NATION BUILDING IN PAPUA NEW GUINEA: A LOCAL ALTERNATIVE

INTRODUCTION

Nation building is a multifaceted and never ending process. It can be about national identity (Shore and Wright 1997:24-29; May 2003:1) and common symbols and rituals (Hansen and Stepputat 2001; Comaroff and Comaroff 2001:37-40) or, on the contrary, it can be about the official recognition of diversity (Van Cott 2000). It is about a shared history, but also about the invention of tradition and the confabulation of common values (Corrigan and Sayer 1985; Nugent 1997:12). It is related to the increasing presence of the State, but it would not be effective without the popular imagination of the powers of the State (Abrams 1988; Navaro-Yashin 2002). The development industry tends to put the creation and maintenance of constructive relationships between well-functioning institutions – public and private, not-for-profit and for-profit – at the centre of nation building. It refers to these processes as "Governance" (cf. Roche n.d.), and adds "good" or "democratic" to this term emphasising institutional efficiency and effectiveness, or democratic values such as participation, legitimacy, equality, transparency, accountability and responsiveness.

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This paper is written from a development perspective placing good or democratic governance at the heart of nation building[2]. It argues that the present governance approaches in Papua New Guinea need to be complemented by one that focuses on the local levels of both the State and civil society. This is the only way that the structural predicament of nation building in Papua New Guinea can be addressed: the uneasy fit between the State and the governance practices of customary social groups[3]. The first part of this paper explains the detrimental interaction between these two agencies, and the second part makes the case for a local approach. The major challenges of the corresponding development interventions are discussed in the last sections, including: selection of the most appropriate level of local government to be strengthened, adjustment to the fluidity of customary social groups, and the strategic choice of intermediate civil society organisations.

The arguments draw on my experiences as an external advisor to the Australian Agency for International Development (AusAID) in

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Papua New Guinea, where I engaged for over a year (2006-2007) in a comprehensive consultation process assisting in the design of AusAID's new *Democratic Governance* programme[4]. This endeavour was part of AusAID's institution wide efforts to refine its intervention policies and activities as articulated in the Australian Government's White Paper on overseas Aid (AusAID 2006). The White Paper explicitly includes a comprehensive "governance approach" for "Fostering Functioning and Effective States", one of its four "Organising Themes" (ibid.:42-46). This approach articulates the (by now) traditional governance view that civil society should be strengthened to hold government to account, and that government will have to be supported in order to efficiently, transparently and effectively supply the services demanded by civil society.

In practice, however, AusAID's and other development agencies' governance initiatives in Papua New Guinea have mostly boiled down to public sector reform, in particular of the National Government and its institutions. What is more, the few projects in Papua New Guinea with an explicit focus on engaging civil society have tended to deal with civil society as an alternative or antagonist of the State, instead of forging constructive relationships between them as part of the wider nation building project. Most worryingly, I hardly found any development intervention that considered the need to take customary social groups – the mainstay of civil society in Papua New Guinea – into account.

UNEASY FIT BETWEEN STATE AND CUSTOM

Many of the present-day problems of governance in Papua New Guinea stem from the growing linkages and entanglement between the relatively new institutions of the State and customary social groups. As the foundation of civil society in Papua New Guinea, customary social groups structure the life of most Papua New Guineans. There is hardly any Papua New Guinea citizen who does not express allegiance to extended families, lineages, clans, communities, tribes and the like. They may differ in size and functions, but customary social groups

determine the rationale of long-term social relationships – of mutual obligations of debts and repayments (Strathern 2004:4) –, the qualities and contestability of leadership[5], the ideology of kinship to express group cohesion and difference (Sillitoe 1998:142), and the general sense of well-being and self-fulfilment intimately related to the customary ownership of land.

An instructive example of the uneasy fit between officialdom and custom is the mutually debilitating relationship between the customary and formal justice systems. As anybody slightly familiar with Papua New Guinea will tell you, the key difference between customary and state law is that the former aims at the restoration of social relations, while the latter emphasises individual culpability. The main means of obtaining justice in customary social groups is through the payment of compensation, while that of the state system is the punishment of responsible individuals. Uncodified customary law, which flexibly incorporates new ideas and practices, is also more responsive to changing circumstances.

Admittedly, the formal justice system has sought to accommodate customary elements. The creation of Village Courts constitutes the best recent instance of fruitful interaction between the two, and national and district courts are authorised to include compensation payments in their sentences as well. For various reasons, however, the articulation of customary and formal justice has gone awry in many parts of Papua New Guinea. Firstly, since the end of the colonial period the public system has been increasingly specialised, with the introduction (amongst other public offices) of single-purpose magistrates. This contrasts with the practices and ideas of customary authority, according to which leadership is (tenuous yet) all-encompassing, involving executive, legislative and judicial powers. It is argued that one of the causes of the relative success of the colonial kiap system was that the kiap was in effect much more than a district magistrate. Importantly, he was also the district government agent overseeing public services. As part of conflict mediation, these services could be increased or withdrawn, combining executive and judicial authority (Dinnen 2001b:21, 28).

