

## Australia Dossier by Michael J. Sharp and Allen Douglas

### Queen rigs P.N.G. election

*The British organized a "corruption" scandal to dump the prime minister, and open up the country for looting.*

**A**lthough the final results from the June 14 election are not yet in, it is clear that the government of Papua New Guinea Prime Minister Sir Julius Chan has been ousted, and that Chan has even lost his parliamentary seat, after 28 years. A new government is expected to be headed by Sir Michael Somare, P.N.G.'s first prime minister after achieving independence in 1975.

Queen Elizabeth II is the sovereign of P.N.G., as she is of Australia and many other Commonwealth countries, and it was her agents who organized every step of the plot to dump Chan. Whatever his faults, Chan is a nationalist who, in 1996, kicked the World Bank out of his country, charging that it had "destroyed many countries." He was ousted in order to open his country, one of the richest raw materials repositories in the world, to intensified looting by Her Majesty's mineral cartel, on the eve of a global financial collapse.

The scandal started in early 1997, after Chan had been maneuvered into hiring Sandline International, a mercenary company associated with the notorious Executive Outcomes, a "private sector" arm of Britain's Special Air Services (SAS), to train and equip the P.N.G. Army to deal with an insurgency on the island-province of Bougainville. Since 1989, the Bougainville Revolutionary Army (BRA) has conducted a guerrilla war in which 10,000 people have been killed, and the Rio Tinto Zinc-owned Panguna mine, one of the world's largest, which produced 40% of P.N.G.'s income, shut down.

The first to recommend setting up an "SAS-style" unit in P.N.G., was P.N.G. Corps Pty Ltd., a subsidiary of

the elite Corps of Commissionaires in London, which itself employs SAS veterans, and which is headed by Queen Elizabeth.

The man who sold that proposal to Chan, was Brig. Gen. Jerry Singirok, the commander of the P.N.G. Army, and British intelligence's inside man in the plot. Singirok said it was necessary, in order to re-open the Panguna mine, whose revenues would help develop the P.N.G. economy and ensure that Chan's party would win the June elections. Singirok, it has just emerged, was secretly on the payroll of a British arms dealer, J.&S. Franklin. Also, Singirok's diary, from months before the Sandline scandal, contained notes on ousting Chan.

Chan first applied to P.N.G.'s traditional allies, Australia, New Zealand, and the United States, for help in training his army, all of whom turned him down, forcing him to "go private." P.N.G. Corps bid for the job itself, as did the notorious Defense Systems Ltd. (DSL), another SAS spin-off, but the contract was won by a third SAS clone, Sandline International. Despite the bidding, it was all in the British family: Sandline's top man, Lt. Col. Tim Spicer, who spent months in P.N.G. to oversee the \$34 million contract, had won an Order of the British Empire for SAS work in Northern Ireland, and then became the chief spokesman for the UN in the British-orchestrated Serbian war of aggression in Bosnia. And, Sandline subcontracted the equipment purchases to DSL anyway.

Once Chan had hired Sandline, the trap was sprung: Australia's media, dominated by the Queen's friend, Kerry Packer, and by Rupert Mur-

doch, started an uproar, claiming Chan hired the mercenaries to assassinate BRA leaders.

In March, Chan asked what the media were plotting: "Is there some political agenda behind their motives, to possibly destabilize the government and disrupt the June elections?" His National Intelligence Organization (NIO) charged, in a secret report leaked to the media, that a cabal of prominent P.N.G. citizens, aided by environmentalist non-governmental organizations and a network of "born-again" Christians including Singirok, was conspiring to replace Chan with Sir Michael Somare. As the media drumbeat escalated, Singirok led an open rebellion against Chan and his government, while Somare called for Chan's resignation, and the NGOs which the NIO had fingered, demonstrated in the streets of P.N.G.'s capital, Port Moresby, to support Singirok, whom Chan then fired. Commonwealth head Chief Emeka Anyaoku visited P.N.G., during which he forced Chan to stand aside as prime minister, pending an investigation.

While Australia's media screamed "corruption" from the outside, the "anti-corruption" drive inside P.N.G. was run by Transparency International (TI, see p. 60), whose P.N.G. front men were speaker of the parliament Sir Rabbie Namaliu, and Somare. TI was founded in 1993, out of an earlier series of meetings held by Prince Philip on "ethics." TI is effectively an arm of the World Bank, which Chan had kicked out of the country in 1996: Its founding chairman, Peter Eigen, was for decades a top bank official, as are many of its other executives.

And Somare is a fine one to preach about corruption: In 1985, he intervened to secure the release of Australian drug traffickers whom the P.N.G. police had caught red-handed (see *EIR*, Feb. 5, 1993).