both sides during negotiations for the peace agreement, particularly to enable the compromise for a deferred and non-binding referendum, both the PNG Government and Bougainville may claim that they have the right of way and expect regional endorsement.175 As Regan says:

The key difficulty inherent in the compromise is that both PNG and the Bougainville parties now tend to see the international community, and Australia in particular, as the ultimate guarantor of what could readily be diametrically opposed positions following the referendum.176

Of course, in evaluating the potential for a worst-case scenario, it may be easy to assume that a resumption of hostilities in Bougainville is inevitable: disarmament remains incomplete, maintaining law and order is a challenge, there are groups and individuals who remain outside the peace process, there is uncertainty regarding how the referendum outcome will be accepted and implemented, and complications over the future of Panguna mine.177 But it is important to remember that the resumption of armed conflict in Bougainville is a risk—it is not unavoidable. Much can be done between now and the referendum to help mitigate the main challenges. Exploring potential policy options and responses, targeted to address the most critical risks, clearly needs further work.

It is also possible that Bougainville may find a way to simply bumble along. PNG is, after all, the ‘land of the unexpected’.178 As Annmareae O’Keeffe argues:

PNG has continued to actually surprise us by never fulfilling our very negative forecasts. Constantly we think this is it, it’s game over, and it doesn’t… Maybe … it will just continue to toddle on.179

Assessments and prospects for Bougainville’s independence—and whether they seem ‘ready’—must also be accompanied by fair and realistic expectations. When other Pacific Islands were on the cusp of independence in the 1970s, their ‘[r]eadiness for independent statehood…. was clearly not the most important variable influencing whether or not a particular territory would achieve sovereignty’.180 Indeed, the irony is that many challenges raised in the context of Bougainville’s capacity for potential independence are the same as what PNG faced when it was transitioning to independence from Australia in the 1970s. A former PNG administrator said that PNG ‘had few of the prerequisites for independence’, but it did have ‘a small but determined group of Papua New Guineans with the will to run [PNG’s] own affairs’.181 Bougainville has at least had the advantage of a much longer transition through autonomy.

That said, Bougainville, the PNG Government and regional partners like Australia cannot afford to be complacent. Significant risks and challenges exist in the period before, during and after the referendum. The arrangements agreed to in the Bougainville Peace Agreement have facilitated a level of stability in Bougainville since 2001, and much-needed time for reconciliation and reconstruction; they have also enabled Bougainville to achieve a higher level of autonomy than the 1970s provincial arrangements allowed.182 But, as asserted by Regan, ‘[u]ncertainty remains as to whether the separatist conflict has diminished for the long term or has merely been
Indeed, the story has not yet ended. And there is still ‘a long way to go before there can be certainty that the political settlement’ contained in the peace agreement ‘does in fact provide the basis for sustainable peace’.184

Notes

1 This paper builds on materials, themes and conclusions developed by the author and submitted as a short essay entitled ‘The Island We Forgot? Bougainville, the promised referendum, and implications for Australia’ while attending the Defence and Strategic Studies Course at the Centre for Defence and Strategic Studies at the Australian Defence College in 2014.


14 The 2011 census estimated Bougainville’s population at 263,216; see Government of Papua New Guinea (PNG) and the Autonomous Government of Bougainville, *Joint Review of Bougainville’s Autonomy Arrangements by Government of Papua New Guinea and the Autonomous Government of Bougainville: joint report by both governments to the Bougainville House of Representatives and the


‘Jet-black’ is the terminology used by Jonathan Friedlaender, ‘Why do the people of Bougainville look unique? Some conclusions from biological anthropology and genetics’ in Regan and Griffin, Bougainville before the Conflict, pp. 57-70. See also Bowd, Doves over the Pacific, p. 18.


John Lawrence Momis, ‘Shaping leadership through Bougainville indigenous values and Catholic seminary training – a personal journey’ in Regan and Griffin, Bougainville before the Conflict, pp. 312-6; and Bowd, Doves over the Pacific, p. 26.


