The Barbarian Syndrome

His blueprint for Australian conservatism in the 1990s, in tatters, NSW Premier Nick Greiner is starting over. Immediately after his election in 1988 he set up the Curran Commission of Audit which delivered a blueprint for small government in NSW based on its assessment of the state’s public debt problem.

Three years and another election later, his Treasury consultants are at it again. In recent weeks they have started what amounts to an audit of The Audit—an inquiry into the progress and problems of financial reform under the Greiner government.

It appears to reinforce Mr Greiner’s claim that “nothing has changed.” His precarious new position at the head of a minority government, kept in power only with the uneasy co-operation of a gaggle of independents and dissident conservatives, will not divert his program of public sector rationalisation and debt reduction, he says.

But in political terms everything is different. According to the Premier his policies are correct but misunderstood. The Treasury exercise may well be the start of a new campaign to regain control of his political agenda—a control which has been wrenching form him by the ALP Opposition in the months following the May 25 poll.

If he is looking for reasons why he lost it in the first place he might look first to Labor’s propaganda strategy, which has exploited the emergence of what could be called the ‘barbarian syndrome’ in Australian politics.

Last century the Russian anti-tsarist dissident Alexander Herzen condemned revolutionaries who sacrificed their people in the building of an imagined better future as “life denying barbarians”. Herzen argued that a true democracy should satisfy community demands for better living standards here and now—not postpone them to some glorious post-revolutionary future. The ‘barbarian syndrome’, in other words, is shorthand for the elitism of any administration which sets out to give people “what’s good for them” without obtaining their consensus in the process.

Labor leader Bob Carr has deployed the same sentiments against the government’s tendency to old-fashioned Tory authoritarianism, and against the strong community perception of Greiner’s political arrogance. Carr first tapped the electoral power of those sentiments in marginal electorates at the May election by capitalising on voter anxiety about service cuts and higher taxes lifting the ALP from the bottom of the popularity polls to within three seats of taking government.

The Coalition’s micro-economic reform program for government was framed in terms of competitive efficiency, profit motives, and plans to run public enterprises like private companies. Months before the election Carr invoked memories of the corporate self-indulgence of the 80s to taint Premier Greiner’s credibility with charges of wasteful spending on boosted salaries for bureaucrats and consultants. That he succeeded was due to the fact that the government’s agenda was largely unintelligible to the general community and had been drafted without consultation with interest groups.

And his early conceptualisation of government as a body corporate focused on budget-balancing as an end in itself seemed to eschew all political considerations.

But even private companies have articles of association (which equate to a constitution) specifying benefits to be delivered to shareholders. And while the pursuit of profit is generally enough to satisfy shareholders in the private sector, government is driven by a different logic. Voters are used to getting social dividends. And Carr has managed to convince the state’s most marginal electorates that Greenerism failed to deliver.

The Government’s preoccupation with micro-economic reform was a sterile agenda in the realm of popular politics. Good housekeeping in accounting terms is a good thing but sooner or later Mr Greiner should have expected voters to ask him to explain what kind of government he was building.

Any government needs some conception of a definite function for the public sector and how it might fit into a political vision (be it liberal or conservative) in order to invigorate people and encourage them to vote for it. The former head of the NSW Premiers’ Department, Mr Gerry Gleeson, warned last November that Greener-style administrations were ironically putting economic reform at risk. He argued that economists and politicians had failed to obtain community understanding and support for microeconomic reform. And he voiced concern that the policy pendulum had swung too far towards “economic rationalism” and “efficient management” to the detriment of the political needs of the government and the social needs of the community.

It’s a tough balance to strike, because the initial impact of any microeconomic reform, however well-intentioned, will be to produce job cuts and service rationalisation. State governments stand in the front line of interest group mobilisation, and reforming administrations have to emphasise the communication of their
agenda to the wider public in those circumstances.

