

Security in the South Pacific – the law enforcement dimension

The post Cold War era has seen a search for threats to security in a very much broader area than was looked at before.¹ One reason for this may be that the vast machinery poised to counter threats to security in the conventional sense found it was running out of targets. Highly trained and resourced agencies had to face either dramatic cuts or reorientate themselves to face newly discovered threats. Suddenly, law enforcement found that it was no longer the Cinderella in the security field, and that it was being wooed by powerful agencies. But that's not the only cause for looking at crime – or rather transnational crime – as a major threat to security, especially in smaller states.

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The past two decades saw dramatic changes in communication technology, travel, commercial transport and financial operations, together with lowering of national barriers and increased globalisation. Money could be transmitted rapidly across national boundaries, with considerable anonymity. Such transactions hardly left a paper trail. Travel was easy and fast, while visa restrictions were removed, reduced or, where they existed, easily circumvented by using passports of convenience. Globalisation tended to reduce territorial boundaries still further. The constant movement of large volumes of currency between countries offered criminal elements some degree of ease in merging their ill-gotten gains into the swirling flow of legitimate money.

Even in the case of middle-level developing nations, threats to security from transnational crime are high. The value of earnings by organised crime is placed, by the United Nations, at around US\$1.1 trillion per year. The international drug trade alone exceeds US\$400 billion a year (McFarlane, 1999). That amount of money could obviously wield considerable influence on the international scene. It

would, “Allow criminal organisations to accumulate a degree of power and wealth that rivals, and in some cases surpasses, that possessed by governments. As these organisations become more deeply entrenched in their respective societies, they pose a threat to both democracy and the rule of law” (Williams and Savona, 1996).

The impact of transnational crime on the security of states is perhaps more evident in the case of relatively small Pacific island nations. Most of these states have poorly developed economies and limited administrative and political expertise. Some states such as Niue have populations less than 2000. Such small nations would be easy prey to big international criminal organisations in search of a base for their illicit operations or a target for fraud. The need to guard against such attack would be paramount for these smaller states struggling to make ends meet and facing, with apprehension, the looming cloud of financial catastrophe visible just over the horizon.

Is there a need for a change of paradigm?

The end of the Cold War did not signify the end of conflict. Today, all over the world, low intensity conflict is raging, almost uncontrolled in some regions. The vision of peace breaking out all over the world still remains a pipedream. The bulk of these

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Photo by Capt Noel Gilby, 1 Joint Public Affairs Unit, Department of Defence

conflicts are based on ethnic, religious or ideological grounds, and rarely on territorial disputes. In 1999, of 27 major armed conflicts recorded, all but two were internal (*Pacific Islands Yearbook* 2000). Exceptions are instances such as the dispute over territory between India and Pakistan and the Balkan conflicts. These conflicts ensure that the old paradigm of security is still valid to some extent, though more often than not, the conflict is intra-state as opposed to inter-state.

In countries that do not face such conflict, threats to security are still there, and perhaps growing. These threats are not those that could be dealt with by a well-trained and well-equipped army. They are more insidious and less apparent to the non-observant eye. They may develop from within the country or appear from the international scene. A good example of the former is corruption where the very *raison d'être* of a state can be undermined to such an extent that security of the nation would be at great risk. This has been noticeable in some African and South American nations where corruption has become endemic.

External threats would arise most notably from criminal activities conducted by organised criminal groups or even entrepreneurial criminals operating individually. These attacks can take the form of fraud aimed at the country itself or activities such as money laundering that will have tangential effects in discrediting the country in its standing in the world financial community. The Russian Central Bank had

claimed that up to US\$80 billion (A\$153 billion) was manipulated through banks chartered in Niue (*AFP News* 2000). The listing of several Pacific island nations by US monetary authorities as financially questionable during the past year is an example of this aspect. In the case of one Pacific nation, the cash flow situation fell into dire straits and the country had to be bailed out by the United States, providing it temporary relief.²

McFarlane (1994) lists five types of crime that have an impact on national or international stability. These are listed below, with an emphasis on their effect on the Pacific.

1. **Corruption:** As mentioned earlier, corruption can have a serious de-stabilising effect on countries. Russia, in recent times, has provided a good example of this problem. Corruption had eroded the confidence of the people in their government and led to serious financial and social repercussions. It is reported that corruption has permeated all aspects of the state apparatus in Russia and that it enabled criminal elements to drain out the currency reserves of the country.

