
Progress and the challenges of implementing PNG Vision 2050: Reflections from Human Development Index ranking for 2011–2012

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Abstract

The Government's PNG Vision 2050 sets the overall direction for Papua New Guinea to attain the nation's dream to be a 'smart, wise, fair, healthy and happy society' and one of the top 50 economies in the world by year 2050. PNG can be transformed into an emerging developing country if all the directional statements under Vision 2050 are articulated, institutionalized and implemented efficiently and effectively by the government and by its development partners and agencies including the business sector. However there are challenges as the UNDP Human Development Index (HDI), for 2011 shows that PNG is among the group of low human development countries, being ranked 153 out of 187 countries and falling below most of its smaller South Pacific Island countries. This article discusses the progress and the challenges of implementing PNG Vision 2050 reflecting on the 2011–2012 HDI ranking.

Key words: Human Development Index, key development outcomes, PNG Vision 2050

Introduction

Vision 2050 (Independent State of Papua New Guinea, 2009), sets the pathway for PNG to be a 'smart, wise, fair, healthy and happy society' and one of the top 50 economies in the world by year 2050. This journey started in 2010, the year in which PNG Vision 2050 began to be implemented. Institutions will practice and uphold higher standards of transparency, accountability and good governance. People and government will contribute more effectively to the social and economic well-being of the nation. One of the challenges for the government is to measure the progress of the implementation to ensure positive development is made towards achieving the vision. One of the development indicators that provide insights on the country's development is the Human Development Index ranking (United Nations Development Programme, 2011)

This article discusses the progress of PNG Vision 2050 reflecting from the Human Development Index (HDI) for the period 2011–2012. HDI may have limitations reflecting the overall progress of development. However, it is important to take note as it provides information for evaluation and to focus on achieving the key development outcomes of Vision 2050. The sources of the information for this article are newspapers, internet, government documents and printed literature in the media.

Background of PNG Vision 2050

In December 2007, the National Executive Council of Papua New Guinea, on advice from the National Planning Committee, made a decision to develop a framework for a long-term strategy ‘The Papua New Guinea Vision 2050’ to set the future direction for the country and reflect the aspirations of the people of PNG. Vision 2050 is underpinned by seven strategic focus areas, which are referred to as pillars:

1. Human capital development, gender, youth and people empowerment
2. Wealth creation
3. Institutional development and service delivery
4. Security and international relations
5. Environmental sustainability and climate change
6. Spiritual, cultural and community development
7. Strategic planning, integration and control.

These focal areas are the basis for all agencies of government to align their individual corporate plans to synchronize or harmonize with the ideals of the PNG Vision 2050. Vision 2050 incorporates the national government’s strategic directional statements that will drive development initiatives over the next 40 years (PNG Vision 2050). The nation will focus all its efforts and will strive to achieve the following key outcomes:

- Changing and rehabilitating the mind-set of our people
- Having strong political leadership and will power
- Improvement in governance
- Improvement in service delivery
- Improvement in law and order
- Development of strong moral obligation
- Rapid growth potential which can be realized in a reasonable time.

One of the challenges for the government is to measure the progress of Vision 2050. It is important to know the progress towards Vision 2050, its global ranking and how the PNG compares with other economies in the world. One of the development indicators that provide a summative evaluation of the country’s development progress is the Human Development Index ranking.

Human Development Index

Each year the UNDP has published the Human Development Index (HDI) which was introduced in 1990 as an alternative to conventional measures of national development, such as level of income and the rate of economic growth. The HDI provides a composite measure of three basic dimensions of human development: health, education and income. The Index is a yardstick that focuses on the human elements of development, combining indicators of

health and education with the economic indicators. It gives important insights that can be used to identify key development needs (HDI Report, PNG, 2011)

Human Development Index ranking for PNG compared with other countries in the Pacific (2011-2012)

The Human Development Index (HDI) for 2011 places Papua New Guinea among the group of low human development countries. According to The National newspaper (Tuesday 8 November 2011), PNG was ranked 153 out of 187 countries surveyed on the HDI, falling below most of its smaller South Pacific Island neighbours. This ranking places PNG in the last of four rankings from very high human development to low human development. Of the nine Pacific nations included in the survey, our Melanesian neighbour, the Solomon Islands, shares this category but is 11 places higher at 142. Tiny Palau, which was included in the ranking only in 2011, and Tonga ranked 49 and 90 respectively. They are the only island nations that are part of the high human development ranked countries (Post Courier, 7 December, 2011)