The Greiner government's confusion about its own agenda is clearly illustrated by the alienation of groups and interests across the political spectrum. Even soul mates like the Institute of Public Affairs have attacked Greiner for failing to cut harder into government spending. The IPA concluded he had made "little progress" in reducing the role of government, and had compromised conservative politics in the process.

Indeed, there has been a lot of compromise in the face of a deeper than expected revenue collapse over the last 12 months. Most recently Mr Greiner has decided to use privatisation proceeds from the NSW State Bank and the Government Insurance Office to finance budget outlays, and to suspend his stated aim of halting borrowings for public works.

As the last election drew closer he dumped both the rhetoric and the rationale of fiscal crisis to focus instead on the "sound management" of NSW Inc in contrast to the public sector disasters in Victoria and WA. The political pundits agreed he had a case which would merit a comfortable win. But swinging voters in the seats Mr Greiner had to win were not convinced. School closures and cutbacks in the delivery of community services did not equate with their understanding of "good management". The result was a hung parliament — and the government's domination of the agenda has been crumbling ever since.

Now the budget has gone bad (with an underlying deficit of more than $1 billion) he faces an uphill battle against an Opposition which has acquired a new stature in contrast to Mr Greiner's yawning credibility gap.

All of which indicates a need for governments to envisage a positive role for the public sector—and to act on it. Yet Mr Greiner's efforts to depoliticise the functions of government have caused deepening tensions inside his administration. On one hand there is his preference for the job of rationalisation and the introduction of market-based solutions (like corporatisation and privatisation) to management problems associated with public trading enterprises. But there is a marked reluctance on his part to acknowledge the need to sell the desirability of that approach.

The sense of betrayal, of useless sacrifice, has grown in the wider community. The Greiner government seems to have "lost the script" in the same way the dominant voices in the economics profession have "lost the script" in the last few months.

Doubts about the good sense of free market policies and the preoccupation with managerialism now run deep in the community. But so too do the objective economic problems which spawned those policy experiments in the first place. Popular socio-economic debate is still couched in the out-of-date slogans of Keynesianism and Monetarism from the 1970s. The failure of economics to live up to its own promises has created a hunger for politicians with a broader sense of purpose—and greater sensitivity to community opinion.

Nick Greiner has always equated politics with populism, and he is determined not to undermine reform with opportunistic vote-buying. But the test of the best politicians in the 1990s will be their ability to put forward constructive policies, without capitulating to soft political options. Should he find himself in government soon, Bob Carr will find himself in the same boat.

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In September, the Swedish Social Democratic Workers Party (SAP) secured its worst election result since 1928. Since the introduction of universal suffrage in the early 1920s, SAP has decisively lost only three elections: in 1928, 1976, and 1991. The party governed for 44 years from 1932 until 1976. Then, after six years in the unfamiliar role of opposition, it returned to government in 1982 and survived the 1985 and 1988 elections.

In 1976, when the social democrats lost national elections there was widespread discussion of the passing of an epoch. There is no such discussion today. Fifteen years ago the leaders of SAP were thought to have finally run out of ideological steam, to have become grey and bloodless technocrats. Having engineered the construction of a welfare state with comprehensive, non-means tested rights of social citizenship, it seemed they had no clear idea of where to go next.

The SAP leaders may have run out of steam but the leaders of the social democratic Confederation of Trade Unions, LO, had not. They had a controversial idea of where to go next: economic citizenship. Not long before the elections, and to Olof Palme's horror, LO launched a campaign to introduce economic democracy in the form of wage-earner governed investment funds financed by a substantial levy on corporate profits. These funds might have taken over the ownership of most of the largest corporations within 20 years.

Between 1976 and 1982, the centre-right parties—Conservatives, Liberals, and Centrists—were unable to agree on very much among themselves, and certainly not on anything that was unpopular. Consequently, several governments formed by various constellations of parties ended up following the welfare reformist path long pursued by the Social Democrats.