2. **Drug trafficking:** The multi-million dollar profits earned by organised crime groups dealing in drugs may be used to suborn the state through corruption of politicians, administrators and law enforcement officers. This has been clearly demonstrated in some South American countries and even Asian countries such as Pakistan. In small Pacific island nations, the chances of corrupting inexperienced politicians

An AFP member examines weapons handed in as part of peace monitoring efforts on the Solomon Islands



and officials are very high, especially as costs of maintaining political power escalates in monetary terms and vote buying becomes more prevalent. There have been cases of Australian criminal identities paying regular sums of money to politicians likely to come to power in their own countries. In one recorded instance, the politician did come to power, though by that time, the donor had met with an untimely death.

3. **Narco-terrorism:** This is one aspect that has not been manifest in a significant way in the Pacific, though it has led to major destabilisation in countries such as Italy and Lebanon. In Colombia and Peru, narco-terrorism had led to the loss of at least 24,000 lives in 1991 alone, when terrorists and insurgent groups combined with drug cartels to thwart government control. This compares with around 3000 deaths through terrorist activity in Northern Ireland over the past 25 years.

4. **Organised crime:** Russia is a good example of the effect of organised crime on security of the state. “Criminality has become the most important factor threatening the change towards (democratisation) in Russia. In particular, organised crime undermines the economy, safety and security of the Russian people” (Chebotarev, 1993).

5. **Fraud and white-collar crime:** Fraud can lead to the collapse of financial institutions, as seen in the cases of the Bank of Credit and Commerce (BCCI) in the UK³ and the recent allegations of fraud involving the Bank of China. In the latter case, the sum alleged to have been misappropriated was US\$28 billion, of which US\$10 billion, representing about 50 per cent of China’s foreign reserves, is alleged to have been sent overseas. Vanuatu and Nauru have had near escapes from cases of potentially devastating fraud, fortunately diverted in time (*Post-Courier* 1997, Mc Leahy 1997). AFP and Victoria Police had investigated similar attempts in 1997 by Australian criminal groups in Solomon Islands. In the case of the Pacific, the commonest fraud deals with bank guarantees sought by criminal elements, involving sums that were well above affordable levels of the country concerned.

There are other causes that could lead to destabilisation in countries. These cover a wide spectrum from political instability, ethnic and ideological divisions, and political and administrative inefficiency to environmental problems and the rapid erosion of available natural resources. This paper, however, will concentrate on areas affected by law enforcement.

Current situation in the Pacific

If one were to look for a single word that could be applied across the board in describing the situation in Pacific island nations, that word would be – vulnerable. Most of them are very small in land area and population, and some have minimal resources. Papua New Guinea (PNG) is perhaps the exception, with its landmass of 461,000km² and population exceeding 4.7 million. At the other end of the spectrum are island nations such as Niue covering 258 sq km, with a population of only about 2000. Any ill wind that blows across the South Pacific could do damage to the fragile economies of these countries.

During the past 50 years at least, there was no inter-nation warfare involving the island nations of the South Pacific. The only military intervention, if one could call it that, was in Vanuatu in 1980 when a unit of the Papua New Guinea Defence Force (PNGDF) arrived to assist the local government to deal with the Santo affair. In Papua New Guinea itself, the military was deployed in the province of North Solomons to deal with an insurgency. But in the latter case, it was an internal matter within national borders. In a region where in Melanesia alone, there are more than 1200 distinct cultures, those two cases are not significant at all. As Crocombe (2000) says, “It is a credit to Melanesians that conflict has not been greater. They have achieved a degree of national cohesion and stability much faster than Europe or Asia did.”

This fortunate situation enabled most Pacific island nations to do away with the expensive pastime of having a military establishment. Among the Pacific island nations, only PNG, Fiji and Tonga have military forces. Tonga is the odd man out in the region, in the sense that it is a monarchy where democratic institutions have not reached full bloom. The army in that country performs largely a ceremonial role and has not figured in any affairs of the state. One must also credit the Fijian military forces for having earned an enviable reputation in peacekeeping in the troubled Middle East.

PNG does indeed have a case for the retention of a military force. It is the only island nation with a land border, in this case, with the troubled Indonesian province of West Papua. Problems involving the movement of insurgents from West Papua into PNG territory and the need to patrol the border would necessitate a military presence. The need to maintain the security of the state against internal separatist movements too would argue for such an arrangement.