The 2011 Human Development Index Report stated that, despite strident economic growth in PNG in the past six years, the area of human development had largely been ignored. Pacific Island countries have varied levels of human development. Most of the Pacific Island countries appear in the 'medium human development' category. These include by rank Samoa (99), Fiji (100), Federated States of Micronesia (116), Kiribati (122) and Vanuatu (125). Three countries in the Pacific have higher than average life expectancy than other small island development states. These are Palau 64 years, Tonga 63 years and Fiji 62 years respectively (The National, 8 November, 2011).

Some of the progress noted in the first two years of implementation (2010–2011)

The following section describes progress during the first two years of Vision 2050 implementation (2010–2012) and reflects the general scenario of current developments in PNG.

Finance

Positive progress was noted on finance as PNG is currently enjoying an economic boom courtesy of Liquefied Natural Gas (LNG) projects, a successful mining and petroleum sector, fisheries and agriculture (The National, 15 February, 2012). These sectors provide opportunity for the government to invest in infrastructure to implement the key development outcomes of Vision 2050. The Government has made commitments through development policies and budget allocations to prioritized projects and programs. However, mismanagement of funds has been a concern in both public and private sectors in the last two years. The challenge for the government is to put in place effective monitoring structures to ensure funds are properly used (Post Courier, 7 December, 2011).

The Government needs to explore strategies to manage financial resources effectively and efficiently to address mismanagement of funds. There is a need to revise the funding allocation procedures and standards to ensure funds go right down to the districts and the Local Level Governments. The Government needs to establish infrastructure to maintain effective monitoring systems of all public funds, resources and implementation of the projects. Discipline must be maintained in all sectors of development to ensure resources are used wisely and quality outcomes are produced.

Barriers to development

There are a number of barriers having negative impacts on the progress of development in the last two years. The obvious ones are the high level of corruption in government and private sectors, lack of good governance, political instability, law and order problems and deteriorating infrastructure such as roads, airports and sea ports in many parts of PNG (UK Business Opportunities in the Pacific, 2012).

Corruption and lack of good governance: Barrier to development

Corruption is a barrier to development and will have a negative impact on PNG's progress to achieve Vision 2050. PNG is frequently reported as having a high level of corruption. If the government of the day and its development partners fail to enforce tough measures to address corruption, it will have adverse implications for the country's development.

Addressing corruption and maintaining good governance in all sectors of the government will enhance the government's efforts to progress towards achieving key development outcomes of Vision 2050 such as: *(No. 3) having strong political leadership and will power, (No. 4) improvement in governance; improvement in service delivery; (No. 6) development of strong moral obligation; and (No. 7) rapid growth potential which can be realized in a reasonable time.*

According to the Transparency International Report 2011, Papua New Guinea is ranked as one of the most corrupt nations in the world with a ranking of 154 out of 182 countries as measured by the Corruption Perception Index. According to the Chairman of Transparency International PNG, Lawrence Stephens, PNG has a serious problem in the public sector that is undermining the reputation of the country as a whole. He argues that the government of the day should take serious action to weed out corruption particularly introducing measures that will clean up the 'wantok' system in the public sector, that covers the politicians, beauracrats and the public servants, to curb the culture of demanding additional payment for their work.

Stephens (2011) said that PNG had been importing corrupt practices by engaging foreign companies using diplomatic connections and this resulted in PNG being perceived as one of the corrupt nations in the Pacific. In the Corruption Perception Index 1-10, high scores indicate honest transparent

practices and low scores indicate dishonest corrupt practices. For 2011, New Zealand, Finland, Sweden and Singapore were ranked with scores of 9.2 to 9.5 and were perceived to be 'very clean' countries. By comparison, low scores for Pacific countries indicated worrying levels of corruption: Samoa 3.9; Kiribati 3.1; Tonga 3.1, Solomon Islands 2.7, and the worst score for PNG, 2.2. Given the score and rating of PNG on the Corruption Perception Index, there remains a need for strong action by all citizens to fight corruption and for the Government of the nation to demonstrate integrity in its governance (Post Courier, 7 December, 2011).