Secondly, the formal system has encroached upon customary practices of justice without the institutional capacities to replace them properly. On the contrary, the violence of many police actions and the manipulation of the formal judiciary by elites have given rise to the popular view of a widening gap between "law" and "justice" (Dinnen 2001a:13). The combination of an inapt justice system and weakened customary law, then, has contributed to the increase of lawlessness that is reflected in the re-emergence of tribal fighting and the rise of domestic violence.

The general mayhem of election campaigns and the malpractices of a dysfunctional National Parliament also demonstrate the problems of a State that has been imposed on Papua New Guinea by the former colonial power and a tiny local elite. Elections tend to revive social divisions and may even create new conflicts between customary social groups, as candidates scramble to secure the necessary votes to get them into Parliament (May 2003:4-5). In the process, customary relations are mobilised and, once elected, Members of Parliament (MPs) feel obliged to serve the interests of their customary social group instead of the nation.

The situation is getting worse. The State is seen more and more as the source of sudden, unconditional wealth ("cargo"), and less so as the provider of continuous services. As Andrew Strathern reveals:

Reviewing the history of the electoral process in Papua New Guinea,… [one discovers] a significant shift in voter expectations of political leadership accompanied by a commodification of the voting process… Candidates in the first elections for the pre-independence House of Assembly in 1964 sought to project an image as representatives who could secure resources from the colonial administration for the benefit of their local areas. This image has been superseded by a popular view of politicians as being preoccupied with advancing their own personal interests through continuous factional struggles and coalition building. In this situation, voters seek to extract benefits directly from candidates and officeholders in return for their electoral support. This shift has transformed the relationship between political actors and their electors from one of representative to one of patron (in Dinnen 2001b:172).

This exchange of votes for cash, beer and projects is part and parcel of what today is called wantokism. It may show some similarities with the customary relations of mutual obligations and authority but, in the interaction with state politics, it has developed into something quite different (and less constructive). In contrast to the strictly regulated re-distribution of valuables and services within and between customary social groups, the wantokism of politics and elections implies the more open distribution of external resources coming from the State.

Another important source of external revenues for customary social groups in Papua New Guinea is compensation payments. At present, the compensation payments that draw most attention (reaching radio talk shows and the front pages of the newspapers in Papua New Guinea) are those that involve (claims to) huge irregular pay-outs from the extractive industries. Many compensation payments, though, are officially sanctioned and channelled through the state apparatus (e.g. Mineral Resources Development Company). At first sight, compensation looks like a customary practice used in modern settings. However, it is critical to make a clear distinction between compensation payments made within and between customary social groups, and the modern compensation claims that have evolved from the increased linkages with the State (and market). Customary compensation payments are not just about making good a wrong or about the restitution of the use of land or the damage of goods - they deal essentially with the restoration and continuation of existing social relations. This is not the case for state agencies and large resource companies, which are perceived as external agents by the members of customary social groups who therefore feel no need to establish long-term relationships with them.

What is more, the customary relations of mutual obligations restrict the number and size of compensation demands because of the ever-present possibility of counter claims. There is little chance, on the other hand, that the Government and resource companies will ever call for compensation payments from the customary social groups in return. In addition, in many parts of Papua New Guinea "… the quantity and quality of… compensation payments, is traditionally determined by the donors, not by the

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recipients, because… such payments serve to augment the social status of the former, rather than the latter" (Filer 1997). Hence, the modern compensation payments are diverging from the customary claims for compensation, causing more problems than they solve. Again, these problems are the result of the recent entanglement of customary social groups and new institutions such as the State and the extractive industries.

In addition to the justice system, elections and Parliament, and compensation payments, one may finally draw attention to the complexities of landownership, which provides a last graphic example of the impacts of the uneasy fit between State and custom on governance. It is generally stated that 97 per cent of the land in Papua New Guinea is managed by customary social groups according to their own systems of land tenure, without title deeds. This means that the ownership of the land is normally vested in the group, whilst individual members have use rights over clearly defined pieces of land. The case of Papua New Guinea is exceptional in that the colonial and post-colonial States have always recognised customary land tenure and have even protected it from appropriation by state agencies themselves. Section 53 of the present Constitution maintains that "… the government or such other public authority must not compulsory take 'property' or 'interest in or rights over property' without compensation on just terms" (Kalinoe 2004:66).