The case for a military force in Fiji is less easy to defend. The country has no external threat to face or a land border to police. So far, the military forces in the country have figured in two major attacks on the stability of the state. But, with around 1000 soldiers engaged in peacekeeping tasks worldwide, Fiji would find it difficult to review the issue, as peacekeeping duties have been financially beneficial and bolsters to national pride.

The major threats to Pacific island nations are internal. Of these, problems of law enforcement stand out as one of the major issues. These problems range across the board, varying from country to country. In PNG, violent crime has become the major threat. Unlike in Russia, where fraud and other types of white-collar crime had made inroads into the administration, PNG faces crime in the raw or violent version. In Port Moresby, a siege mentality has developed because of the feeling of insecurity experienced both by residents as well as by commercial enterprises. Attacks on banks, restaurants, or any commercial institute that will have cash on the premises have escalated. At the same time, violence has become almost gratuitous. The rate of murder or serious injury due to crime has escalated dramatically. Business enterprises have to add a mark-up to cover security. Physical security measures have to be established around institutions and guards employed on a 24-hour basis. Transport of goods and money becomes a costly and dangerous exercise. At the top end of the scale, unlawful groups have threatened even the parliament itself, and some politicians have become dependent on criminal elements for their safety and even for the retention of power.

Even in the Solomon Islands, subsequent to the initial outbreak of violence because of ethnic clashes, crime has become a major obstacle to peace. While the leaders are participating in negotiations, the economy is being brought to its knees by criminals



Photo by Capt Noel Gilby, 1 Joint Public Affairs Unit, Department of Defence

attacking commercial enterprises and extorting large sums of money. Each such act adds another obstacle to the already overburdened tasks of the negotiators at the peace talks.

Externally, the criminal threat poses a different type of danger. Many island states have been victimised by criminals and unscrupulous financiers. Hardly a month passes without hearing of a new group of benefactors offering the cash-strapped government of some small island nation a package of assistance from dubious sources. These range from treasures of ancient orders with a mandate to do good to the needy, to a share of "Hitler's or Marcos' gold". Offers have been made to set up investment schemes ranging from grandiose holiday resorts to mines looking for non-existent minerals and even theatre productions that cannot fail. The magnetite affair in Vanuatu and the musical in London financed by Nauru are two good examples.⁴

An AFP officer logs another weapon decommissioned during a peace monitoring mission on the Solomon Islands

OPPOSITE PAGE: A Bougainvillian youth carries a wounded compatriot from the bush in search of medical assistance