Some positive action was noted by the O'Neil-Nemah government when they came into power in 2011. The Government set up an Investigation Task Force Sweep and extended its terms and references to investigate allegations of malpractices. As a result, a number of heads of departments and senior public servants were suspended (The National, 17 February; 2012; pp. 1-2). Though the approach may not be appropriate for a long-term solution to fight corruption, it showed that the government was serious about fighting corruption. According to the National Planning Minister, Mr Sam Basil, Cabinet has approved the establishment of a permanent office for Investigation Task Force Sweep and extended the terms of reference to include all allegations lodged with it (The National, 1 February 2012, p. 3). However, such action should not be for momentary political gain, it must be continuously maintained by successive governments.

Political instability (2011-2012)

Political instability is also a barrier to development and can have negative implications on the country and the achievement of Vision 2050. Political instability can turn away investors and create an unattractive business environment in PNG. Maintaining stable political leadership is necessary for the government's efforts to progress towards achieving Vision 2050 outcomes: *(No. 1) having strong political leadership and will power, and (No. 2) improvement in governance.*

Various issues and events arising from the power struggle between O'Neil and Somare and their alliances in recent months have created political instability in PNG. The ongoing court battles between the O'Neil and Somare camps, failing to comply with court decisions, and a short lived mutiny on 26 January 2012, portray a negative image of PNG to the global community. Political instability causes investors to be concerned about its influence on major projects. While there is a great deal of investment in PNG because of liquefied natural gas and mining projects, government officials need to be aware that PNG is on an investment watch-list because of high risk factors (The National, February, 31, 2012).

Law and order and security

Law and order problems and security concerns have negative implications on the country's progress to achieve Vision 2050. Security concerns affect

business and hinder effective delivery of goods and services. Maintaining law and order is one of the major concerns for development that has already exerted an extra burden on the national budget and resources. Overcoming law and order problems must be addressed to achieve Vision 2050 fifth outcome: *(No. 5) improvement in law and order.*

The United Nations Children's Fund (UNICEF) country representative to PNG, Bertrand Desmoulins, stressed the importance of addressing high-risk security issues, including escalating gun violence, to achieve the vision and goals of the nation. Desmoulins (2011) argued that young people were contributing to the law and order problems, rather than becoming solutions to the problems because of the high rate of illiteracy and unemployment, coupled with limited skills-training and education opportunities. UNICEF wanted to reach out to the young people, but security was a major concern where safety is often compromised.

According to Desmoulins (2011), UNICEF staff operating in PNG had become targets for gun-toting youths on the streets. He argued that young people must be included in nation building by being equipped with the skills to contribute to development. Alternative pathways are needed for young people who do not complete their schooling. The question that needs to be addressed is, 'what should be done to cater for those who are left out of the education system or are not privileged enough to be part of it?' Successive governments have tried to address this issue by investing substantial amounts of money into education, but the country is yet to see effective measures to address training for unemployed youths (The National, 28 August, 2011).

The challenge for government and development stakeholders is how to reach out to more than three million young people under 18 years of age. Strategies need to be explored to find alternative measures to address high school-leaver rates in the education system. Emphasis must be placed on training for vocational and trade skills to engage youths in employment in formal and informal sectors of society.

Another major problem is illegal road blocks and armed hold ups along the Highlands Highway that stretches from Lae on the coast to far away highland destinations such as Tari in the Hela Province and to Pogera in the Enga Province. It is a major life-line to take products from the highlands to the coast and to bring supplies from the coast to the highlands. According to Tei (2011), the Acting Highlands Divisional Commander, police will crack down on illegal road blocks. Many commuters were avoiding the highway because it was unsafe to travel on and using the more expensive air form of travel. Tei (2011) said that the frequent roadblocks were the work of hooligans who hold up travelers, demand money, steal cargo and even take over vehicles.

