

New Solomon Islands PM tries to placate discontent with Australian occupation

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Facing growing hostility toward the Australian-led takeover of the Solomon Islands, the newly-elected Prime Minister, Manasseh Sogavare, has suggested his government would assume more control, particularly over the country's finances. At the same time, he pledged his support for the continued presence of hundreds of Australian troops and police.

Sogavare's comments reveal that he is walking a fine line between imposing the political and economic dictates of the three-year-old Australian-led Regional Assistance Mission to the Solomon Islands (RAMSI) and the resentment fuelled by the continuing social misery experienced by the majority of the South Pacific state's 550,000 people.

Sogavare was elected prime minister by 28 to 22 votes among his fellow MPs in a secret ballot on Wednesday. He defeated former cabinet minister Fred Fono, who was backed by the caretaker government of Snyder Rini. The vote came eight days after Rini resigned following widespread anti-government rioting. Sogavare heads a fragile five-party coalition, formed after days of intense horse-trading.

As the election took place, hundreds of Australian soldiers in camouflage gear, armed with high-powered automatic rifles, were deployed throughout the capital Honiara, while helicopters patrolled overhead. Armed Australian Federal Police (AFP), including sharpshooters on the roof and a riot squad hidden behind a wall, were on guard at parliament house.

It was another highly visible display of Australian force, following the dispatch of nearly 400 soldiers and police to the Solomons last month to bolster the RAMSI contingent to more than 1,000. The reinforcements were sent in after an eruption of serious social and political unrest on April 18, which began with demonstrations outside parliament and ended in the looting and burning of Honiara's Chinatown, together with commercial and luxury premises associated with the RAMSI occupation.

The immediate trigger for the disturbances was a vote by MPs to install a notoriously corrupt cabinet led by Rini, after the previous Australian-backed government, in which he had been deputy prime minister, was thrown out in a general election on April 5. After being protected by RAMSI troops for more than a week, Rini resigned to make way for a fresh parliamentary ballot.

While Sogavare's victory this week was greeted by cheers and jubilation outside parliament, seemingly in stark contrast to the anger that met Rini's win, the root causes of the discontent go far deeper. They lie in the stark social inequality produced by

RAMSI's rule, and the blatant profiteering by local business and political elites that have collaborated with it.

Alongside a "bubble economy" of upmarket hotels, supermarkets, shops, Honiara's squatter camps have grown, full of young people employed on very low wages or unable to find any work. In Honiara, it is estimated that each wage earner supports 25 people on average.

In an attempt to placate the resulting discontent, Sogavare felt compelled to suggest that local officials could begin to replace the RAMSI administrators who have occupied the top posts in the finance ministry since mid-2003. Speaking after his election, Sogavare said that where "qualified and capable" Solomon Islanders were available they should again take over decision-making roles in key areas. "One of them is the Department of Finance," he said.

This is a sore point because, as well as controlling the police, prisons, courts and legal system, RAMSI has 80 "civilian advisers" running government departments, including Finance. Among them is the Australian-appointed Accountant-General Joanne Hoffmann, who has blocked disbursements of funds for various projects. The "Economic Reform Unit" monitors taxation compliance, "coordinates and drives economic reform" and drafts laws to facilitate foreign investment. Another "financial management strengthening program" has 17 Australians supervising budget strategies and debt management.

At the same time, Sogavare sent a series of clear signals to Canberra that he would faithfully implement its agenda. "RAMSI is doing a good job, restoring law and order, delivery of essential services, institutional strengthening," he said. "These are good things anyone in their right mind would support."

Significantly, Sogavare said he would not be pursuing Rini's formal diplomatic protest to Australia over a leaked RAMSI email that provided a partial glimpse of Canberra's colonial-style domination.

The email from a RAMSI finance department official, Mick Shannon, quoted the Australian High Commissioner, Patrick Cole, describing all three candidates for the prime ministership on April 18—Rini, Sogavare and former opposition leader Job Dudley Tausinga—as "depressing choices". The email expressed concerns that changes in the government could result in Australia having less of a voice to "guide economic and fiscal policy".

According to the email, Cole had asked Foreign Minister Laurie Chan and his father, Sir Thomas Chan, a prominent local

businessman, why Rini had been chosen as prime minister when they had apparently assured Cole he would not.