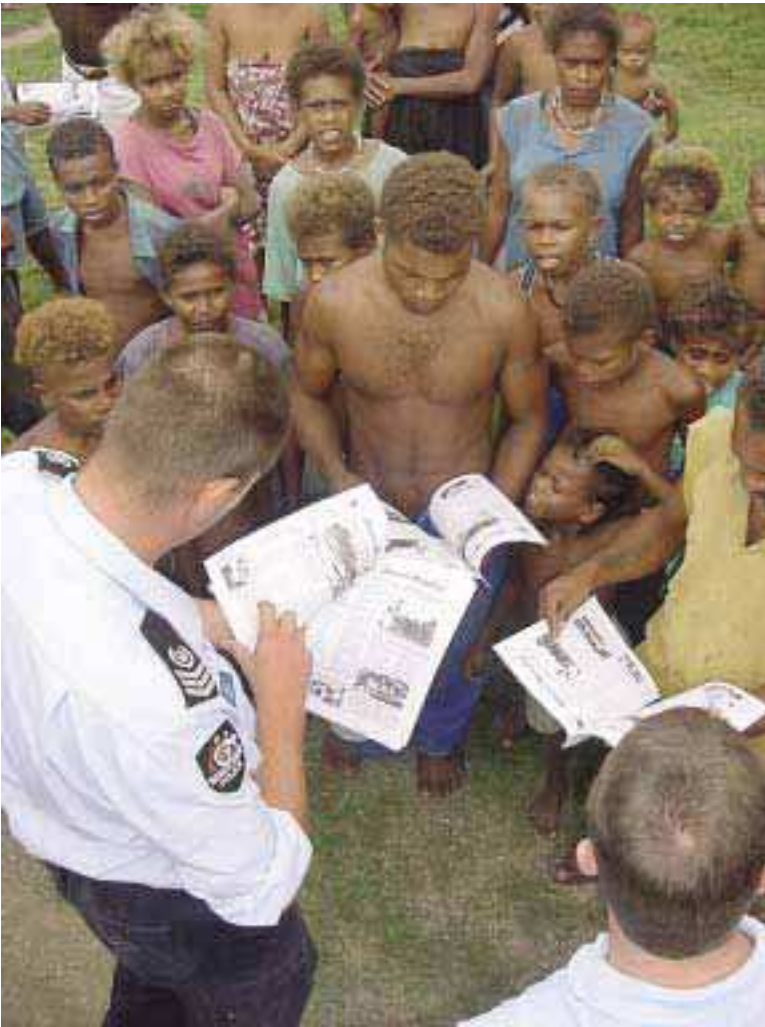


Photo by Capt Noel Gilby, 1 Joint Public Affairs Unit, Department of Defence

In the case of offered assistance, the receiving country is asked to provide bank guarantees for a substantial sum to show good will. In one instance, the government of Vanuatu signed bank guarantees to a value exceeding the annual budget of the country (*Post-Courier*, 1997, McLeahy, 1997). It took the combined efforts of law enforcement agencies in several countries to retrieve the instruments and to bring the offenders to justice.

A more insidious threat is posed by the proliferation of offshore banking centres in the Pacific and the spread of cyber-crime. In the case of several countries, the existence of poorly regulated offshore centres led to countries like the USA taking punitive fiscal measures against them. In 1999, three countries were blacklisted by American international banks, leading to considerable financial distress.⁵

The Internet suddenly appeared as a heaven-sent source of earning money with minimum outlay and effort. The establishment of Internet gambling, e-marketing and renting or sale of cyber space became quite lucrative to small nations looking for cash. The amounts earned were significantly large and there was

no visible danger to the country. While such activity is not necessarily criminal, one of the possible harmful effects would be financial ostracising by developed countries.

The effect of succumbing to such criminal attacks would be devastating, especially to smaller economies that have no reserve to fall back on. A country could easily face bankruptcy and its investments and resources lost beyond redemption.

It is unfortunate that most Pacific island states do not have law enforcement machinery that could effectively deal with these problems. In some cases such as violent crime or the simpler types of fraud, a well-trained and resourced police force would be able to deal satisfactorily with the problem. Unfortunately, even in larger countries with significant resources such as PNG, the police forces are poorly equipped, inadequately trained and lack resources necessary for operations. As a result of these shortcomings, the morale of police personnel falls, thereby entering a vicious spiral that pushes the law enforcement effort downwards at an ever-increasing rate.

Most Pacific island states would find the tackling of cyber-crime and other more sophisticated attacks on the security of the state, with any degree of success, beyond the capability of their law enforcement agencies. Even for the law enforcement agencies of developed nations, this is frontier territory.

“New technology enables various forms of crime to be carried out from remote sites, faster, with greater anonymity and on a larger scale. Electronic crime is difficult to detect and investigate because it is often multi-jurisdictional, committed at great speed, and the electronic trails go cold very quickly” (Keely 2000).

AFP officers distribute information to locals – a process vital to the peace mission on the Solomon Islands.

“It is likely that the Pacific region will see more instability of the kind witnessed in PNG and Solomon Islands in the near future ... In most other Pacific island nations, the ingredients for instability are clearly visible.”

The trade in illicit drugs is perhaps one of the most de-stabilising factors in the world. Estimated by the United Nations International Drug Control Programme to be in the region of US\$400 billion, it is approximately 8 per cent of total international trade (*The Economist*, 1997). In several South American countries, drug barons have assumed power over political leaders by colossal levels of bribery.

The situation in the Pacific is not as serious but has the potential to develop into a major destabilising factor. Currently, the only illicit drug produced in commercial quantities in the region is cannabis, and then only in very few countries. Even where it is produced, there is still a discernible lack of sophistication in processing and marketing. While the trade in cannabis is lucrative, it has still not reached levels where it could make a significant impact on local politics or the security of a state.

The danger lies largely in the prospect of international drug trafficking where the region would become a transit point in global trade routes. Australia and New Zealand are target countries for the trade in heroin, cocaine and cannabis. The major flow of heroin and cannabis is from the so-called Golden Triangle – especially from Burma – and the Golden Crescent – comprising mainly Afghanistan and Pakistan. Cocaine is routed via the Pacific from South America.

