

Accountability in PNG: Green for Go or Red for Stop?

Accountability is a simple idea: that those who hold political or executive power are accountable for their actions. Actions have consequences. Individuals and organisations must take responsibility for their actions. It is important for three reasons. First, accountability systems confront the many biases that exist in political and social systems that favour ruling elites. Effective accountability will ensure that the rights of excluded groups are considered. Second, corruption is an outcome of weak accountability. As accountability systems improve, the likelihood of capture (the use of public power for private gain) can be minimised. Finally, the poorest suffer most from the abuse of power and are least able to do anything about it.

In Westminster systems of government like PNG there are four functions of accountability:

- *Standard setting*: setting out the behaviour expected of agents and the criteria by which they are to be judged;
- *Investigation*: exploring whether agents have met prescribed standards;
- *Answerability*: a process in which agents are required to defend their actions, face sceptical questions, and generally explain themselves; and
- *Sanction*: a process in which agents are in some way 'punished' for falling below the standards expected of them (or perhaps rewarded for achieving or exceeding them).

Accountability was the subject of the 2004 World Development Report. The report argued that as popular accountability (politicians to citizens) takes decades (hence known as the 'long route'), donors should buttress popular accountability with social accountability – making service providers accountable to consumers and citizens. This was called the 'short route' (it has proved anything but short). The long route to accountability requires political parties to campaign on *programmatic policies*, and for citizens to vote for governors on the basis of *programmatic performance*. But in many countries in the world programmatic accountability has not taken institutional root, so aspiring politicians have resorted to alternative means to garner

Understanding accountability in PNG requires a little conceptualisation: first, the political settlement, and second 'competitive clientelism'. Mushtaq Khan defines political settlements as 'a combination of power and institutions that is mutually compatible and sustainable in terms of economic and political viability'.⁴ It highlights the importance of the distribution of power among social groups as the key determinant of a state's stability and functionality.

Political settlements analysis seeks to understand how a ruling coalition maintains its power. Khan argues that it depends primarily on the extent to which the political settlement is 'inclusive'. A political settlement may concentrate political power within the ruling coalition or it may be dispersed across the population. In the case of the latter, many groups will have the power to disrupt the political status quo. The inclusiveness of the political settlement will influence the accountability of the regime to citizens. Importantly – especially in PNG - the 'social base' of a regime will be critical to the interests supported by the state. Elites will be accountable in some way to their support base. The ruling elite may co-opt groups through patronage politics.

The idea of 'competitive clientelism' comes from Brian Levy's country taxonomy.⁵ In 'competitively clientelist' states, the overt form of politics is competitive (individuals and political parties have to compete in elections). However, when combined with an 'underdeveloped' capitalist economy, the limit of the tax take is such that goods and services cannot be distributed formally to all citizens -which would assist in maintaining political stability. Rather, ruling elites have to rely on patron-client networks to distribute the limited resources available informally and outside of the public service in order to satisfy and buy-off powerful non-elite factions. This is classic 'clientelism'. It constitutes the key structural problem for the political elite; the elite can only accumulate wealth by relying on rent-seeking.

PNG's political settlement is clearly 'competitive clientelist': the coalition in power will face strong excluded elite coalitions at the national level contesting its hold on power. Increasingly too they face sub-national (provincial and district) factions that must be co-opted (or bought off). This renders political elites vulnerable to

⁴ Khan, M. (2010) 'Political Settlements and the Governance of Growth-enhancing Institutions'. Available at: [http://mercury.soas.ac.uk/users/mk17/Docs/Political Settlements internet.pdf](http://mercury.soas.ac.uk/users/mk17/Docs/Political%20Settlements%20internet.pdf)

⁵ Levy, B. (2013) 'Working with the Grain: Integrating Governance and Growth'. OUP

support. Constituency Development Funds are one example of this. Indeed citizens have come to expect such alternatives means. Politicians buy votes with cash or by distributing cargo to potential supporters. This is how elections function in PNG. Francis Fukuyama noted that “From the standpoint of many foreigners, the behaviour of Melanesian politicians looks like political corruption. But from the standpoint of the islands’ traditional island social system, the Big Men are simply doing what Big Men have always done, which is to redistribute resources to their kinsmen. Except that now they have access not just to pigs and shell money but also to revenues from mining and logging concessions”.¹

The authors of the 2004 WDR therefore posed a ‘short-route’: to encourage front line service providers to be socially accountable to consumers, clients and stakeholders. It was an attempt to plant the idea and practice of accountability in the lives of citizens. Thus came about the idea of citizens’ charters, grievance redress mechanisms, social audits, and participatory monitoring. These short-route mechanisms have been embraced to some extent in PNG, particularly through the work of World Vision. But there is potential to do more.

