

Reviews of Kiribati and Nauru are not included in this issue.

FEDERATED STATES OF
MICRONESIA

The beginning of this review period was particularly busy. The new national administration led by President Emanuel Mori had just been inaugurated and the political watchers were focusing on nominations for department heads. The first batch of nominees the president submitted included his uncle for secretary of resources and development, and his brother-in-law for FSM ambassador to the United States. The respective congressional committees favorably recommended the nominations for approval. However, the whole congress rejected both. Neither the reports of the jurisdictional committees nor the floor debates addressed the issue of nepotism, which was foremost in everyone's mind. Regardless, the political pundits knew that the two nominations were rejected because the nominees are close relatives of the president, who is from Chuuk State. In this particular case, the FSM public can heave a sigh of relief that the built-in checks and balances at the national level worked.

The president nominated Makato Robert from Chuuk as his attorney general. At the time of his nomination, Robert was still facing charges of unethical practices in the FSM Supreme Court. In its report, the

Judiciary and Governmental Operation Committee criticized the court for not acting promptly on the nominee's application for reinstatement to the FSM bar, but ignored the fact that the nominee still cannot appear before the FSM Supreme Court. Regardless of the deficiency in Robert's credentials, the FSM Congress took the bizarre action of approving his nomination. It is not clear how the new attorney general will represent the nation before the FSM Supreme Court, and how much damage this action has done to the reputation, image, and legitimacy of the national government.

At the time of this writing, the Mori administration has filled almost all the major overseas posts with new ambassadors. Yosiwo George, the former governor and chief justice of Kosrae and most recently the manager of MiCare, the national government health insurance program, is the new FSM ambassador to the United States. John Fritz, a Japanese-educated Chuukese and longtime staff member of the embassy in Tokyo, has taken over from Kasio Mida as the ambassador to Japan. The former counsel general in Guam, Samson Pretrick, has become the new ambassador to Fiji. Masao Nakayama remains the head of the FSM Permanent Mission at the United Nations. Beijing is the only unfilled overseas post, but Carl Apis, a Pohnpeian, has been appointed as deputy chief of mission there. The consul general positions in Guam and

Honolulu are filled respectively by Gersen Jackson of Kosrae and Aki-lino Susaia of Pohnpei. Jackson is a former lieutenant governor of Kosrae, and Susaia served as the secretary of the Department of Economic Affairs under former President Joseph Ursemal.

It is interesting to note that Masao Nakayama is the only remaining member of the old FSM diplomatic corp. Yosiwo George served a couple of years as head of the FSM mission at the United Nations in New York. Pretrick and Fritz are new in their posts but they are experienced diplomats. The two consul generals are new to diplomacy, but they are experienced administrators.

The FSM president's cabinet consists almost entirely of new members. Finley Perman, a former official of the Pohnpei state government, now heads the Department of Finance and Administration; Lorin Robert, the former deputy secretary of foreign affairs, became the head of that department. Vita Skilling, a physician at the Kosrae state hospital, became the secretary of the new Department of Health and Social Affairs. The head of the newly renamed Department of Resources and Development is Peter Christian, the former Speaker of the national congress. Casiano Shoniber, the former Pohnpei state director of education, took over the new Department of Education. Francis Itimai, the former director of planning and budget in Yap, became secretary of transportation, communication, and infrastructure; the former head of that department, Andrew Yatimal, now heads the Office of Environment and Emergency Management. Dr Rufino

Mauricio remains the director of the newly expanded Office of National Archives, Culture, and Historic Preservation. Fabian Nimea, former manager of the Pohnpei Branch of the Bank of the FSM, becomes the director of the Office of Statistics, Budget and Economic Management, Overseas Development Assistance, and Compact Management (SBOC). And Julius Joey Sapelalut has taken over as the chief public defender.

It is noteworthy that all the FSM constituent states are represented in the president's cabinet. For the first time a woman (Vita Skilling) has been appointed to head a department in the national government. All members of the cabinet are veterans of state or national administrations.