During the past 10 years, seizures by Australian law enforcement agencies, mainly the AFP, indicate that there is indeed a considerable flow of such illicit drugs. In 1994, 15 tonnes of cannabis resin were seized, with the operation stretching from Australia to Noumea. In 1997, 10 tonnes of cannabis resin were seized in Australian waters while the ship that brought the drugs to the Pacific was seized in New Caledonia. In 1999, the AFP and other law enforcement agencies

seized 50kg of heroin shipped to Australia via Vanuatu. In October 2000, AFP officers assisted the Fijian police to seize 357kg of heroin in Suva and to dismantle a criminal ring with connections to several countries.

The nexus between illicit trade in drugs and organised crime has been too-well documented to bear repetition.⁶ The drug trade is invariably followed by organised criminal activity, corruption of political and administrative leaders, and social upheaval. The permeative effects of drug abuse have been seen in many countries through which the trade passes. Pakistan has been used as a conduit for heroin and cannabis produced in Afghanistan, which lacks a seaboard. Today, abuse of illicit substances, mainly heroin, in Pakistan has reached unbearable proportions, with percentage figures of addicts higher than in any other country. A similar situation has arisen in China, where the number of officially registered addicts quadrupled during the past decade. Unleashing this spectre on the fragile political systems and economies in the Pacific could lead to horrendous results, posing perhaps the biggest threat to security in the region.

Projected developments

It is likely that the Pacific region will see more instability of the kind witnessed in PNG and Solomon Islands in the near future. Fiji has still not recovered from its last attempted coup and, despite serious attempts at restoring normalcy, the prognosis for peace in that country is not very bright. While it is unlikely that a violent insurrectionary movement may develop in Fiji, political stability will be difficult to achieve. In most other Pacific island nations, the ingredients for instability are clearly visible. Poor governance, tailing off of resources – mainly in

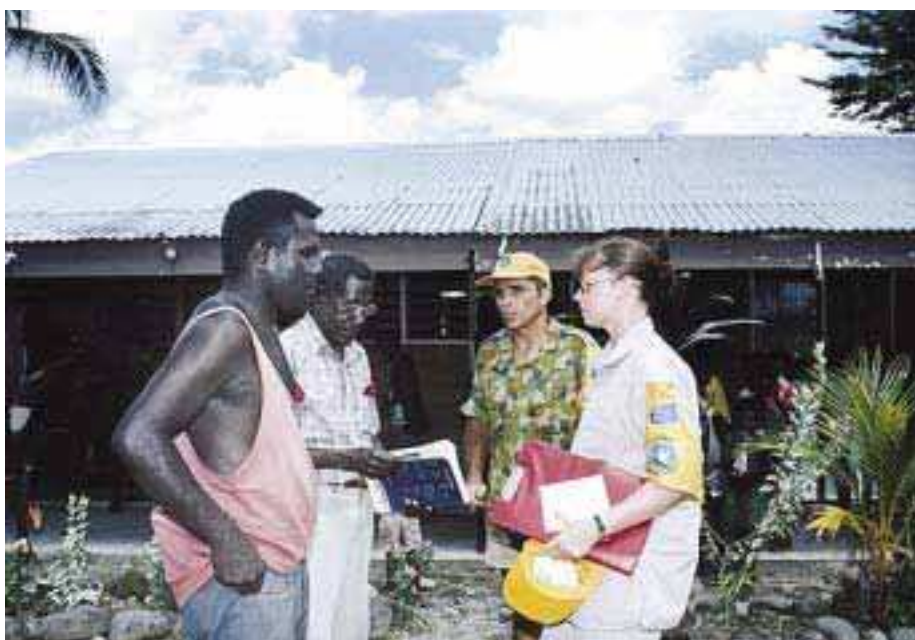


Photo by Brian Hartigan

primary produce – and deep-seated ethnic rivalries are likely to continue and even worsen.

Vanuatu has the makings of becoming a hotspot in the near future. Most of the factors listed in this paper are present in the country. The government has failed to provide a satisfactory level of goods and services. Natural resources face the threat of unsustainable exploitation. Corruption has become a major threat to stability. The capability of the Vanuatu Police Force to deal with any serious breakdown of law and order is questionable while the Vanuatu Mobile Force is showing signs of discontent and indiscipline. Provincial or tribal loyalties have not yet fused to form a concept of nationhood.

Similar problems, if perhaps at lesser levels, exist in most Pacific island nations. Tonga has its own problems with democratic practises of the Westminster type struggling to be born, coming into conflict with tradition. Samoa has seen one political assassination. The very small nations face a bleak future with resources dwindling and population growth threatening to outstrip sustainability. In cases where there is an escape valve in the form of ability to migrate to other countries such as New Zealand, the threat had receded to some extent. But not all island nations have the ability to seek that path.