The public sector continued to expand while the number of child care centres and women in the workforce increased greatly. Fearful of the Social Democrats' outcry over unemployment, the centre-right parties nationalised more bankrupt private firms in six years than the Social Democrats had in forty-four. By the early 1980s, trade and budget deficits had ballooned dramatically, and SAP secured a triumphant victory in 1982 on a familiar call for a return to competent government.

Within weeks of the election, before the full government had even been sworn in, the SAP Treasurer, Kjell-Olof Feldt, announced a massive 16% devaluation of the Krona. This came only ten months after a conventionally cautious devaluation of 10% by the previous Liberal government.

The 1982 devaluation in many ways marks the dramatic end of a mildly interventionist social liberalism within SAP. The devaluation was 'competitive' because the Treasury put the value of the Swedish Krona at a level clearly below that dictated by the actual strength of the economy. Thus it flaunted the nostrums of international economic liberalism. Subsequently, however, the SAP leaders have followed international trends in domestic economic policy away from Keynesianism towards economic liberalism. They have liberalised control over currency import and export; eliminated industry assistance and the large budget deficit inherited from the previous government; and followed what was quaintly described as an 'Australian model' in taxation reform.

Like Keating, Feldt in 1989 sought to eliminate innumerable possibilities for cheating by taxing wages and corporate income at the same rate. But in Sweden this was a political disaster. Meanwhile, LO protested loudly against the abandonment of progressive ambitions.

The way Feldt sought to cope with the aftermath—of imported inflation, glaring strong profits, and acrimonious wage negotiations—in large part explains why the party lost the recent elections, even though there is still no credible alternative government. Feldt now believes that voters have finally seen through SAP's long-standing claim to be able to produce both welfare reforms and economic growth, both full employment and low inflation, like a magician produces rabbits from a hat. He espouses wholesale abandonment of this outdated belief in political magic and urges social democrats to face up to economic reality. Thus he likes to contrast fuzzy-minded welfare-reformist 'political magic' with hard-nosed 'economic rationalism'.

After the massive devaluation, the LO leaders succeeded in persuading the leaders of member unions to exercise restraint and accept real wage cuts for their members, for the sake of putting industry back on its feet and securing private sector employment. The government had been elected on a promise to introduce wage-earner investment funds. Once made into law it was thought that they would neutralise the disruptive effect on wage negotiations of an expected boom in corporate profits. Thus the promise of the funds stymied rank- and-file rebellion against wage restraint and ensured the early success of the devaluation.

Yet the funds have been a major disappointment for the LO. They are far too small to have had any significant effect in redistributing the profits boom of the 1980s. Nor have they ever been a factor in wage negotiations. Union discontent simmered throughout the period from 1982-1988, breaking out in 1987-88 in the form of several large white-collar strikes which bypassed the now somewhat undermined authority of LO.

In 1988, SAP narrowly won the elec-
tions on the strength of promises to extend parental leave from nine months to eighteen months, to extend holidays from five to six weeks, and to build enough child care centres that all parents who wanted child care could have it by 1991, Feldt was unwilling to make these promises, which were demanded by the election campaign strategists. Subsequently, he forced the party to break them, under the pressure of economic ‘reality’.

By 1989, the LO leadership had more or less given up on exercising effective behind-the-scenes influence on the government. According to Stig Malm, Feldt’s latest proposals to dampen demand by increasing the consumption tax were “the wrong medicine for the wrong people...our members are not the ones who need cooling down”. When Feldt resigned in February 1990, he cited Malm’s attack as a key element in his most bitter defeat during his time as Treasurer.

In October 1990 the new Treasurer, Allan Larsson, announced a mini-budget package of measures to stop the worrying outflow of currency. At around 10%, inflation had long been higher than in Sweden’s primary export markets in Germany, the USA and UK. In an effort to avoid raising interest rates drastically, the Treasurer announced that Sweden intended to apply for membership in the European Community. This announcement of intention, combined with a minor increase in interest rates, had the desired effect on money dealers’ expectations. The outflow of currency ceased. Malm spoke disparagingly of Larsson’s seemingly fragile commitment to full employment and his all the more determined commitment to see Sweden join the EC. Yet neither the LO economists’ reasoned argument nor Malm’s outburst had any substantial effect on the Treasury. In July 1991, the SAP government formally applied to join the EC, thereby circumventing possibilities for future public intervention in capital and currency markets.