The idea of long and short routes to accountability has since been replaced by a ‘supply’ and ‘demand’ approach to accountability. This conceptualises state-citizen relationships as a set of market-like transactions, with citizens ‘demanding’ a response from service providers. The focus has recently shifted to the ‘deliberative space’ where demands on the state and on service providers can be registered, debated, and mediated. This approach proposes that there is a ‘missing middle’ in the supply-demand approach to accountability, and that in many countries there is nowhere that service providers can interact with ‘consumers’. This approach is focused on local collective action to identify and resolve problems, rather than to generate pressure for change in an adversarial manner.

There are two ways in which donors can promote accountability: by the initiatives on which donors spend their money; and how they choose to spend it. The latter may be more important than the former.

political challenges, usually manifested in votes of no confidence – the main mechanism by which one elite faction is replaced by another. The outcome is ruling coalitions with exceptionally short time horizons and weak implementation and enforcement capability. Service delivery suffers: it is costly and brings few political rewards to the elite.

While PNG’s ruling elite at any one time may embrace different island, regional and tribal groups, the elite represents a narrow network of individuals and their *wantoks* who benefit disproportionately from the capture of national resources. The need to balance ethnic, regional and religious interests and divides continues to shape PNG’s political settlement, which is based on a narrow social foundation where political power is disbursed across multiple, competing groups. Such activity is enabled by the state capture of LNG revenues which provides successive ruling elites with a source of rents with which to co-opt powerful, competing factions. These revenues also generate extremely powerful financial incentives to stay in power.

In these circumstances, public office provides the space in which political networks compete for opportunities for private, illicit gain from the public purse. Money politics continues to shape the political game and those who are excluded from inter-elite bargaining may rely on personal ties to access state resources, services and opportunities.

What are the implications for accountability in PNG? They are profound. Short-term competition among elites over rents will obstruct – and possibly even prevent - the implementation of long-term strategies for development or programmatic policy implementation. Government priorities will correspond with the interests of the groups that form the social foundation of the political settlement. In PNG’s competitive clientelist political settlement, middle and low-income groups in Port Moresby, Lae and Raboul may have some (limited) political power, where voters and organised interest groups may create pressure to provide broad-based services. However, short competitive electoral periods and the need to co-opt multiple groups will continue to undermine service provision. Service delivery chains are based on hierarchy, performance-based monitoring and coordination but these principles will fail in the face of clientelist practices necessary to maintain political stability. Consequently the

¹ Francis Fukuyama, *The Origins of Political Order – from Prehuman Times to the French Revolution*, Farrar, Strauss and Giroux, 2011, New York. (pp xii-xiii)

Most donors try to ensure that aid instruments support, rather than undermine, domestic accountability. However, the development industry collectively has made insufficient progress here and the line of accountability more often than not runs from the partner government to the home capital. Research shows that aid can have a negative impact on domestic accountability, particularly in aid-dependant countries. The reasons are well known: projects are donor inspired, they operate outside the government's development plan, and are usually off budget. They operate by recruiting local staff on salaries higher than local wages and they demand accountability to donors, rather than to the government or the people. Aid can undermine domestic accountability through unpredictable aid flows; the imposition of policy conditions; insisting on policy dialogue which may crowd out parliament and civil society; inappropriate choice and design of technical assistance; and through use of our parallel structures of accounting, procurement, and delivery.²

The second option is to incorporating accountability measures into programs. Donors could build into their programs the four aspects of accountability mentioned above. It could be argued that at the design stage accountability should be a mandatory consideration alongside gender and social inclusion. This should be supported by programs designed to strengthen the demand for popular accountability - the accountability of politicians to all constituents – as recommended in a recent edition of *The Economist*.³ Examples include: support to parliaments; supporting supreme audit institutions; supporting civil society; and supporting the media. This work should continue, but should be buttressed by a more intensive focus on social accountability in service delivery programs (health, education, water and sanitation, roads, nutrition).

If DFAT wishes to promote accountability in PNG, then it should enthusiastically embrace these options.

only 'public goods' to be prioritised will be those that are not transaction intensive and that create immediate, political credibility, such as school construction, road building or other tangible, often targeted, benefits. Funds for recurrent costs – salaries, operations and maintenance - will be a much lower priority.

If DFAT wishes to promote accountability in PNG, then it must realise that 'Westminster' approaches are likely to fail as they misread the context and the political drivers of change.

² These constitute core reasons for providing budget support. General budget support (GBS) is the aid modality most akin to local taxation. GBS funds flow into the treasury and are mixed freely with local revenue. The case for budget support is conceptually strong, but evidence has shown that by itself it will not generate domestic accountability

³ 'Fixing Africa's pricey politics'. *The Economist*, Feb 27th