The collective ownership of customary land, however, does not mean that customary social groups constitute clusters of permanent landowners with rigidly fixed usufruct rights. Many women and men in Papua New Guinea will use their lands as a means to mobilise social relations, i.e. to create relations of mutual obligations. Accordingly, a member of a patrilineal clan may want to share his lands with maternal cousins from outside the clan; or he may join them in shared work practices on their lands, generating or maintaining duties of mutual debt payments in goods or services. In certain areas of Papua New Guinea, this goes so far that it becomes impossible to equate customary social groups with land (Leach 2004).

Moreover, the reproduction of customary social groups in Melanesia is not so much based on maintaining and strengthening collective interests, but rather is based on structural relations of conflict between groups and between members of the same group. Consequently, group fission (and the fusion of weak groups) happens regularly, which implies that land will frequently be reallocated to newly formed groups. In the Highlands it is quite common that clans and individuals alienate land, and that land is involuntarily redistributed according to changing power relations (Weiner 2007).

It is therefore problematic to conceive of customary social groups as stable landowner groups. This conclusion evidently diverges from the impression one gets whilst listening to the public debate on "clans". Government officials, mining engineers, the occasional development expert etc. tend to equate "clans" and "land groups", considering access to land as the single most important factor for clan formation and membership. This is most clearly visible in the case of the petroleum industry in Papua New Guinea where clans (and sub-groups within clans) that own land in the areas of exploration (and additional infrastructure) have been legally recognised as Incorporated Land Groups (ILGs). As ILGs they receive compensation payments for the use of their land.

However, the ILGs have never been used to deal with matters of landownership per se, as they were legally designed. Clan members see the ILG "… solely as a petroleum benefit-receiving body" (Weiner 2007:120). More worryingly, the growing awareness and popularity of obtaining compensation payments from the State and the extractive industries amplifies the significance of landownership as a defining feature of customary social groups (Filer 1997). This distorts the dynamics of mutual obligations and the organisational flexibility inherent in these groups. It sets in stone what uses to be temporary group fissions and fusions and the ensuing conflicts. We only have to look at the former troubles in Bougainville to imagine what the results can be.

THE CASE FOR GOING LOCAL

At present, the State is debilitating customary social groups, and customary social groups impair the effectiveness of the State. Public sector reform, then, is not sufficient to build the Papua New Guinean nation because the problems are neither only of the State nor merely technical – they are structural, originating from the incongruity of two distinct modes of governance[6]. Therefore the Papua New Guinea Government and the development industry will have to develop alternative interventions to complement their traditional approaches to address the structural predicament of governance.

Obviously, such interventions should be as much about the State as about customary social groups. Taking the latter seriously would imply quite a change of attitude amongst development practitioners in Papua New Guinea. It is not unusual, for instance, to hear Papua New Guinea Ministers publicly declare that the challenge of development is "how to get beyond the clan system". Other specialists add that it is difficult to conceptualise "customary groups as stakeholders with which an aid programme can deal directly". They criticise customary practices for not being fully participatory, for being an obstacle to gender equality or for other shortcomings, depending on their respective fields of expertise. But circumventing the complex issues of custom (and its relation to the State) by concentrating on the alleged "real" business of institution building, growth, anti-corruption etc. will not solve the structural issue of nation building in Papua New Guinea (cf. White 2006:3). Instead, one will have to try finding ways to adjust development interventions to the organisational flexibility of customary social groups, and to build on the strong relations of obligation and reciprocity within these groups that help to achieve a high level of accountability of their leaders, and transparency of the decision-making processes and the (re)distribution of resources.

Hundreds of customary social groups operate at the local level, with relatively few relations between them. Papua New Guinea is a fragmented country in which more than seven hundred language groups try to live together despite ethnic divisions. For most contemporary women and men in Papua New Guinea, the young State is far off and they live and organise themselves according to alternative customary modes of governance. Subsequently, a governance approach in Papua New Guinea that attempts to create the institutional partnerships critical to nation building cannot do so without strengthening State and civil society agencies that go beyond the local level, at which customary social groups tend to work best. However, in order to constructively address the critical issue of custom, a governance programme also needs to intervene at the local level of society, where the positive democratic aspects of customary governance are at play. Well-run customary social groups do not reach the national level, and only a few exceptions reach the intermediate level. On the contrary, it is the excesses of the uneasy fit between the State and custom that I have discussed in the previous paragraph (e.g. wantokism) that dominate at the national and intermediate levels.

The additional advantage of an approach that focuses on customary social groups as the local sources of Papua New Guinea nation building is that it will show the huge local social and economic variability of Papua New Guinea. This guarantees a high degree of specialised local understanding and locally appropriate development interventions, increasing local ownership and aid effectiveness.

A local governance approach, though, poses major challenges. Without pretending to be complete, three key challenges emerged during the consultation process of AusAID's Democratic Governance programme: the strategic selection of local government agencies, the development of local institutions in accordance with customary practices, and the strategic selection of intermediate civil society organisations.