The challenge for the government is to effectively enforce the recently enacted Protection of Transportation Infrastructure Act (2010). The police force needs to be provided with sufficient resources to uphold the Act and enforce the law. The Act specifies crimes such as: obstruction of transport infrastructure, setting

up road blocks, trespassing on transport infrastructure, setting up illegal road blocks, demanding compensation, threatening or intimidating road users, and damage to any transportation infrastructure. It covers all roads for the protection of all roads including the national highways and provincial, district and feeder roads (Protection of Transportation Infrastructure Act, 2010).

Infrastructure

Another challenge that can slow PNG's progress to achieve Vision 2050 is inadequate and poor infrastructure particularly in the rural areas. Many of the country's roads including the national highways and the provincial roads are in poor conditions (National, February, 10, 2011, p. 16). A good road network to connect villages, districts and provinces is essential to facilitate delivery of goods and services and improve the livelihood of the people (Kendeman, 2011). Improving and maintaining road systems is critical to progress towards achieving the fourth outcome of Vision 2050, (*No. 4*) *improvement in service delivery*.

Improving the deteriorating state of the Highlands Highway is a major challenge. Lack of maintenance to the Highlands Highway continues to plague the operations of freight companies and business houses in the highlands region (Gumar, 2011). The situation had forced two private companies to repair the road at their own cost to be able to get their equipment from Lae to the highlands. These companies were Pangali Contractors Ltd in Mount Hagen and civil contractor Rodcliffe Ltd in Goroka. Pangali repaired the road from Mount Hagen down to Chimbu and Goroka while Rodcliffe repaired the road from Goroka down to the top of the Kassam Pass. The Rodcliffe Managing Director, Rod Mack, said that the companies had spent more than K50, 000 to repair and maintain the worst parts of the road and needed a police escort to do the work because land owners wanted to claim compensation. If the government continues to ignore the condition of the Highlands Highway, business in the highlands will be affected with adverse implications for the state of PNG's economy.

According to Gumuno (2011), people living between the Kiburu road junction and Ambua Gap in the Tari district, have grave concerns about the fast deteriorating section of this road. The villages claim that public motor vehicle (PMV) services and businesses are badly affected. Because of the lack of maintenance by the government, the local people fix the road and charge vehicles between K50 and K100 to pass. Associated with the issue of inadequate road maintenance is alleged mismanagement of funds by the governing authorities and the contractors responsible to repair the roads (National February 16, 2012, pg.16). Despite successive governments allocating money for road improvement and maintenance in every budget, the results are totally inadequate to meet the needs.

In addition to the issue with roads, is the inadequacy of infrastructure to support quality delivery of essential services to rural areas in PNG. Poor health services, inadequately resourced schools, poor road conditions, lack of clean

water and power supplies and no police presence, continue to contribute to poverty levels and cause rural people to migrate to urban centres and increase the problem of urban settlement dwellers. Without a doubt, there is a huge need for the government to improve rural infrastructure if Vision 2050 is to be achieved. With good road systems and government services, church, business and non-government agencies will flow into the rural areas and people's lives and businesses will prosper.

Literacy rate

The low literacy rate in Papua New Guinea is another issue hindering achievement of Vision 2050. UNDP (2011) gives a 60.1% literacy rating for PNG. More than a third of the six-million-plus population, most of whom live in traditional subsistence villages in rural areas, are unable to read and write. It is evident that many school-age children are not attending school in both urban and rural areas. Many children are seen on the streets in main urban centres roaming around aimlessly or selling things for living because their parents cannot afford to put them and kept them in school (Hukahau, 2011). A positive development to note to address this problem is the payment of subsidies and introduction of the free education policy in 2011 by O'Neil-Nemah government.

Basic education is essential for all people of PNG to provide them with skills, knowledge and experiences to improve their quality of life. Achieving universal basic education is critical for the future progress and development of PNG and to achieve Vision 2050 (Sinebare, 2011). A campaign by business organisations to support universal basic education is another positive initiative to note. According to The National newspaper (Friday 10 February, 2012), they are among seven organisations which will assist the Education Department in its universal basic education campaign. The organisations include Digicel, Tokiwa Printing Ltd, National Broadcasting Corporation, CHM Super sound, Theodist and FM 100. They signed an agreement to implement the campaign in their own capacity.