Yet broken promises only partly explain the party’s recent defeat. It lost primarily because of the internal ideological tension between SAP and LO over economic policy. This tension was between a social liberalism all too close to economic liberalism and a remarkably explicit democratic socialism, rather than between Feldt’s dichotomy of political ‘magic’ and economic ‘reality’. SAP leaders have long since forgotten the socialist statecraft used by earlier leaders in the 1930s and 40s to establish full employment. Today, maintaining full employment must involve a socialist statecraft of considerable subtlety and perseverance, rather than any mysterious political magic, however competently performed.

As governments in the next three years attempt to emulate the SAP leaders, a period of opposition might provide them with time to restock. Given the clarity of LO’s challenge in the late 1970s and early 1980s, and the acrimony of the public confrontation between LO and Treasury in the late 1980s, it will be most interesting to follow how thinking social democrats interpret the labour movement’s recent stormy past.

On the other hand, the social democrats may well return before they have had time to rethink very much. There is very little chance of any one constellation of the five other parties surviving for very long. The budget is due in February and this will be a crucial test of how little the current Conservative prime minister can achieve and yet remain in office. A cabinet crisis will quite likely bring about early elections and deviation from the fixed elections due in September 1994.

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National Obsession

"The crisis consists precisely in the fact that the old is dying and the new cannot be born; in this interregnum a great variety of morbid symptoms appear."

Antonio Gramsci.

From his prison cell in 1930, Gramsci sensed the ominous political vacuum that loomed over Europe between the wars. Today in Eastern Europe, the legacy of the postwar dictatorships likewise haunt the societies complex transitions to democracy.

Without exception, the peoples of the former Eastern bloc toppled communism with an eye toward the new Europe. Yet, the jarring political and economic crises in every country has prompted a worrisome reach into the past for answers. Perhaps the most dramatic example is Romania, where the resurgence of ultra-nationalist ideologies—moulded by 45 years of communist rule—further undermines the country's unsteady transition into the European mainstream.

Under the late President Nicolae Ceausescu, nationalism was ruthlessly suppressed as well as manipulated. The regime's monopoly over national mechanisms enabled it to bolster its popular legitimacy, as well as to fragment opposition along ethnic lines. The further the dictatorship's power-base eroded, the more it relied on the instruments of chauvinism, xenophobia and violence. In the 1989 revolution's wake, the same psychology quickly filled the gap that the dictatorship had left. The two million-strong Hungarian minority's call for full collective rights triggered an emotional chain-reaction of fear and demagoguery. Under a changed banner, nationalists resurrected verbatim the slogans that had worked so well for Ceausescu in the past.

In February 1990, the extremist ultra-nationalist movement Vatra Romaneasca (Cradle of Romania) was formed in Transylvania, where the vast majority of ethnic Hungarians live. The ranks of the 'Romanian cultural organisation' swelled overnight as it fanned Romanian doubts about Hungarian irredentism. Violence climaxied a month later in Tîrgu Mureș when Vatra-inspired bands attacked peaceful Hungarian marches, leaving at least eight people dead.

The Vatra's program itself is shrouded in emotional appeals to Romanian patriotism and historical glory. Vatra Romaneasca underlines that Romania is a homogeneous national state, a principle which Hungarian ethnic rights implicitly jeopardise. The claim that "Romanians must be masters in their own home" comes straight from the pages of Ceausescu propaganda.

"Romania is not a multinational state but a national unitary state in which different percentages of minorities live," said Vatra president Radu Ceonea. "And no minority is permitted favours just because its ancestors were oppressors for centuries." The Vatra leadership of wartime fascists, former communist apparatchiks and disempowered members of Ceausescu's secret police has found a new rationale for strong-arm rule. "Our popularity stems from the Romanian Transylvanians' feelings of uncertainty after the revolution," says vice-president Ion Coja. "The Hungarian minority had put the Romanians' lives in danger. This was a result of the lack of authority on behalf of the government, police and army."