THE LOCAL STATE: COMPETITION AND COMPLEMENTARITY

The issue is not to re-define the State, but rather to re-juggle competencies, financial flows and support to local government

agencies that are best suited to create constructive relationships with customary social groups. According to the 2000 census Papua New Guinea has a population of about 5,100,000 people who live in 20 provinces (including the National Capital District and the Autonomous Region of Bougainville), divided into approximately 89 districts and 311 Local-level Governments (LLGs). A local approach, then, urges one to compare the performances of LLGs and districts to find out which of these two levels of local government may either complement or compete with customary social groups.

From a strictly formal point of view, LLGs are the most democratic institutions in Papua New Guinea[7]. The core members of the LLGs are the Councillors of the constituent wards who are each directly elected by their inhabitants[8]. LLGs also have the potential to be the most responsive state agencies because they operate at the most local level. Accordingly, since the state reforms of the mid-1990s, LLGs have accrued quite an impressive range of legal rights and responsibilities. They have a wide variety of law-making powers[9], they are able to raise revenues through taxes and licensing[10], and their administrative functions include annual budgets and the design of five-year development plans[11]. Furthermore, they are supposed to provide a long list of services, such as: the construction and maintenance of airstrips, bridges, feeder and access roads, water supply, waste disposal, and elementary and primary schools; administration of Village Courts and provision of auxiliary land mediation services; literacy and non-formal education; sports and recreation, etc. (Public Sector Reform Management Unit 2005:31).

However, Papua New Guinea reality is unruly. LLGs in the provinces of East and West New Britain may have some leverage but, in general, LLGs are dysfunctional, especially in the Highlands. Rural LLGs tend to receive funds that barely cover the staff's salaries and the allowances of the Councillors, and these financial resources come in late. Most revenues are stuck in the national and provincial administrations. More alarmingly, even if all the allocated money did indeed get through, it would still not be enough to cover the LLGs' legally sanctioned functions (Filer 2004:2). Recently the National Economic and Fiscal Commission of Papua New Guinea

(NEFC) carried out a review of the actual services delivered by the various levels of sub-national government (National Economic and Fiscal Commission 2005). Regarding the LLGs, it provides disheartening reading. Few are the services put into effect by the LLGs, and these are mostly restricted to monitoring, identifying, assisting, additional funding, maintenance (e.g. grass-cutting of air strips), providing information, and a little inspection. Importantly, LLGs do not seem to have the capacity to coordinate service delivery, except for some liaison activities in cases of land acquisitions and mediation, and for Village Courts. Very little is happening in the LLGs.

Many districts are not much better off. District Administration staff is under-trained and only a fraction of the officially allocated financial resources for the development of the districts tend to reach the District Administrations' coffers. In general, though, they seem to operate more efficiently and effectively than LLGs. District Administrations incorporate the most local government divisions of education, health, works, community development, agriculture and livestock, and so forth, implementing the national sector policies within the districts. The District Administrator coordinates and oversees the sectors within his district, which should help to ensure that it meets certain minimum standards, especially in health, education and infrastructure (Public Sector Reform Management Unit 2005:28, 30)[12].

The NEFC review of service delivery by District Administrations is still downcast, but it does not compare as badly with its legal responsibilities as do the LLGs (National Economic and Fiscal Commission 2005). The District Administrations initiate policies, establish community projects, provide training, extension work, education and health services, carry out inspections, operate and maintain rural facilities (health, education, agriculture), etc. Furthermore, staff of the District Administrations seem more stable than LLG staff because they are less likely to be hired and fired at the whims of (newly elected) Councillors.

The reasons for the differences in performance between District Administrations and LLGs are not only financial or technical, but also institutional. The District Administrations

have LLG divisions just as they have health, education or works divisions. In Papua New Guinea, public governance LLGs are treated as a sector next to other sectors; they are structurally not considered to be critical points of coordination between sectors. Therefore, the District Administrations are the most viable of local state institutions, able to provide coordination and secure constructive relations among state agencies and between state agencies and civil society organisations.

The District Administration, though, is the least democratic of local government institutions. It is mostly an administrative body overseen by the Joint District Planning and Budget Priorities Committee (JDPBPC), which determines and controls budget allocations (including those for LLGs). The JDPBPC is chaired by the MP of the district, who is joined by the Presidents of the LLGs within the district, and a maximum of three members appointed by the MP ("…*in consultation with the heads of the Local-level Governments…*")[13]. As most districts consist of three LLGs, this means that the MP and his appointees hold considerable power within the Committee. What is more, the district MP directly receives funds from the National Government, which he can spend as he sees fit, without consulting the JDPBPC[14].

