

Boom and bust? Political will and anti-corruption in Papua New Guinea

by Grant Walton and Husnia Hushang

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Sir Anthony Siaguru walk against corruption
(Credit: Transparency International PNG, 2013)

When it comes to fighting corruption in PNG, it seems the more things change the more they stay the same.

In 2019, when James Marape took over as the nation's leader from Peter O'Neill (prime minister from 2011 to 2019), the new prime minister promised to prioritise the fight against corruption. Marape pledged to establish an Independent Commission Against Corruption (ICAC, yet to pass into law), whistle-blower protection (bill passed in February 2020) and a commission of inquiry into the [UBS loan scandal](#) (which began earlier this year). Stressing his commitment, soon after becoming prime minister, Marape [said](#) [paywalled]:

Our people have had enough and now is the time to tackle the cancer of corruption that has taken hold using the power of prosecution and all other means that we have at our disposal.

If these sentiments sound familiar to those who follow PNG politics, it is because they are. In 2011, after taking over from then Prime Minister Michael Somare, Peter O'Neill also promised to tackle corruption head-on. Like Marape he pledged to establish an ICAC. In the interim he established Investigation Taskforce Sweep, an anti-corruption agency that successfully investigated government corruption until 2014, when it lost its funding after unsuccessfully supporting efforts to arrest O'Neill himself. Despite early optimism around O'Neill's anti-corruption reform agenda, his government was plagued by corruption allegations, which culminated in his recent arrest related to [allegedly purchasing generators](#) without parliamentary approval.

To draw out how well both the O'Neill and Marape-led governments have backed up their anti-corruption sentiments with cold hard kina, in our [article](#) recently published in *Asia & the Pacific Policy Studies* we track how much governments have budgeted for and spent on key anti-corruption organisations (such as the Ombudsman Commission, Auditor General and Fraud Squad).

Our analysis (which builds on previous [research](#)) reveals that the O'Neill

government initially boosted allocations for and spending on key anti-corruption organisations only to undermine and underfund these organisations as allegations of corruption engulfed his government. In turn, we argue that the O'Neill government's approach to funding anti-corruption organisations followed a boom and bust pattern that is a feature of other [anti-corruption reforms around the world](#). That is, when a new government comes to power they claim they will address corruption better than their predecessors and initially channel significant resources into anti-corruption organisations (the 'boom'). However, over time, as accusations of corruption and frustration with anti-corruption efforts mount, politicians underfund and undermine anti-corruption organisations (the 'bust').

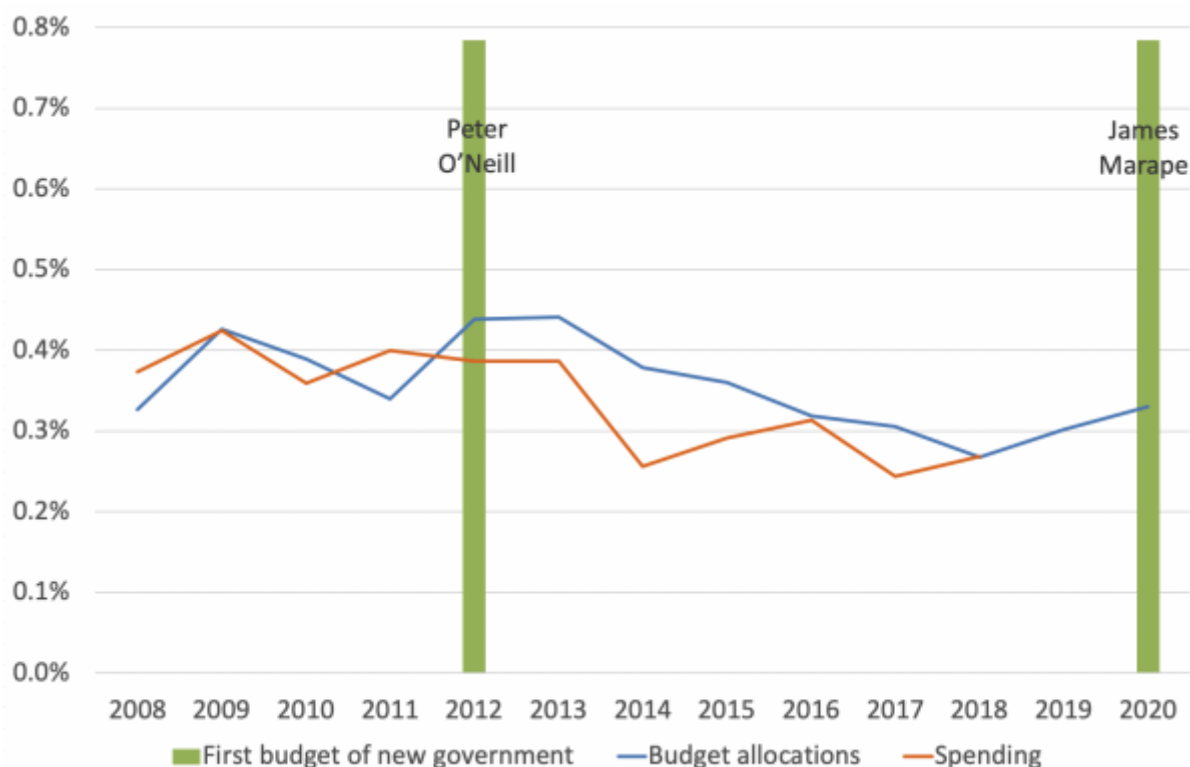
While, over time, O'Neill's government starved anti-corruption organisations of funds, in some respects his government did more to support anti-corruption organisations than the current Marape government.