The new national administration submitted to the FSM Congress a reorganization bill to revamp the executive branch in order to focus on national priorities and streamline the various departments and offices. The congress passed the bill in almost its original form. The law split the Department of Health, Education, and Social Affairs into two new departments: the Department of Health and Social Affairs, and the Department of Education.

Another notable feature was the creation of a new Office of Statistics, Budget and Economic Management, Overseas Development Assistance, and Compact Management. The new SBOC office incorporates the collection and analysis of data, formulation and compilation of budget, responsibility for overseas assistance, economic analysis, and compact management. A cursory look at the new office indicates that it has assumed some responsibilities that might be

more appropriately assigned to the Department of Foreign Affairs and the Department of Resources and Development. It is hard to imagine how this office will be able to focus on its multitude of roles and responsibilities with regard to planning and implementing national priorities. It is likely that confusion and friction will result from the difficulty of delineating responsibilities within the office, as well as defining its relationships with other departments. For instance, does the new office, which absorbed the Office of Compact Management, take over the responsibility of managing the relationship of the Federated States of Micronesia with the United States, or just a portion of it? If it is just a portion, then what is left for foreign affairs to do? How about coordination of established roles and responsibilities between the two institutions? It is interesting to note that the new office has hired one health specialist and one education specialist. It has assumed a multitude of functions and responsibilities that indicate that it is becoming a super-department—without having first been a department.

Another notable aspect of this reorganization law is the changing role of the Historic Preservation Office, which is now also in charge of cultural preservation. This seems to contravene the very essence of the FSM federal system of government. At the 1975 Micronesian Constitutional Convention, the delegates opted for a system of government that delegated particular expressed powers, as well as powers that are indisputably national in character, to the national government. Powers not delegated to the national government are reserved for the states

to exercise (Meller 1985). It is difficult to understand how preservation of culture becomes an expressed power or indisputably national in character, and therefore beyond the states to control. In fact the very essence of FSM federalism is the diversity of its constituent states. As far as the states are concerned, one of the attractive aspects of the national constitution was the empowerment of an individual state to preserve its own cultural uniqueness within the whole federation. This is what the FSM people proudly refer to as unity in diversity.

The People's Republic of China is quite active in providing funds for a variety of public buildings and other projects. In addition to the office building for the Tuna Commission, projects funded by the Chinese government include the FSM embassy in Beijing, assistance to the financially troubled state governments of Chuuk and Kosrae, the construction of the Pohnpei state capitol, and contributions to the FSM Trust Fund. The funding of public projects and direct contributions to financially beleaguered states have certainly raised the political profile of China as a player in the Micronesian region.

The FSM president irked the US embassy in Kolonia by suggesting in an interview with *Pacific Magazine* that China could become a challenger to the United States in the Pacific region (Takeuchi 2008). The president's ad-lib comments annoyed the Americans but the president expressed the common feeling that China is here for the long haul. The Chinese are careful to paint a picture of their country as an open society that views the Federated States as an equal partner in

their overall bilateral relations. When visiting Beijing, FSM leaders have easy access to the Chinese president and other national leaders. To underscore the importance of their relationship, the Chinese usually treat the Micronesians to lavish state banquets in the People's Hall in Tiananmen Square. In their eagerness to encourage more official visits, the Chinese government provides a certain amount of cash to each member of the party in the form of a stipend. Whether China will challenge the US standing in the Micronesian region remains to be seen. But China is building the foundation of its relations with Micronesia on the basis of mutual friendship and respect for national sovereignty.

It was no coincidence that Vice Chairman Jiang Zhenghua of the Standing Committee of the National People's Congress led a high-level delegation of parliamentarians on an official visit to the FSM. The visit was scheduled to fall on 12 September to commemorate the eighteenth anniversary of the establishment of diplomatic relations between the two countries. In a joint communiqué with the FSM Congress, the parties agreed to promote better understanding and overall development of their countries' bilateral relations.