Yet the legitimacy of the LLG is highly questionable and the District Administration's legitimacy may well exceed it if one takes into account the relative compatibilities with existing customary modes of governance. Going beyond the confines of formal representative democracy, the present analysis stresses the importance of such compatibility. In a highly fragmented country like Papua New Guinea, the more local the level, the more types of authority one finds. The democratically elected Ward Councillors of the LLGs, Village Court Magistrates, church leaders, and customary big men (and chiefs) may compete for leadership, trying to exploit different sources of authority at the local level. In some regions of Papua New Guinea these functions converge in a few powerful men holding many kinds of leadership positions, but in other regions Councillors will be seen as mere competitors. In this situation – where local men and women weigh problematic electoral processes against religious significance, juridical competence,

or customary leadership – it is debatable whether they consider the elected Councillors to be their most legitimate leaders.

In contrast, few sources of authority encompass a whole district. Generally speaking, MPs and District Administrators only experience the competing authority of the larger churches at the district level. In this sense they provide complementary leadership to more local customary positions of authority, bringing groups together and delivering services with relative effect. The local legitimacy these factors generate mean that District Administrations, instead of LLGs, are the preferred local government agents to be strengthened by a governance strategy that genuinely involves customary social groups.

CUSTOMARY SOCIAL GROUPS: FLUID INSTITUTIONS

The stability of well-functioning institutions is generally used by evaluators and donor agencies as an important indicator of the sustainability of development interventions – it is also considered to be at the heart of nation building. The sheer pervasiveness of customary social groups in Papua New Guinea society, then, requires a closer look at the customary potential to secure such institutions. The discussion of customary landownership, however, already revealed that group fission is common and that customary social groups should not be confused with fixed, unified corporate landholding groups. Customary relations of mutual obligations may appear to be inflexible because Papua New Guineans use a well-developed kinship vocabulary to render these relations intelligible, but in practice they actually detach and affiliate themselves from one customary group to the other with relative ease. Customary social groups are willing to incorporate different kinds of kin and outsiders, and migrants can be granted usufruct rights of customary lands in new locations (Weiner 2002:5-6; Leach 2006). Common residence and the shared knowledge of important places in the landscape (with procreative and productive powers) are important additional elements to perceived kinship relations that bring people together. This is what has been described

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as the "… celebrated fluidity of Melanesian social groups…" (Sillitoe 1998:140).

The fluidity of customary social groups implies that they seldom operate as a political unity with long-term goals and strategies, even when they are relatively stable. Collective actions take place within customary social groups but members are relatively free to ignore them if these activities are deemed to be of little personal benefit. "The groups that form are thus transient collections of people who think that it is in their individual interests temporarily to coordinate their actions to achieve some goal. A group with exactly the same membership is not likely to come together again" (ibid.: 143).

As a result, the development industry in Papua New Guinea has been particularly unsuccessful in establishing so-called Community Based Groups (CBOs). A singular feature of such CBOs in Papua New Guinea is their institutional frailty. Set up to manage community development projects such as literacy courses, resource centres, drinking water systems, communal guests houses, micro credit schemes and the like they have tended to crumble as soon as the respective development programmes close down or shift their attention to other communities. Cases have been recorded in which the simple migration of the chairperson resulted in the demise of the CBO. An NGO in the Eastern Highlands went so far as to ascertain that CBOs are a "fantasy" of the development industry. The NGO only works with school boards and individual families[15].

In many ways the challenges and flaws of CBOs are similar to those of community groups related to the extractive industries. Without stretching the comparison too far, it is safe to say that ILGs and similar landowner associations operating in the impact areas of large resource companies will have a hard time surviving once the respective company they depend on leaves the region and ends its support. Like CBOs without external support of development programmes, these organisations will probably disappear.

The Community Development Scheme (CDS), a development programme formerly funded by AusAID, almost by accident stumbled upon a viable alternative of institutional development that builds on the fluid customary mode of governance. Short on quality staff and civil society organisations in Papua New Guinea that were able to deliver demand-driven community development on the scale and of the type required by the programme, CDS trained and mentored "field workers". In effect field workers are local development workers who have the capacities to facilitate thorough processes of participatory planning and evaluation, and to conduct training within communities[16]. Its success has recently been confirmed by the Papua New Guinea Government, as the Field Worker competency-based training and accreditation system has officially been approved by the National Apprenticeship & Trade Testing Board (NATTB), which sets national occupational skill standards.

In East New Britain, a field worker association has even been established and the Papua New Guinea NGO Community Development Initiatives Foundation Trust (CDI) – one of the driving forces behind the accreditation system – has suggested creating a nation-wide Community Development Workers Association whose membership consists of field workers and other kinds of community development workers who have successfully completed the accreditation programme. However, this seems to be taking the field workers' success one step too far. On the contrary, the field worker initiative has been thriving because it was never intended to become a stable institution. Unintentionally, this fitted the "celebrated fluidity" of customary social groups well. It suffices that field workers are well trained, developing a critical mass of women and men with strong participatory planning capabilities who will strengthen customary social groups (and other agencies). The importance of the training and accreditation system, then, lies more in the creation of a kind of field worker "movement" of loosely related community development workers, rather than in institutionalising field workers into another national body that may very well lose its relations with the grassroots – as has happened with many national agencies in Papua New Guinea.