In the aftermath of the Tîrgu Mureș pogrom, the Vatra and its parliamentary arm, the Party for National Union of Romania (PNUR), emerged as the dominant Romanian political force in Transylvania. One independent spring 1991 poll showed that 56% of people nationwide harbour a positive opinion of the organisation which claims a membership of four million. According to the survey, 8% of the electorate today would vote for the PNUR, up from their 2.5% showing in the May 1990 election.

The rise of Vatra is simply one manifestation of Romania's turbulent political consciousness. Opinion polls attest to a dangerously desocialised people, ripe for a populist ideology that preys on the anxieties of change. The ruling Front for National Salvation (FNS) received its May 1990 landslide victory as a guarantor of stability and continuity. Over half the population still supports President Ion Iliescu's decision to send coal miners into Bucharest last summer against demonstrators. The severity of the dictatorship has left Romania wholly without moral direction," says journalist Rudi Herbert from the German-language daily Nächter Weg. He points out that the cities consist largely of an urbanised peasantry with no stable middle class. "The thin intelligentsia that exists has been thoroughly discredited in the press," says this member of the German minority.

So commonplace are populist sentiments that they now form an unspoken consensus. Even the democratic opposition and leading intellectuals have chimed in. Nasty polemics against Jewish influence, the 'gypsy threat' and the minorities in the neighbouring (heavily Romanian populated) Soviet Republic of Moldavia surface regularly in the press. The works of Romania's wartime fascist thinkers are for sale in Bucharest bookshops and are now the rage in philosophy departments.

Perhaps no issue enjoys such broad approval as the rehabilitation of Romania's wartime military dictator, Marshal Ion Antonescu. An Axis-allied power until 1944, Romania has a brutal wartime legacy which was treated gingerly during the Ceausescu era. Today, virtually the entire political spectrum hails Antonescu as a national hero. On June 1, the 51st anniversary of Antonescu's execution, the Romanian parliament observed a minute of silence for its nation's misjudged son.

In the press, article after article praises the Marshal, branding the Romanian holocaust a communist-propagated
lie. “After 44 years, history has at last allowed the Romanians to shed a tear and light a candle for Ion Antonescu,” wrote the leading democratic opposition daily Romania Libra. In the FNS daily Azi, one author contends: “From every part of Europe, with the exception of Romania and Bulgaria, Jews were sent to the gas chambers. Romanians never suffered from anti-Semitism and never gave into fascist pressure.”

Western historians differ over Antonescu’s commitment to fascist ideology. The Marshal himself put an end to his ruling partnership with the openly fascist Iron Guard. Yet, during Antonescu’s 1938-1944 reign, 400,000 Jews and tens of thousands of gypsies lost their lives. In Eichmann in Jerusalem, Hannah Arendt described Goebbels’ shock at the “radical pace” of Romanian deportations before the 1941 Final Solution plans had even been approved in Nazi Germany.

Alongside the Vatra, a number of likeminded groups and publications have emerged. Romania’s largest weekly newspaper with a circulation of 600,000, Romania Mare (Greater Romania), champions xenophobia at hysterical pitch. Its editors, Corneliu Vadim Tudor and Eugen Barbu, were among Ceausescu’s top hagiographers, both with extensive ties to the Securitate.

In one typical article, Tudor calls Hungarian pastor Laszlo Toke a notorious rapist and homosexual, as well as an agent provocateur of the Hungarian secret service. Romania’s chief rabbi Moses Rosen is branded an outspoken Romanian hater. A recent editorial lauded Antonescu’s deportation of the gypsies in order to “protect the lives and property of Romanian citizens”.