On the face of it, Marape has increased funding for state-based anti-corruption organisations, with most of the key anti-corruption organisations we identify set to receive more money in the 2020 budget. However, in their first budget for 2020, Marape's government committed less money (in real 2019 prices) to key anti-corruption organisations than O'Neill's government did in its first budget.

The O'Neill government also contributed more to anti-corruption agencies compared to other areas of government spending in their first budget. Figure 1 below presents allocations and spending for key state-based anti-corruption organisations as a proportion of PNG's national budget. It shows that between 2013 and 2018 allocations for and spending on anti-corruption organisations reduced relative to other areas of the budget. However, in the O'Neill government's first budget (2012), allocations increased significantly, rising from 0.34% to 0.44% of the national budget.

Allocations also improved in the Marape government's first budget, although not as significantly: the proportion of funds allocated to anti-corruption organisations only rose from 0.30% of the total budget in 2019 to 0.33% in 2020. In other words, in relation to other areas of government spending, O'Neill's government was more committed to anti-corruption organisations in its first budget than Marape's.

Figure 1: Anti-corruption allocations and spending as proportion of national budget



It is too early to tell what will happen to anti-corruption funding under the Marape government. However, our findings and those from other countries suggest policymakers need to be ready to respond to the tendency of governments to cut funding to anti-corruption organisations over time.

This is particularly the case if Marape continues to be prime minister beyond the 2022 national election, as the longer this government is in power the more pressure it will face to cut funding to anti-corruption organisations. Responding to the boom and bust nature of anti-corruption funding might include supporting civic and diplomatic campaigns aimed at increasing government spending on these organisations. If another prime minister comes to power, policymakers should work to ensure the government boosts resources to key anti-corruption organisations more than Marape and O'Neill did in their first budgets.

Regardless of the political outcomes, governments, donors and others will need to continuously work towards reversing the boom and bust tendencies governments display towards anti-corruption organisations. This could include advocating for legislation that requires anti-corruption organisations to be allocated a minimum percentage of the overall budget. Anti-corruption organisations will still need ongoing funding from the state; however, being able to access some of the funds they help recover could provide them with income when governments reduce their budgets.

Addressing the boom and bust nature of anti-corruption funding is particularly important now the PNG government faces significant financial pressure given the

downturn in revenue due to the COVID-19 pandemic.

This piece is based on the authors' article in the [Asia & the Pacific Policy Studies](#) journal, "[Boom and bust? Political will and anti-corruption in Papua New Guinea](#)". All articles in the journal are free to read and download.

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