Accordingly, the inherent fluidity of local associations also privilege concrete development practices such as participatory planning. In contrast to the formation of organisations such as CBOs, these processes

coincide with customary practices of mobilisation, organising transient groups in a flexible way for concrete purposes. Customary groups and intermediate organisations such as the District Administrations, churches and NGOs will create partnerships, and will plan and coordinate at a supra-group level, but they may each go their separate ways and carry out individual projects as soon as the process of participatory planning is completed[17].

Fortunately, recent trends in the development industry have increasingly incorporated the informal aspects of institutional development (see, for example, United Nations Development Programme 2002; Department for International Development 2007:7). The significance of fluid customary governance practices in Papua New Guinea confirms the value of such approaches. However, the sustainability of most governance programmes is still measured by the creation or strengthening of well-functioning organisations – public and private, for-profit and not-for-profit. The flexible terms set by customary social groups imply that such a strategy would be detrimental to local governance, and to nation building in Papua New Guinea in general.

CIVIL SOCIETY: NETWORKS VERSUS PARALLEL SYSTEMS

Civil society, like the State, involves intermediate organisations that are vital for the delivery of services and for fostering constructive relationships with and amongst customary social groups – in short, for building the nation from the bottom up. And like the State, a local approach implies strategic choices about the kinds of intermediate civil society organisation that suit best the development processes of customary social groups and their relations to the State[18].

The various churches in Papua New Guinea are obvious choices. Since the nineteenth century these civil society organisations have provided health care and education to the local population. They have established social and institutional networks that go well beyond the customary

social groups, laying the foundations of an incipient nation. In most parts of Papua New Guinea, they preceded the (colonial) State. They have also established, with relative success, one of the few types of CBOs that seem to be sustainable – faith-based women groups. Moreover, local clerics and church branches use to be involved in the mediation of conflicts and the reconciliation between different customary social groups. The church members' continued religious interest guarantees the institutional sustainability of most of the churches and their governance endeavours at the local level.

Nevertheless, the churches also show where intermediate civil society organisations may find obstacles working at the local level. Most churches are hierarchical organisations that are managed from the national, or sometimes even international levels, which means that they are not always able to fully exploit their excellent social networks amongst customary social groups. Local church branches tend to have little scope to redirect resources that have been earmarked at the (inter)national level, struggling to react flexibly to valuable initiatives originating at the local level. With regard to the churches' relationship with the State, the picture is rather mixed as well. In some districts, churches coordinate fittingly with local state agencies, but in others they circumvent the State, pointing at the lack of public funds and the machinations of local politicians. In the process they create a parallel system that may weaken the State, or which at the very least may not promote viable districts capable of coordinating and monitoring the delivery of services (by the churches).

In the Papua New Guinea development industry, NGOs are at the heart of the civil society debate, showing more potential than other intermediate civil society organisations such as the few trade unions, producer associations, business and professional bodies, and independent policy centres[19]. For good reasons, though, the Papua New Guinea Government is rather wary of NGOs. It draws attention to the parallel system to the State that NGOs may create, as it receives external funds for carrying out services that are public sector responsibilities. Considering the limited number of effective NGOs in Papua New Guinea, this concern looks likely to be overstated and in practice local state

agencies may well welcome the work of NGOs[20]. Short of resources for services and development projects themselves, the local state sometimes teams up with NGOs, supporting them with small inputs of petrol, use of government cars or people. The Government's concern, then, seems more to express a fear of strengthening NGOs, which might eventually result in the creation of a parallel system to the State. One should indeed be worried, if international experience is anything to go by.

Grassroots groups, furthermore, claim that Papua New Guinea NGOs usually operate at the national level, ignoring the local level, working out of the country's capital Port Moresby (or Lae). They express serious concerns about the NGOs' priorities and about the NGOs' unwillingness to work in remote areas. And when NGOs work in the communities, people do not seem to be particularly impressed by the so-called "bottom-up" planning, which often fails to respond to local demands. Some local NGO workers confirm these institutional flaws, arguing that time constraints restrict participatory processes and that project initiatives and funds are mostly managed by the national offices, limiting the ability of local NGO branches to carry out projects effectively in a highly diverse country like Papua New Guinea and to react flexibly to changing local circumstances. Like the churches and the State, NGOs tend to conduct their business in the straitjacket of national organisational structures.

For all that, NGOs are a diverse group of civil society organisations in Papua New Guinea. For the sake of analytical clarity, countering some of the above critique, one could distinguish between two categories of NGOs: generalist NGOs and specialised NGOs. Each of them plays a different role in promoting nation building at the local level and each of them presents different dilemmas.

