

Looking to a future without RAMSI

By Jon Fraenkel 1 August 2014

Jon Fraenkel was the team leader of an Independent Review Team appointed by the Solomon Islands Government. The report can be found here [pdf]. This is an edited version of a speech he gave at a consultation workshop in Honiara in June 2014.

On Wednesday 18th June, Australian Foreign Minister Julie Bishop <u>spoke</u> in Canberra at the National Press Club about a 'new aid paradigm'. One key theme was renewed attention to 'value for money' and to 'performance indicators', and a promise that aid projects that fail to show tangible results will be quickly wound up. Echoing that aid philosophy, a <u>report</u> on RAMSI was released by the Lowy Institute in May 2014 entitled 'Australia's Costly Intervention in Solomon Islands: the Lessons of RAMSI'. That report says that the overall Australian expenditure of RAMSI was around A\$2.6 billion, and that this was 'a massive and disproportionate investment accumulated over time largely because no one was prepared to make the difficult decision to end the mission'.

The Lowy report did not estimate what would have been the appropriate cost of RAMSI. Nor did it carefully measure cost against objectives, as Julie Bishop suggests. To do so, one would need to outline what those objectives were, and whether they were achieved. That would be difficult. The original justification did not closely suit what subsequently happened on the ground in the Solomon Islands.

Initially, the Howard government in July 2003 said it was embarking on a mission to rescue a 'failed state', but – after the first RAMSI Special Coordinator Nick Warner set foot on Solomon Islands soil – those objectives were changed, re-moulded to fit the context, and then again continually reshaped as time went by. Early on, there was considerable emphasis

on 'state-building', entailing the restructuring of institutions, eradication of corruption and engineering of economic growth. Later, frustrations grew after local resistance emerged, and RAMSI became heavily engaged in downplaying expectations, resisting any further expansion, and scaling back on commitments.

Intervention Missions in Comparative Context

The key initial objective of RAMSI may have been to rescue a 'failed state', but the Solomon Islands state had not *failed* in mid-2003, even if it had been severely weakened and, indeed, never been robust. The state had been confronted by the uprising on Guadalcanal over 1998-99, by the emergence of the Malaita Eagle Forces, by the overthrow of the government of Bartholomew Ulufa'alu in June 2000, and by the failure of the Townsville Peace Agreement in October of October 2000. Yet it had not disintegrated. The situation was not analogous to Somalia in the 1990s, where the state withered away as rival militias grew in strength. Some of the Solomons provinces, including the Western Province and Temotu, had threated to break away at the height of the crisis, but none had actually done so.

During those years, state finances were frittered away through criminal activity and corruption, but most civil servants nevertheless remained on the payroll, dutifully turning up to do their jobs – even if they needed their food gardens to make ends meet. The police force was dysfunctional, with many senior officers finding common cause with the militant groups, although the courts still proved able to function – after a fashion.

Indeed, the central supporting rationale for RAMSI implied that the state remained intact. RAMSI arrived under the auspices of the Biketawa Declaration, which allows intervention on the invitation of a member state. In other words, the mission depended on the state *not* having failed. RAMSI was, in the words of then Australian Foreign Minister Alexander Downer, a new form of 'cooperative intervention' that depended not only on the backing of the Pacific Islands Forum but also the endorsement of the Solomon Islands Government.

The <u>Biketawa Declaration</u> critically influenced the design of RAMSI. This was not a mission like those in East Timor or Kosovo where international authorities would assume *executive authority*. In those countries, there was a post-crisis period of international administration. The state was reconstructed in accordance with international standards, though control over government was – after a few years – handed back to local civilian authorities.

Some in Solomon Islands would argue that it would have been better *if* RAMSI had assumed full control over government. Yet those places where intervention missions did assume executive authority do not inspire much confidence that this would have been the better

option. Present-day Iraq, for example, is now being torn apart by Sunni militias, while Bosnia is still in trouble nearly twenty years after the Dayton Peace Accord. Intervention missions around the globe do not offer many examples of striking success stories. In many post-conflict countries, rampaging security forces have murdered their civilian populations, and ruined their economies. In comparison, the outcome in Solomon Islands looks rather benign. For that reason, those who compare international intervention missions often look at RAMSI as a success story.

Objectives of RAMSI

So what were the objectives of RAMSI and how do we judge whether they were cost effective? In civilian terms, RAMSI consisted of three 'pillars' – often described as entailing the core 'mandate' of the mission – centred on 'law and justice', 'economic governance' and 'machinery of government'.