Most problems faced by these countries are universal. They occur in varying degrees of severity in all parts of the world. However, in the South

Pacific, the redeeming feature is that some problems are not beyond solution. Prophets of the environment have issued dire threats of global warming and rising sea levels that could engulf some of the island nations where the landmass is barely above sea level. Such threats do not have possible answers. But most Pacific island nations do not have unbearable population pressure, though in places such as Nauru, the post colonial period has seen increases in population to unsustainable levels (*Pacific Islands Yearbook 1994, Canberra Times 1999*). The economies are small and need comparatively little in terms of aid to keep them afloat. Disputes have not always led to conflict. Solutions have been, and can be, found through the tradition of avoiding confrontation and the ability to talk problems through.

The nature of these problems and the failure of some aspects of traditional aid patterns may call for a change of attitude towards aid. The social problems of education, health and unemployment are the main obstacles in the path of development. It may be necessary to take a detailed look at hands-on assistance in these fields. Attempts should be made to develop a culture of good governance to replace current practises that verge on cargo-cult philosophies so as to provide the background for stability. These are not short-term issues, and aid donors cannot hope for a quick fix. They will have to be ready for the long haul.

DEFAT and ADF members of the multi-national Peace Monitoring Group on Bougainville interview village elders during a patrol in a remote area of the troubled island



Photo by Brian Hartigan

At the same time, cooperation and assistance in law enforcement should be enhanced to rid the countries of the burden of criminal threat that is crippling some societies. This cannot be done by increasing the firepower of law enforcement agencies and providing them with more and more training suited to developed nations. There are some officers in Pacific island nation police forces who have undergone more training overseas than most officers in developed countries. But the parent services have not benefited from the flow-on effect of such training. This failure may largely be because that training is imparted in an atmosphere totally removed from the officer's environment. To him, it becomes an academic exercise, divorced from the reality of law enforcement on a Pacific island.

Law enforcement agencies should be taught to make maximum use of available social forces and practises in establishing social peace, while being weaned away from the concept of projecting an image of power. Some difficulty may arise in moving away from the concept of armed constabularies and paramilitary organisations, as these cater to the warrior concept of some local societies. But if social peace is to be established, concepts must change. An atmosphere of security is vital to enable communities to develop a healthy regard for nation states, thereby providing stability.

Overall, the immediate prospect is not one for complacency but the problems faced are capable of solution. However, these matters need to be addressed early before they give rise to violent confrontations. What would be necessary is a change in the direction of the search for security in the South Pacific.

List of Reference

¹ The opinions expressed in this article are those of the author and do not necessarily reflect the policy of the Australian Federal Police (AFP). The author has based his assumptions and observations largely on empirical data gathered during 19 years of police work in the Pacific. References have been provided where published works or statements of individuals have been quoted.

² In 1999, Nauru faced a major cash flow problem when foreign financial institutions black listed it. Nauru has to import all its needs, and a return to a subsistence economy is not possible. There is no local agriculture or even a proper supply of water. If the cash flow is blocked, the daily needs of the population cannot be met. The US intervened by arranging with the First Hawaiian Bank to provide relief.

³ BCCI was a largely Abu Dhabi owned bank with assets exceeding US\$23 billion. Depositors were alleged to have been defrauded of more than US\$20 billion, and the collapse had significant repercussions in the British banking sector.

⁴ The Vanuatu Government was offered in 1997 a development scheme costing about US\$1.5 billion on the grounds that 4 billion tonnes of magnetite was found in the country. There was no evidence to show that such a deposit did in fact, exist.

In 1993 the Nauru Government underwrote a Musical titled Leonardo in London, produced by the adviser himself, to the tune of AUS\$4.5 million. The entire Cabinet was flown by chartered aircraft to attend the premiere. The show collapsed after one month.

⁵ In late 1999, Palau, Vanuatu and Nauru were blacklisted by several international banks in the USA over concerns regarding money laundering. Such action could be a disincentive to investment and disrupt financial activity of the countries concerned.

⁶ Evidence of this nexus is extensively documented in several papers produced by the US Departments of State and Justice. Several articles are also available on web site www.ex.ac.uk/~Rdavies/arian/scandals/laundry.html

A forensic scientist examines bodies exhumed from a mass grave in the Oecussi enclave during Australian-led peacekeeping operations in East Timor