The fear of a parallel system to the State is justified in the case of generalist NGOs covering a wide range of different activities. Over time, NGOs are likely to turn into broad service providers incorporating the newest fads in the development industry. But by carrying out services in sectors as diverse

as health care, agriculture, water supply, (informal) education, the environment, gender, democratic governance etc. these generalist institutions have become successful competitors of the State in various parts of Papua New Guinea. And by not sufficiently coordinating their activities with local government agencies, they weaken the Papua New Guinea State in the process.

Among the most efficient and effective generalist NGOs are various BINGOs, big international NGOs. Their presence seems to be even more contentious. Not surprisingly, within the local NGO community "… there is increasing perception of the parasitic nature of BINGOs" as they compete for donor funds (CDS n.d.: 27). More worryingly is the suggestion of development specialists in Papua New Guinea that BINGOs would be less inclined to engage in a serious processes of local governance because its leadership is "… usually provided by non-citizens who may not feel comfortable in political agendas" (ibid.:30). This would obstruct constructive partnerships with District Administrations and the like because these state agencies are inherently political.

Ironically, the NGOs that pose the most threat to the State are also the ones that tend to work most closely with customary social groups in the communities. In general terms, generalist NGOs in Papua New Guinea – national and international – seem to have established solid social networks at the local level. The challenge for these NGOs is to combine these social networks with a constructive relationship with the State. CDI is one of the few generalist NGOs that has managed to do just that, focusing many of its activities on strengthening LLGs (which one could criticise) and signing memorandums of agreement with the Provincial Governments of the provinces it works in.

Specialised NGOs, on the other hand, run less of a risk of creating parallel systems to the State. They may crowd out local state agencies in particular sectors (e.g. health, HIV/AIDS, or drinking water) but the State will still have a chance to remain (or become) an active actor in other sectors and remain the general coordinator of local development. This applies in particular to NGOs that specialise in democratic governance activities such as peace building, conflict resolution, civic

education and advocacy. The nature of these activities requires coordination with other local actors – peace requires multi-party negotiations, and civic education will only have a considerable impact if combined with other more tangible community development interventions.

In this sense Papua New Guinea has a comparative advantage in relation to other developing countries. A substantial share of its NGOs is actually quite specialised. In contrast to many of the generalist NGOs, however, most specialised NGOs in Papua New Guinea rely on quite feeble social networks in the communities. This is a serious drawback, considering that nation building in a country as diverse and fragmented as Papua New Guinea starts locally. In addition, the specialist advocacy NGOs that are much favoured by the international development business to demand good governance from the State do not have much impact on what happens at the local level in Papua New Guinea. Whilst not ignoring the importance of national advocacy activities, in order to multiply their impact they need to establish solid social networks with the customary social groups in the communities.

CONCLUSION

By any account building a nation in a country as diverse and fragmented as Papua New Guinea poses major dilemmas for policy makers and development experts. Traditionally, the Government and the development industry in Papua New Guinea have concentrated on strengthening the State, particularly at the national level, expecting that this could mould a country with more than seven hundred language groups into a nation. The results have been partial, to say the least. A key reason is the unconstructive entanglement between the young Papua New Guinea State and "clans", or customary social groups. The tensions between the official justice system and customary law, political wantokism, exorbitant compensation claims, and the contradictions between the state ideology of permanent landownership and the fluidity of customary social groups, show the uneasy fit between officialdom and custom in Papua New Guinea. Until recently

the State has not addressed this structural problem of nation building. On the contrary, it seems to have exacerbated it by weakening customary modes of governance without replacing them with a viable alternative.

Public sector reform, then, will have to be complemented with development approaches that deal with the structural problem of entanglement – not to disentangle the State and customary social groups (which is impossible), but to turn this relationship into a mutually beneficial interaction. In order to achieve this, such approaches will have to focus on the local level at which customary social groups operate fluidly and in relatively democratic ways, building the nation from the bottom up. This does not necessarily imply a strong push for decentralisation or some kind of cultural reveille romanticising customary practices of governance. Decentralisation may just replicate the problems of the central State at the local level, and the absence of women in customary public debate is a useful reminder of the drawbacks of custom. It means that the development industry will have to come to terms with customary social groups instead of circumventing the issue. A few strategic options are suggested to foster partnerships between the State, customary social groups and a selection of intermediate civil society organisations, reinforcing each other's strengths in order to build the nation. In the process, the modes of governance of the State and customary social groups will gradually be transformed.