RAMSI officials over the years have understandably insisted that they were following a clear 'mandate' in an effort to stop mission creep, and to resist the many demands for an extension of RAMSI activities. Yet in fact virtually anything could plausibly have been included under these three broad pillars. 'Machinery of Government' in particular was potentially so broad ranging that it could have enabled intervention not only across all the central government ministries, but also at the local level, as indeed it did for a period through the 'Provincial Government Strengthening Programme'. Anything nongovernmental could easily have been slotted under the 'economic growth' or 'governance' pillar. That the mission focussed largely only on a few ministries was a product of political decisions during the decade. The operating framework was not cast in stone in mid-2003. Nor was it a result of a focus on those sectors that were most successful in achieving performance indicators, even if results-based assessment frameworks have been a central focus since 2006.

The core component of the mission was 'law and justice', including the policing and military intervention, as well as the Correctional Services, the assistance to the judiciary, to the Director of Public Prospections Office, to the Public Solicitor's Office and to the other institutions necessary to halt the operations of the militants, impound weapons and end the culture of impunity. That focus was inevitable given the initial circumstances at the time of RAMSI's arrival.

Police restructuring was the pivotal component of RAMSI, and the ultimate success or failure of the mission still rests on the impact on the Royal Solomon Islands Police Force (RSIPF), although these changes cannot be measured in months or years. They are

generational. RAMSI set for itself objectives that could only be achieved over the very long-run, and it made these indispensible. Over 60 per cent of those officers in the RSIPF in mid-2003 are no longer in the force, with many of the older officers retired, made redundant or sacked. The newly recruited younger officers will grow in seniority over the years to come, and they will have to address any potential social disturbances in the future.

The second 'pillar' of the mission was economic 'growth' or 'governance', and again virtually anything could have been sensibly included under this 'pillar'. For example, 'economic governance' might easily have justified extensive deployment to the ministries of forestry, mineral resources, fisheries or lands, but it did not. Instead, RAMSI's activities under 'Economic Governance' were largely confined to the Ministry of Finance, including regularizing government accounts, increasing tax revenue and raising income from customs and excise. There was much less RAMSI control over expenditure, largely because executive authority remained with the Solomon Islands Government.

The third 'pillar' was 'Machinery of Government'. This was home to some of the ambitious 'state building' activities of RAMSI, which it was initially hoped would transform the Solomon Islands, and lay the foundations for strong economic growth. In practice, work under this pillar centred on accountability institutions, such as the Auditor-General's Office, Parliament, the Ombudsman's office and the Leadership Code Commission. The initial ambitions eventually faded, leaving behind a smorgasbord of largely disconnected programs for which the enthusiasm of RAMSI itself steadily waned. Nevertheless, there were some major achievements under 'Machinery of Government', notably as regards the Parliamentary Support Services and the Auditor-General's office.

The Primacy of Politics

Appreciation of the Solomon Islands political context is critical to any interpretation of the RAMSI decade.

Initially, in 2003-6, the Australian Government of John Howard insisted on governance and economic reforms as the price to be paid for assistance in policing and security. Foreign Minister Alexander Downer called RAMSI an 'all or nothing approach' and rejected the idea of having 'RAMSI salami sliced or neutered in any way in delicate areas like improvement in the operation of public finances'. In other words, there was to be a radical reform program, with or without the support of Solomon Islands politicians.

This approach – predictably – quickly generated a negative reaction, even under the 2001-6 Kemakeza government. When Manasseh Sogavare became Prime Minister in the wake of riots in 2006, relations between the Solomon Islands Government and RAMSI deteriorated.

There was little political support for RAMSI's reform efforts, but nor was there sufficient political support to end the mission. These years saw the expulsion of Australian High Commissioner Patrick Cole and Australian Police Chief, Shane Castles.

In late 2007, there were government changes both in Canberra and Honiara. The incoming Rudd Government reframed its objectives as a 'partnership' and wanted more focus on the Millennium Development Goals of alleviating poverty, achieving gender equality and securing improvements in health and education. Many of these programs were delivered bilaterally, rather than under RAMSI. New Zealand assistance focussed on education, which was also delivered bilaterally, rather than under RAMSI.

