American Samoa

Elections, continuing financial crises, department director rejections and resignations, and investigations of white collar crime were some of the highlights in the territory in 1992–93.

In the November 1992 elections for governor, the two dominant figures in American Samoan politics for the past fifteen years, Peter Coleman and A. P. Lutali, once again faced off in what proved to be a clear victory for Lutali. He and his lieutenant governor, Tauese Sunia, garnered 53.2 percent of the vote compared to 36.5 percent for Coleman and his running mate, Senator Letuli Toloa. This represented a substantial voter switch from the 1988 election. Candidates Pili and Pritchard placed third and last, respectively. Their slightly more than 10 percent of the vote was disappointing, given their new economic ideas and calls for restoration of morality and personal responsibility in government. In the congressional ballot, incumbent Faleomavaega Eni Hunkin overwhelmed the opposition with 64.4 percent of the vote compared to 18.3 percent for second place finisher Tautai Aviata Fa'aleva. Though assurances were given of a smooth transition, the governor-elect and his transition team faced some questionable tactics on the part of the outgoing Coleman administration. Several of these were publicly perceived as deliberate attempts to make matters as difficult as possible for the new administration. An advance payment of US$44,000 was made to the Washington office run by Coleman's son-in-law a few weeks after the election, while numerous violations of the 1989 executive order freezing new hiring, salary increases, and increments were reported. Governor-elect Lutali expressed little surprise at the actions of his opponents, and declared his intention of closing the Washington office because it was "a waste of tax-payer's money" (Samoa News, 23 Nov 1992). In the past, the Coleman administration had contended that the consulting services Lutali relied on in Washington, DC were more costly and less effective than those provided by Coleman's son-in-law.

When Lutali served in the senate, he was accused of political obstruction by the administration. He now has to cope with the same potential problem. As anticipated, the new administration encountered stern opposition from some quarters of the Fono, particularly the senate. Lutali lost two battles over his nominations of department directors. Salu Hunkin, younger sister of Congressman Hunkin and nominee for director of education, was twice rejected by the senate, with former house speaker Tuana'itau Tuia leading the opposition. Hunkin's selection, and subsequent rejection by the senate, generated a spate of letters in the local press, both in her support and oppos-
ing her. Congressman Hunkin accused the former speaker of sabotaging the nomination as a personal vendetta against himself. The two politicians have had several publicized disputes during the past few years, and although Tuia denies any personal reasons for his no vote, many public supporters of Salu Hunkin feel that her qualifications for the directorship far outweigh the contentions of her opponents. She has recently been appointed deputy director of education. The other twice-rejected nominee was acting hospital director, Tagoa'i Matt Tunoa.

Two embarrassing mishaps concerning directors tainted the Lutali administration in 1993. In early May, commissioner of public safety Victor Liu, who had been approved by the fono, was indicted for the alleged embezzlement of US$22,000 from the Los Angeles police department from which he had recently retired. Governor Lutali was compelled to request his resignation, although Liu claimed innocence. The governor's own son, Julius Lutali, was named as acting commissioner. A second director, also confirmed by the fono, American Samoa Development Bank President Fanuaea Gurr, was fired by the governor on 16 June. Her removal followed the recommendation of the development bank board, which uncovered discrepancies and mismanagement activities involving the president and two other employees.

In line with his campaign pledge to combat corruption, waste, and abuse in government, the governor initiated a course of action that included establishment of a white collar crime task force and federal audits of government operations. Task force investigations of the Territorial Administration on Aging led to an arrest warrant being issued for the former director and his secretary. Fourteen criminal charges have been filed against the two suspects, including the “forging and cashing of senior citizens' food vouchers worth thousands of dollars” (Samoa News, 2 July 93). Although investigations of alleged criminal activity at the Territorial Administration on Aging were initiated by the Department of Public Safety in 1992, pressure from former governor Coleman's office curtailed their continuation. Other government departments under task force scrutiny at the end of the review period included Public Works, Parks and Recreation, and the Office of Motor Vehicles.

American Samoa's financial woes continued with no end in sight. The new administration took over a treasury emptied of reserves, and the repercussions were felt throughout the community. In the second week of January, Lutali's revenue task force recommended the layoff of over four hundred unbudgeted employees as a first step in addressing the deficit. This prompted an immediate public backlash from affected families and opponents in the fono. The first phase of Operation Reduction in Force will save an estimated US$3 million annually, or 3 percent of the government's US$100 million annual personnel expenditures. Phase two of the operation began in March with the reversal of all salary increases, promotions and new hires made after 1990, when the Coleman “freeze” was to have become effective.
In addition, a 35-hour work week went into effect for all government employees of the executive division, except teachers and hospital employees. The initiative was discussed heatedly in the senate, with claims that the fono was ignored and denied opportunity to consult with administration officials about possible alternatives.

Auditors of the Inspector General's Office reported the government deficit to be US$60 million, which meant local vendors were unable to collect on the reported US$8 million owed them by the government. The Health Department owed more than US$500,000 to off-island medical suppliers, resulting in frequent critical shortages of basic hospital supplies and medicines. Many taxpayers awaited tax refunds, about half of which have not been returned as the government shuffles scarce revenues to meet payroll and other outstanding debts.

Governor Lutali called a twenty-day special session of the legislature in late May to promote swift action on his revenue proposals. The proposed excise tax bill is the centerpiece of the revenue package, which calls for increased taxes on gasoline, commercial imports, heavy machinery, vehicles, liquor, and soda. The administration projected that US$10 million would be raised. However, the house passed its own version of an amended excise tax, while the senate continued to seek alternatives other than raising taxes. The special session concluded on 14 June with no final action taken.

The Lutali-Tauese administration assumed the reigns of government with the unenviable task of rectifying a decade's worth of freewheeling, unaccountable government spending and mismanagement. If they succeed, even in part, in restoring financial stability and credibility in the way the government of American Samoa conducts its operations, it will be a significant accomplishment.

BILL LEGALLEY

FRENCH POLYNESIA

French neocolonialism in the Pacific, and the nuclear testing program in particular, has been much criticized by neighboring governments, but has encountered minimal opposition in Tahiti. Decades of reliance on expenditures by the CEP (Centre d'Experimention du Pacifique) have persuaded islanders and resident expatriates alike that the nuclear testing program is vital to Tahiti's economic survival. Not surprisingly, France's decision to suspend nuclear testing in April 1992 was received with concern in Tahiti. The political fallout was felt intensely by the recently elected government of Gaston Flosse, already struggling for survival amidst huge budget deficits, corruption scandals, and abysmally low public confidence.

President Flosse claimed that the immediate halt of CEP activities would be economically and socially "catastrophic." He warned of an impending layoff of 5200 employees; a loss of 5000 business and government jobs indirectly related to the CEP; a shortfall of US$45 million in the territorial budget; and losses of US$600 million in revenues for the local economy (an estimated 22 percent decline). The suspension of nuclear testing was welcomed,