In the lead up to Wednesday's parliamentary ballot, Rini, as caretaker prime minister, wrote to Australian Prime Minister John Howard requesting Cole's withdrawal for "interfering" in Solomons' politics. Howard contemptuously dismissed the request, declaring that he had full confidence in Cole. As for Rini, his complaint to Howard was another measure of the nervousness in the entire political elite about the turn in public sentiment against RAMSI.

One of Sogavare's decisions has the potential to provoke an immediate confrontation with Canberra. Yesterday he appointed to his cabinet two jailed MPs, Charles Dausabea, as National Security and Police Minister, and Nelson Ne'e, as Culture and Tourism Minister. RAMSI had arrested them 11 days earlier on charges of inciting the April 18 riots.

RAMSI officials have insisted that the two men are dangerous criminals who must remain behind bars. Howard last night issued a blunt warning of financial retaliation, saying the appointments had "serious consequences for reputation and standing of the Solomon Islands both regionally and in the wider international community".

Sogavare has a history of demagogically criticising Australia and posing as a champion of ordinary people, for electoral purposes, while functioning as a central player in the local political and business establishment.

Formerly a finance department chief, he served as prime minister in 2000-01 after a virtual coup led by the Malaitan Eagle Force, a militia based on people from the country's second most populous island, Malaita. Together with Sir Allan Kemakeza, his deputy prime minister and Rini, his finance minister, he cultivated links with Taiwan, in return for aid and, reportedly, political slush funds. After initially trying to block a general election, he was defeated at the polls by a coalition led by Kemakeza and Rini, who took office with Canberra's blessing.

When this government resisted aspects of the economic "restructuring" demanded by Canberra and the international financial institutions, the Howard government cut off nearly all foreign funds to the country, ultimately forcing Kemakeza to "invite" the RAMSI intervention in July 2003. During this period, Sogavare accused Australia of adopting a "bullying" and "hypocritical" attitude. In 2003, he complained that the terms of the RAMSI intervention infringed national sovereignty.

Last July, in a move to tap into the emerging disaffection, Sogavare formed the Solomon Islands Social Credit Party, or SoCred. At its launch, he accused Kemakeza, then the prime minister, of being a puppet of Australia. SoCred proposes a scheme of cheap central bank loans to finance development projects and business ventures. It also advocates the tripling of public sector wages, which are a tiny fraction of the salaries of RAMSI officials.

For all his posturing, Sogavare joined Rini's proposed cabinet last month, and only switched to the opposition camp when the depth of the hostility toward the government became clear. After Wednesday's election, he said he would exercise responsible economic management and discuss any intended fiscal policy changes with donor nations, the World Bank and the International

Monetary Fund.

Sogavare also pledged to work closely with RAMSI to come down on corruption "like a tonne of bricks". Fighting corruption has become code language for selectively cracking down on political bribery as a means of enforcing "economic restructuring" measures and tightening Australian control over the economy.

Over the past three years, RAMSI has used corruption charges as a means of ousting from government anyone who has expressed even mild reservations about its operations. Seven cabinet ministers have been jailed, while Kemakeza and Rini and their benefactors, dubbed the "big fishes" by local residents, have been shielded from prosecution.

"Combatting corruption" has also become a means of countering the influence of Taiwan and China and their wealthy local supporters, who have been offering aid grants and payments to politicians in return for diplomatic recognition and business concessions. Sogavare has canvassed shifting diplomatic links from Taipei to Beijing, which would be more in line with Canberra's foreign policy.

Australian Foreign Minister Alexander Downer and the Australian diplomat who heads RAMSI, James Batley, welcomed Sogavare's promises to cooperate with RAMSI. Downer said he looked forward to working with Sogavare, but immediately spelled out Canberra's determination to continue the RAMSI force regardless. "We have made no decision to reduce the numbers," he said, warning that troops could remain for a "long time".

If Sogavare fails to deliver Australia's requirements, he will soon face moves to oust him. As the *Sydney Morning Herald* noted yesterday, "The Howard government has repeatedly said better financial controls are a non-negotiable prerequisite for the more than \$200 million a year Canberra is spending on [RAMSI]."

Such threats underscore the colonial character of the Australian intervention. But the events of the past few weeks—from the unrest in Honiara to the manoeuvres of Sogavare—have also revealed the increasingly explosive opposition that the RAMSI occupation is generating.



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