During the Rudd-Sikua years, and thereafter, there were some important achievements, but an undercurrent of resistance to RAMSI's reforms continued. Results were patchy. Those from overseas who arrived on long-term contracts, assumed line positions, and learnt Pijin tended to achieve more than the short-term consultants who offered quick-fix solutions, and who absorbed much of RAMSI expenditures. RAMSI was allowed to carry out its preferred functions, but the Solomon Islands government mostly pursued other objectives, including rural development and constituency development funding. In some cases, such as support for fee free education, reconciliation, infrastructure (including police housing) and rural development, donors did belatedly at least to some extent adjust to Solomon Islands Government priorities, even though work in such areas was initially rejected as outside the RAMSI mandate.

Assessing the Costs and Benefits

According to the World Bank, 75-80% of RAMSI expenditures occurred offshore. This spending never reached the Solomon Islands. There was much boomerang aid, with large sums going to overseas private contractors such as PDLToll, GRM and SKM. What was paid for by that offshore aid nevertheless delivered local in-kind results. It paid for the helicopters, boats, salaries, and other logistics of the Australian Federal Police officers who restored law and order, and for their salaries. It supplied their local consumption through imports to service the Guadalcanal Beach Resort base where most resided. Those expenditures assisted in the short-run by ending the cycle of violence, but they did not put in place a sustainable policing model. Officials from Australia and New Zealand cleansed the payroll put in place new systems to manage government finances, but with patchy results as regards equipping Solomon Islanders to sustain those new arrangements. The risk is that with time, as with some of the pre-RAMSI donor-funded systems (e.g. in Lands), sophisticated computerized record-keeping will simply be lost, or become unmanageable due to inevitable staff turnover.

As regards the 20-25% of RAMSI expenditures that reached Solomon Islands shores most was spent on urban rental incomes, salaries for local staff, and in-country procurement while expatriate spending boosted the hotel, food and catering industry. Over the past decade, this has added to the buoyancy of a formal economy otherwise substantially driven by round log and mineral exports. The visible results include the vast increase in the number, and quality, of vehicles on Honiara's roads, and the dramatic expansion of the mainly Chinese retail and commercial operations. In a low-income country, the influx of money assisted the emergence of a local middle class, mostly urban-based, who now have some stake in stability. RAMSI's activities in Inland Revenue and Customs dramatically increased government revenue permitting a sizable expansion of civil service employment, and a substantial increase in government spending, again adding to a new – albeit fragile –urban prosperity.

So did RAMSI 'cost too much'? Was the mission too expensive? Most of the answers to that question implicitly or explicitly entail some assessment of what would have happened if RAMSI had *not* arrived in July 2003. Would the security situation have deteriorated further? Would so-called 'warlordism', as some say, have spread across from the Weather Coast, or would the local population have eventually turned against Guadalcanal Revolutionary Army leader Harold Keke and his murderous followers? Would the RSIPF have been able to regain control in Honiara or on Malaita unassisted? Would it have been better for the Solomon

Islands, like so many of the European nations of the 16th and 17th century, to have been confronted with no other option other than to find a home-made path to social peace? After all, neighbouring Bougainville managed to end its decade of civil conflict in the 1990s with far less external assistance than that received by Solomon Islands. Neighbouring Papua New Guinea and Vanuatu have faced severe social disturbances and protracted political crises without requiring much overseas help. Even within the Solomon Islands, the crisis in the Western Province had been largely resolved *before* RAMSI's arrival.

Opinions differ on those questions, and the answers must be left for the more adventurous historians. More pressing, for the present: Is the Solomon Islands now, after a decade of RAMSI, better equipped to withstand the types of challenge faced during 1998-2003? Is there now sufficient local capacity to withstand the consequences of the RAMSI withdrawal? That is the only genuine way to judge whether RAMSI entailed a cost worth paying. Some believe that massive external assistance, including large-scale transfers, needs to continue over the longer-run to avoid chronic economic crises and renewed social disturbances, but that is a pessimistic verdict. Big adjustments are likely to prove necessary, both on the fiscal front and (after 2017) as regards policing. These will likely only be partially cushioned by

continuing bilateral assistance. More pressure will inevitably fall on the Solomon Islands Government to prioritize economic development and the effective management of the security sector.

The RAMSI years have been a period of recovery, but they have also fostered a sense of dependency and demoralization, particularly evident in the police force, but also apparent amongst the civil service elite. The years ahead will require greater self-reliance, but that has its potential advantages. The real test of the robustness of what RAMSI has put in place will be in its aftermath.

You can view Devpolicy's blog series marking the 10 year anniversary of RAMSI <u>here</u>.

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