36 John Momis, 'Mediating peace and autonomy through consultation and consensus: the Bougainville experience', Keynote address presented to the 3rd Asia Pacific Mediation Forum Conference on 'Mediating Cultures in the Pacific and Asia', Suva, 28 June 2006, p. 5.

37 Londey, Other People's Wars, p. 216.

38 'Me’ekamui’ means ‘Sacred Land’.


41 Gesch, ‘We have our own ways too’, p. 95.

42 Regan, ‘Bougainville’, p. 120.


45 Reddy, ‘Reconciliation in Bougainville’, p. 119.


50 Chand, ‘People not minerals the largest resource on Bougainville’.


53 For a detailed list-style timeline of the crisis and the peace process up to 2010, see Regan, Light Intervention, pp. 167–77. For a short timeline of the crisis, including a list of major events and key players, see Alexander Downer, The Bougainville Crisis: an Australian perspective, DFAT: Canberra, 2001, pp. v–viii. For further discussion on the Lincoln Agreement, see Boege and Garasu, ‘Papua New Guinea’, p. 568; Londey, Other People's Wars, p. 219; and Wolfers, ‘Authority, Community and Autonomy’, p. 3.


Preamble and section 312 of the Bougainville Peace Agreement. Other parts of the agreement say that the two prerequisites must be ‘taken into account’ rather than ‘met’.

It is arguable that the timeframe would take precedence, given the wording of ‘and in any case no later than fifteen years’ in the Preamble and section 312(a) of the agreement. However, it is equally possible that trying to meet the two preconditions for the election will lead to delays, which will push the referendum outside the mandated timeframe.

Section 313(a) of the Bougainville Peace Agreement.


UNESCAP, ‘What is Good Governance?’.


70 Wolters, 'Bougainville Autonomy – Implications for Governance and Decentralisation', p. 97.

71 Wallis, ‘Reader response’.


74 O’Neill, ‘PNG govt committed to Bougainville referendum’.

75 PGK188 million is approximately US$78 million. For further information on tension in the ABG-PNG government relationship, see: ‘Bougainville President John Momis accuses PNG of reneging on referendum funding’, *Australia Network News*, 16 September 2013.

76 Gesch, ‘We have our own ways too’, p. 96.

77 Sections 263-4, Bougainville Peace Agreement.


81 UN Development Programme (UNDP), *United Nations Evaluation of Weapons Disposal in Bougainville, November-December 2012*, as reported to Papua New Guinea’s Department of Prime Minister, 15 February 2013, p. 12.


87 Reddy, ‘Reconciliation in Bougainville’, p. 126.


89 Karl Claxton quoted in ‘PNG leader apologises to Bougainville for bloody 1990s civil war’, *The Guardian*.


Boege and Garasu, *Papua New Guinea*, p. 577. Tax revenue is also an issue for the ABG. Non-compliance by many businesses has led to massive revenue shortfalls which have, in turn, affected the ABG’s abilities to deliver public services: see ‘NZ to give ABG taxman a hand’, Bougainville 24, BCL news blog, 26 November 2013, available at <www.bougainville24.com/bougainville-aid/nz-to-give-abg-taxman-a-hand> accessed 24 June 2014.


Callick, ‘Bougainville leader backs Panguna Mine’.


‘Panguna mine can drive sustainability – Momis’, Bougainville 24.

Rowan Callick, ‘Miners hope to restart Bougainville gold and copper mine’, *The Australian*, 28 December 2010. BCL’s 1989 Annual Report estimated that 691 million tonnes of 0.40 per cent copper and 0.46 grams per tonne gold of mineable ore remained at the site when the crisis erupted: see Davies, *The Geology of Bougainville*, pp. 27-8.

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Callick, ‘Miners hope to restart Bougainville gold and copper mine’.

‘Panguna mine can rejuvenate region’, Bougainville 24.