The productive engagement between well-functioning inclusive institutions is best achieved by strengthening District Administrations (instead of LLGs) and by promoting fluid means of institutional development at the local level, such as capacity development of "field workers" and participatory planning. These processes better correspond to customary practices of authority and mobilisation than more traditional institutional development strategies which, for instance, have tried in vain to establish stable CBOs in Papua New Guinea. Moreover, the churches and specialist NGOs play important roles in nation building from the bottom up. The position of generalist NGOs, however, is more controversial because they tend to supplant the local State with a broad range of public services traditionally provided by the State. A specialist advocacy group

vehemently criticising the Papua New Guinea Government may be more constructive than a generalist NGO. The former takes the (flaws of the) State system very seriously, whilst the latter may very well ignore it.

AUTHOR NOTES

Governance is at the heart of Into Goudsmit's work. He is involved in programme design and management, capacity development and research, working for agencies such as the World Bank, UNICEF, AusAID, SNV Netherlands Development Organisation, and various local NGOs. He holds a Ph.D. in social anthropology from Goldsmiths College, University of London. At present, he is employed as UNDP Governance Advisor in Cambodia.

ENDNOTES

1. I am most grateful to Judith Ugava-Taunao for her invaluable support during the year long consultation process (2006-2007) that I carried out as an external advisor to the Australian Agency for International Development (AusAID) in Papua New Guinea. It is important to note, though, that the views expressed in this paper are the author's only and they do not represent AusAID's position. The critical comments made by the anonymous reviewers of this article are much appreciated.

2. As a development practitioner I underscore the import of governance programmes. As a social scientist I may want to highlight the risks of development interventions stressing the potential for unintended detrimental effects. This article, however, is a policy paper that does not deal with the fundamental critique of the development industry and governance programmes per se.

3. The Papua New Guinea Government, business circles and development workers tend to talk about "clans" instead of customary social groups. However customary social groups in Papua New Guinea hardly fit into the classical meaning of clans seen as the fixed building blocks of a rigid segmentary social structure organised on the basis of unilineal descent. For this reason the more generic term "customary social group" is preferred (Filer 2007).

4. This is not to say that AusAID will necessarily heed the suggestions described in this paper. At the time of writing the new Democratic Governance program had still not started.

5. In a few coastal areas chieftainships exist where leadership is ascribed and limited to certain families, but in most of Papua New Guinea leadership is more openly contested on the merits of becoming a "big man".

6. Terms such as "incongruity" and "uneasy fit" facilitate analysis. However, it is important to note that they maintain a contrast between custom and modernity which many Papua New Guineans do not experience as such. They blend both domains into coherent practices and understandings of themselves and the world around them. An interesting example is how members of the Kivung movement in Pomio (East New Britain) consider the World Bank to be accumulating money that they have offered to the alternative and superior underground Government of the dead. This is why they think the World Bank in Papua New Guinea clashed with the actual Papua New Guinea Government which they perceive as corrupt (Lattas 2006:139-141).

7. This paragraph focuses on LLGs in the countryside, where most Papua New Guineans live. Urban LLGs have not been consulted.

8. Rural LLGs also include two appointed women representatives but they tend to have little influence in the official decision-making processes.

9. Organic Law on Provincial Governments and Local-Level Governments (OLPGLLG), sections 26, 44 and 46.

10. OLPGLLG, sections 82, 83 and 87.

11. Local-level Governments Administration Act 1997, section 38.

12. See also OLPGLLG, section 74.

13. OLPGLLG, section 33a.

14. Half of the District Support Grants, see OLPGLLG, section 95a. Despite the recent changes to the electoral system in Papua New Guinea (limited preferential voting) the MPs still tend to be elected by a limited percentage of their district constituencies. They mostly depend on restricted customary allegiances directing most of the accessible state resources to associated clans and tribes. This electoral favouritism shows at all levels of government in Papua New Guinea. Its critical analysis is beyond the scope of the present policy paper.

15. 15. School boards, faith-based women groups, and local church branches are notable exceptions constituting relatively stable CBOs that do not directly answer to the pervasive logic of customary governance.

16. See CDS, Field Worker Monitoring and Evaluation Report, produced in 2006.

17. Participatory planning seems to suit the local situation in Papua New Guinea but it is not the development panacea that some of its practitioners claim it to be. For a critique of participatory methodologies, see for example Cooke and Kothari (2001), and Goudsmit and Blackburn (2001).

18. For the sake of analytical clarity this analysis replicates the common practice in the development industry to conceptualise a clear distinction between the State and Civil Society (see for example AusAID 2006, Department for International Development 2006). However, there is much to be said against such a dichotomy as "… it holds empirically questionable assumptions about the degree to which civil society can be seen as autonomous from the state…" (Gaventa 2006: 15). For additional critique of the Civil Society concept, see Warren (2001:32-34, 56-58).

19. These organisations are few and far between, tend to have limited institutional networks, and are either weak or operate almost exclusively in the national capital.

20. By the end of 2006 CDS had identified around 30 NGOs – secular and faith-based – with the potential to play an important role in the development of Papua New Guinea.

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