On the economic front, the overriding concern is the rising cost of fuel and food items. At the time of this writing, a gallon of gasoline costs about \$6.66. Diesel fuel costs about \$6.80, as does kerosene. The high cost of fuel has, in turn, raised the cost of imported food items such as rice and chicken. To deal with the high fuel costs, the Federated States has created the FSM Petroleum Corporation

to take over the fuel supply facilities currently owned by Mobil Oil Micronesia. The government is hoping that when this new corporation assumes full responsibility for supplying fuel to FSM customers, the price of fuel will drop. But if the costs of telephone service and public utilities—two services monopolized by public corporations are indicators—then FSM customers are in for a big surprise. FSM public corporations are better known for providing high salaries and generous benefits to employees than affordable services for customers.

At the last leadership conference in Kosrae, a wide range of options was discussed with regard to the high cost of food items. Among the options was creation of price control boards in the four states. However, such a move might create shortages as importers find their profits squeezed or nonexistent. Since it depends almost entirely on imported goods, the Federated States is finding out the hard way that the economic forces affecting the welfare of its citizens are beyond its control.

Roosevelt Kansou, a national senator who represented Chuuk Election District 2 in the FSM Congress, was tried and convicted of conspiracy in March 2008 and has vacated his congressional seat, as required by section 9 of article 9 of the FSM Constitution. In the special election of 27 May 2008, the voters in Northern Namoneas elected Tesime Kofot, a veteran of the Chuuk legislature, to replace Kansou.

Fabian Nimea, the SBOC director, who is also the designated national authorizing officer for European Union programs, visited several EU

member countries to “further broaden economic and development ties between Micronesia and the European Union” (FSM Government Web site 2008). The delegation received a pledge of \$1 million for a technical assistance program, and up to \$3 million in low-interest credit for energy development. In addition, the Dutch government pledged a maximum amount of \$2.5 million for various projects to promote sustainable development. As far as EU assistance is concerned, the mission can be pronounced a success, but the odd thing about this mission was the total absence of foreign affairs representatives.

President Mori is asking the FSM Congress to adopt four proposed amendments to the FSM Constitution. If the congress adopts any of these proposed amendments, then they might be submitted to the voters for ratification in the national congressional election in March 2009. The proposed amendments are (1) to lower the threshold of approving a constitutional amendment from 75 to 60 percent of the total votes cast; (2) to make former presidents ineligible to run for congress, and to allow popular election of the FSM president and vice president; (3) to limit all members of congress to a maximum of three consecutive four-year terms; and (4) to limit the term of a justice on the FSM Supreme Court to fifteen years. All of these except the one preventing former presidents from running again have been submitted to voters for approval at one time or another. The president has yet to indicate what he hopes to accomplish with these proposed amendments.

JOHN R HAGLELGAM

References

FSM Government Web site. 2008. FSM Deepens Economic Ties with the European Union. Government press release, 10 July.

Meller, Norman. 1985. *Constitutionalism in Micronesia*. Lā‘ie: The Institute for Polynesian Studies, Brigham Young University-Hawai‘i.

Takeuchi, Floyd. 2008. Making Up For Lost Time: FSM Mori’s Takes on Unity, Development *Pacific Magazine*, 27 April. <http://www.pacificmagazine.net/issue/2008/04/27/making-up-for-lost-time> [accessed 28 August 2008]

GUAM

Guam’s Annual Liberation Day festivities in July 2007 marked the sixty-third anniversary of relief from occupying forces in World War II. However, a bill meant to compensate residents for the forced labor, torture, injury, and death that occurred during the Japanese occupation of the island made little progress. The Guam World War II Loyalty Recognition Act passed the House but remained stalled in the Senate (*PDN*, 6 March, 8 June 2008).

Meanwhile, debate continued about the massive buildup of US military forces, which involves an influx of equipment and personnel estimated to swell Guam’s population by about 40,000 over the next six years. The Government of Guam (GovGuam) consultant KPMG of Washington DC identified three billion dollars worth of projects necessary for the local government to prepare for the buildup. On the federal side, a draft master plan was released that designated the Fina-gayan area as the preferred site for