Chand, ‘People not minerals the largest resource on Bougainville’.
114  ‘Voices on Panguna’, European Shareholders of Bougainville Copper’s website, available at <www.bougainville-copper.eu/voices-on-panguna.html> accessed on 5 July 2014. Taylor’s expectations on a timeframe have also been quoted in Callick, ‘O’Neill denies Bougainville takeover plan’.


120  Kamma (MP for South Bougainville and Minister for Bougainville Affairs in the PNG Government), ‘Creating a climate for business prosperity’, Bougainville 24.


126  This followed a PNG-wide constitutional challenge to their presence, role and immunities. See Shane McLeod, ‘Bougainville: departure of Aust police could cause instability’, ABC (Australia), Radio National, 17 May 2005.

127  Wolfers, ‘Authority, Community and Autonomy’, p. 4. See also Commonwealth-Pacific Islands Forum, General Election for the Autonomous Bougainville Government.


129  Pacific Islands Forum Secretariat, Report of the Pacific Islands Forum Secretariat’s Election Observer Team to the 2010 Elections for the Offices of President and Members of the House of Representatives of the Autonomous Region of Bougainville, pp. 1-2. Note there were also international election observers at Bougainville’s 2010 election from the Commonwealth Secretariat, the Australian Government, the East West Centre and the UN.

130  Noted as a problem in 2010 ABG election preparations: see Kelly, Electoral Democracy in Post-Conflict Melanesia, p. 5. In addition, the question of who is going to fund the referendum has not been resolved, which could become an additional obstacle: see Joint Review of Bougainville’s Autonomy Arrangements by Government of Papua New Guinea and the Autonomous Government of Bougainville, p. 89.

131  Flower and Leahy identify the proliferation of small arms in PNG as ‘one of the greatest threats to peaceful and free elections’: see Flower and Leahy, The 2012 national elections in PNG, p. 5. Boege
adds that the large number of weapons still remaining in the Bougainville community contributes to a 'general feeling of insecurity': Boege, *Bougainville Report*, pp. 15-6.

132 'We need education not guns – Tanis', Bougainville 24.

133 'Only mine can drive autonomy – Momis', Bougainville 24.


135 There were isolated security incidents reported to the acting Electoral Commissioner but these were dealt with quickly and caused minimal disruption: see Pacific Islands Forum Secretariat, *Report of the Pacific Islands Forum Secretariat’s Election Observer Team to the 2010 Elections for the Offices of President and Members of the House of Representatives of the Autonomous Region of Bougainville*, p. 6.


144 This assessment is supported by various commentators: see, for example, Wallis, ‘Nation-Building, Autonomy Arrangements, and Deferred Referendums’, p. 326; Ipp and Cooper, *Bougainville Stability Desk Study*, pp. 10, 11; and John Braithwaite, Hilary Charlesworth, Peter Reddy and Leah Dunn, *Reconciliation and Architectures of Commitment - Sequencing peace in Bougainville*, ANU E Press: Canberra, 2010, p128.


146 Regan, ‘Bougainville: Conflict deferred?’ p. 120.


148 Terminology used by Wallis, ‘Nation-Building, Autonomy Arrangements, and Deferred Referendums’, p. 313. Regan and Ghai also suggest that asymmetrical autonomy may pressure communities towards independence; Ghai and Regan, ‘Unitary State, Devolution, Autonomy, Secession’.

149 Nathan P. Kirschner, ‘Making Bread from Broken Eggs: a basic recipe for conflict resolution using earned sovereignty’, *Bepress Legal Series*, February 2007, pp. 16-20. Kirschner argues that Bougainville’s journey began with shared sovereignty under the Bougainville Peace Agreement, continued through institution building with the establishment of the ABG, and is headed towards final sovereignty through the referendum.


151 See ‘Bougainville President John Momis accuses PNG of reneging on referendum funding’, *Australia Network News*.

152 President Momis quoted in Oppermann and McKenna, ‘Sustainability of Bougainville’, p. 1. Momis expressed a similar sentiment in an interview on ‘Bougainville appeals for more Australian aid’, *ABC Radio Australia*.