At the forefront of the ultra-nationalist chorus stands Iosif Constantin Dragan, an emigre who amassed a fortune in Italy while maintaining close relations with Ceausescu. The war-time sympathiser of the fascist League of Archangel Michael publishes at least three major weeklies and is suspected of financing Romania Mare. The Ceausescu’s honoured guest says that he “worshipped Ceausescu for his national dimension”.

Since his return last year, Dragan and his allies in neo-communist and nationalist circles have pushed ever harder for a positive reappraisal of the Ceausescu years. As Romania’s economy slides rapidly towards collapse, those segments of the population hardest hit have begun to look back on the security of the dictatorship with nostalgia. At Ceausescu’s unmarked grave on the outskirts of Bucharest, supporters daily place candles and flowers at the tyrant’s resting place.

The ultra-nationalists now openly demand Ceausescu’s posthumous rehabilitation, as well as the acquittal of all those found guilty of the revolution’s suppression. “History will evaluate Ceausescu very differently than many do today,” says Coja. “I think that we are much too harsh in our judgment of him.” In a recent ode to the late dictator, Tudor wrote: “All Romanians are waiting for you to come back/To rid the country of thieves...To make the gypsies work/And discipline the Hungarians.”

Romania Mare declares that the meagre handful of Securitate officers and nomenklatura sentenced to mild prison terms are the “victims of the new democracy”. The accused did all they could to prevent bloodshed, insist the extremists. Rather, the 1989 Timisoara massacre was the work of Hungarian and Soviet agents. “These real provocateurs of the December riots must be arrested”, according to Romania Mare. “Those who were framed-up should be let free to protect Romania from national dishonour.”

The most troubling political development of late is the nationalists’ ever closer ties to the ruling Front. The Vatra and Romania Mare have distanced themselves from the democratic opposition’s critical tone, and now obediently toe the Front’s line. Since the Targu Mures events, the Front has taken aboard many of the right’s nationalist positions.

Once the ultra-right’s favourite target, Prime Minister Petre Roman, the grandson of a rabbi with a Spanish mother, has led the Front’s anti-Jew, anti-Hungarian campaign. While President Ion Iliescu represents the interests of the old apparatus and Securitate, Roman is considered the nationalists’ man in power. “Roman is out to prove that he’s a better Romanian than everyone else,” says one Hungarian human rights activist. “Even the government’s own newspaper is full of anti-Semitic references.” Rabbi Rosen has stated that if the anti-Semitism was not stopped it would become necessary to airlift Romania’s remaining 18,000 Jews to Israel.

The PNUR and the Front have collaborated with increasing regularity and good will, leading many observers to fear a formal electoral alliance next year. “I’m not at all optimistic about the next five to ten years,” says Gabriel Andreescu, one of Romania’s foremost democratic intellectuals. “There’s a real chance that these people will come to power.”

The question within nationalist circles is whether they will need the Front at all by the time of the next elections, due in a year’s time. At the moment, neither the Front, a nationalist coalition, nor the democratic opposition could win an electoral majority in their own right. But Romania Mare recently formed a party and the popularity of the PNUR has tripled over the past year. The former hardline Romanian Communist Party has also resurrected itself, playing on the same anxieties to justify a return to the byegone order.

A ruling nationalist-FNS coalition could well usher in a tragic period of autocratic military-backed nationalist rule in Romania. Although such a development would dangerously destabilise the entire region, the West has done little to encourage Romania’s democratisation. As in Yugoslavia, the US has simply withheld financial aid to punish Eastern Europe’s last bastions of communism.

The West must realise that generous financial assistance, concrete democratic proposals and full inclusion in the European integration process would serve Eastern Europe’s trouble spots far better than punitive exclusion. Until such alternatives find their way onto the agenda, Eastern Europe threatens to drift even further away from the ideals of a united Europe.

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How rare to record some happy events in Papua New Guinea. But the recent forced resignations of the Governor-General, Sir Serei Eri, and the deputy prime minister, Ted Diro, are certainly cause to crack open a few juicy betel nuts.