Investment

According to the report, UK business opportunities in the Pacific Islands (2011), PNG is currently enjoying exciting economic times, despite the challenges involved. The report highlighted five sectors which potential investors and business could look into. These are mining, oil and gas, renewable and green technologies, tourism, agriculture and fisheries. The report also highlighted the challenges. These are corruption, political instability and infrastructure, land title and security.

A significant positive development in 2011-2012 was the improvement to the telecommunication services in urban and rural areas with the expansion of Digicel and Telikom. Both companies are investing in PNG, setting up infrastructure to improve and expand their network and cell phone services. Another positive development is the return of Shell to PNG. According to the

Minister for Petroleum and Energy, William Duma, the return of Shell augurs well for the country's hydrocarbon industry (The National 10 February, 2011, p. 58). Investment by foreign companies creates more jobs and boosts PNG's economy. Marengo Gold Mine is ready to go into full production of Yandara; Newcrest mines is investing nearly one billion kina in its operations in PNG; and Horizon Oil and Talisman Energy announced that they will export gas from their fields on the border of PNG and Indonesia (The National 31 February, 2012, p. 40).

The challenge for the Government and its development partners to implement PNG Vision 2050

PNG Vision 2050 aims to attain the nation's dream to be a smart, wise, fair, healthy and happy society. This extent to which the vision is achieved must be clearly reflected in the country's human development index ranking. For PNG to become one of the top 50 economies in the world by year 2050, efforts need to be focused on the key developments outcomes to improve its current HDI ranking. Vision 2050 is underpinned by seven strategic focus areas, which are referred to as pillars. The first three pillars focus on human development:

1. Human capital development, gender, youth and people empowerment
2. Wealth creation
3. Institutional development and service delivery.

Successive governments have addressed human development through policies, strategy, corporate plans and budget allocations. Despite the attempts, slow progress is noted in the first two years of Vision 2050's implementation. The government needs to identify and address barriers such as corruption, political instability, infrastructure, land title and security that are hindering progress.

PNG's political leadership has provided a road map and a broader vision for PNG through the PNG Vision 2050. Sinebare (2011), Secretary for Education, stressed that it is absolutely critical that the members of the coalition partners in the government must give undivided support to implement PNG Vision 2050 in all sectors of development. That support must be demonstrated by respective ministers and their bureaucratic leaders in the public service.

All the directional statements under Vision 2050 need to be articulated, institutionalized and implemented efficiently and effectively by the government and all its development partners, including the business sector. Strategic plans need to be aligned with the Vision 2050 seven pillars of development, and budget allocations and resources should be focused on achieving the seven key development outcomes. All head of departments should be trained and knowledgeable to ensure their organisations are engaged in strategic planning and aligning their key business strategies with Vision 2050.

The government of the day must make sure that any new appointments to the heads of government department and statutory organizations are made with the goals of PNG Vision 2050 in mind. Sinebare, (2011) stressed that whoever is

appointed to head the different departments and statutory organizations and even the constitutional office must be conversant with the new language of long-term development captured in the Vision2050.

While PNG is an attractive country for investment, the government must be mindful that there will come a day when mineral, marine and forest resources will be depleted or no longer commercially viable. The returns from the exploitation of current resources should be invested in renewable resources such as human resources and agriculture. More funds should be poured into educational institutions, investing in science, technology and scientific research (The National 31 February, 2012, p. 40).

Conclusion

The ultimate aim of Vision 2050 is for PNG to be a 'smart, wise, fair, healthy and happy society' and one of the top 50 economies in the world by end of year 2050. This will be a huge challenge given the current very low ranking by UNDP on its Human Development Index (2011) which shows PNG as 153 out of 187 countries. Factors that adversely impact on the current ranking are high level of corruption, lack of good governance and political instability. For PNG to be among the top 50 economies, the government has to address challenges that hinder achievement of the intended outcomes of Vision 2050. These include better service delivery, improved education, improved health services and sound political leadership and structures. All the directional statements under Vision 2050 should be articulated, institutionalized and implemented efficiently and effectively by the government and all its development partners including the business sector. All development agencies should align their strategic plans with the Vision 2050 seven pillars of development and budget allocations and resource should be focused on achieving the seven key development outcomes stated in the vision.

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