154 Ghai and Regan, 'Unitary State, Devolution, Autonomy, Secession', p. 593.
155 Wolfers, 'Bougainville Autonomy – Implications for Governance and Decentralisation', p. 105.
156 Wolfers, 'Bougainville Autonomy – Implications for Governance and Decentralisation', pp. 105-6.
157 Terminology used by Braithwaite, Charlesworth, Reddy and Dunn, Reconciliation and Architectures of Commitment, p. 128. See also Ipp and Cooper, Bougainville Stability Desk Study, pp. 11-2.
158 Interview with Anthony Regan, 'Bougainville confirms independence referendum before 2020', ABC Radio Australia; Winterford Toreas, 'Bougainville President Commits to Independence Referendum', Post-Courier (PNG), 1 March 2013; 'Bougainville far from self-reliance', Post-Courier (PNG), 2 August 2010.
159 Interview with Anthony Regan, 'Bougainville confirms independence referendum before 2020', ABC Radio Australia.
160 Laracy, 'Bougainville secessionism', p. 57.
161 For assessments which concur with this viewpoint, see Regan, 'The Bougainville conflict', p. 152; Braithwaite, Charlesworth, Reddy and Dunn, Reconciliation and Architectures of Commitment, p. 128; Jennings and Claxton, 'A stitch in time', pp.6-7; and Ipp and Cooper, Bougainville Stability Desk Study, pp. 8 and 11-2.
162 In Timor Leste's case, post-referendum violence was largely perpetrated by anti-independence militias against civilians. For various accounts and perspectives on the East Timor crisis in 1999, see Alexander Downer, 'East Timor – Looking back on 1999', Australian Journal of International Affairs, Vol. 54, No. 1, 2000, pp. 5-10; Geoffrey Robinson, 'People's War: militias in East Timor and Indonesia', South East Asia Research, Vol. 9, Issue No. 3, pp. 271–318;
165 Braithwaite, Charlesworth, Reddy and Dunn, Reconciliation and Architectures of Commitment - Sequencing peace in Bougainville, p.128.
168 Londey, Other People's Wars, p. 225.
169 Similar terminology on 'deferred' conflicts and 'deferred' referendums in a Bougainville context has been used by other commentators. See Wallis, 'Nation-Building, Autonomy Arrangements, and Deferred Referendums', p. 311; and Regan, 'Bougainville'.
170 See Wallis, 'Nation-Building, Autonomy Arrangements, and Deferred Referendums', p. 326; Claxton, quoted in ‘PNG leader apologises to Bougainville for bloody 1990s civil war’, The Guardian; Braithwaite, Charlesworth, Reddy and Dunn, Reconciliation and Architectures of Commitment, p. 128; and Ipp and Cooper, Bougainville Stability Desk Study, pp. 10-1.
A point also made to the Bougainvillean side by former Australian Foreign Minister Alexander Downer during the negotiations on the Bougainville Peace Agreement: see Regan, ‘The Bougainville Peace Agreement, 2001-2002’, p. 15.

Australia played a key role during the negotiations for the Bougainville Peace Agreement in explaining to both sides how the international community was likely to react: see Regan, *Light Intervention*, pp. 88-90.


This was, for many years, PNG’s official tourism slogan: see ‘Papua New Guinea: land of the unexpected’, *Advanced Diver Magazine – Digital*, available at <www.advanceddivermagazine.com/articles/png/png.html> accessed 21 July 2014.


Wesley-Smith cites the examples of Tuvalu, which had almost no administrative structure and only 8000 people when it achieved full independence in 1978, and PNG, with 3 million people speaking more than 850 languages and limited infrastructure, in 1975: Wesley-Smith, ‘Self-determination in Oceania’, p. 38.


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Appendix 1: Maps of the autonomous region of Bougainville