In the case of Sir Serei, though, the celebration must be tinged with regret. As Vincent Eri, he was the author of PNG's first novel, *The Crocodile*, published 20 years ago by Penguin books, and translated into French and Russian. This was set during the Pacific War, mainly in his home Gulf province—then as now a neglected, substantially swampy area, and a prime recruiting ground for disaffected rascal gangs in neighbouring Port Moresby.

Eri, the first Papua New Guinean to become head of a government department, commuted daily from his modest home in the suburb of Hohola rather than moving into Government House, with its beautifully maintained tropical gardens, upon becoming Governor-General.

But he was hypnotised by his younger Papuan hero, Diro, who had been army commander when Eri was permanent secretary of the Defence Department. Eri became founding president of Diro's political party, the People's Action Party, named by Diro after his own hero, Lee Kuan Yew.

Diro fought from childhood in a remote mountainous area east of Port Moresby to gain an education. He has known personal tragedy; two daughters have died recently. Yet he somehow believed he could do no wrong, that he was fated to reach the top, and that his devoted supporters would win him a place in the history books as the first PM from Papua.

Australia ruled New Guinea, the northern part of what is now PNG's territory, under first a League of Nations mandate, then a United Nations trust. Papua was a colony, and as such subject to no external supervision. Thus New Guinea inevitably appeared to receive the greater attention and development opportunities.

Dame Josephine Abaijah, the country's first woman MP (there have only been three; a significant factor in the growth of corruption and the growing chasm between politicians and the electorate) led a pre-independence charge for a special status, if not independence, for Papua. But this stuttered to a halt, with Abaijah's own lack of direction and the failure of the region to throw up widely accepted leaders - until Diro.

Under Diro the region's MPs became united as never before, and after the 1987 election his PAP became the nation's second biggest party (after Pangu). He was appointed Forests minister by Paias Wingti when the latter displaced Michael Somare as PM in 1985. The logging of PNG's rainforests soon shifted into top gear, with the regulatory restraints being discarded by the new minister. Soon the Times of PNG began to uncover a trail of timber corruption involving politicians, including Diro, foreign companies (chiefly from Malaysia and Singapore) and the former Malaysian foreign minister Tan Sri Ghazali.

Eventually Wingti was forced by the weight of evidence to establish a judicial inquiry - with the eventual outcome surfacing only in September.
when Diro was found guilty of 81 counts of corruption, and barred from all public office for three years.

Early in the proceedings Diro had been able to bring hundreds of Papuan supporters to cheer him on at his various court hearings. Port Moresby is in any case in the heartland of Papua. But the most significant part of the whole affair came at the end - akin to the dog which, as Sherlock Holmes painstakingly pointed out to Watson, did not bark in the night. When Diro suffered his crucial defeat, the streets of the capital were quiet. When he answered calls on talkback radio, they were mostly negative. Papua was not in flames, despite the efforts of friend and mentor Eri to sustain the crisis and his career.

In part, this may be attributed to the continuing high regard in which the PNG legal system is held - and especially the Chief Justice, Sir Buri Kidu (also a Papuan). Indeed, it was Kidu who provided the backbone that kept PM Rabbie Namaliu pushing the right constitutional buttons in the right order. Eri, who had been high commissioner in Canberra at the time of Gough Whitlam's dismissal, appeared not to realise that PNG's constitution gave him no such reserve powers.

And just as the Papuans didn't bark, nor did the army. There was no hint of a coup from the force Diro had commanded for its first eight years.

One of the lessons of all this from the Australian perspective is that values sometimes seen as uniquely 'Western' cannot be written off as irrelevant in analysing popular perceptions in developing societies. Diro, like his Indonesian contacts Ghazali and General Benny Murdani, may like to see themselves as exempt from popular accountability. But such sentiments do not reflect a supposedly 'traditional' culture so much as a political culture introduced with the nation state. Given a system which enables them to assess their leaders and hold them accountable, Papua New Guineans at any rate appear ready - indeed eager - to see the system work independently, whatever the outcome.

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