Reviews of American Sāmoa, Hawai‘i, Niue, Tokelau, Tonga, Tuvalu, and Wallis and Futuna are not included in this issue.

**Cook Islands**

The 2008–2009 year began with fallout from a major challenge to the legitimacy of the government from ariki (traditional chiefs). Acting on the advice of Bruce Mita, an Australian-based businessman of New Zealand Māori descent, some ariki openly challenged the country’s elected government. The ariki proclamation was read by Vakatini Ariki and Vaeruarangi Ariki and asserted that, as of 12 June 2008, the traditional chiefs would no longer recognize the government (CIN, 13 June 2008), nor would they acknowledge the queen of England as head of state. Reaction to the decree was swift and mostly negative. Rongomatane Ada Ariki, the president of the House of Ariki (hoa), retracted her initial support for the decree, and various other objectors spoke out against it (CIN, 19 June, 13 June 2008). Prime Minister Jim Marurai described the edict by a small minority of Ui Ariki as nonsensical and lacking credibility (CIN, 14 June 2008). One HOA member, Pa Ariki, also expressed disdain at the actions of her contemporaries and challenged government to abolish the House of Ariki (CIN, 14 June 2008). Deput Prime Minister Terepai Maoate described the proclamation as misguided and wrong (CIN, 17 June 2008), but promoted restraint among his parliamentary colleagues.

Maoate tabled the HOA Amendment Bill, calling for an apology from ariki who had declared that they did not recognize Queen Elizabeth as the country’s head of state (CIN, 3 Dec 2008). Queen’s Representative Sir Frederick Goodwin summoned eleven ariki in the aftermath of their proclamation, and there was some hope that those ariki who had proclaimed their independence would recant and rejoin the fold (CIN, 13 Dec 2008). Notably, a few ariki boycotted the government meeting (CIN, 19 June 2008), and long-term repercussions are possible.

Political activism by traditional chiefs was not restricted to the national level. Tuki Tepano, Ariki Nui of Rapanui, visited Rarotonga and expressed interest in contributing to an Are Vananga (house of learning), which is being proposed as part of a new center for the University of the South Pacific in Rarotonga. Tepano also spoke of the Te Puna Ariki Tere Moana Nui O Hiva, a concept aimed at strengthening links bounded by the Polynesian triangle of Hawai‘i, Aotearoa, and Rapanui (CIN, 22 May 2008). Meanwhile, the assembly of lesser chiefs, known as Koutu Nui, worked closely with the government, anticipating an enhanced role in national customary issues (CIN, 30 June 2008). A cultural milestone was reached as the double-hulled Cook Islands traditional voyaging canoe
Te-Au-O-Tonga set sail from Rarotonga for American Sāmoa to participate in the Festival of Pacific Arts (CIN, 17 July 2008).

Observers suggest that a prime motivation for the sudden challenge to national governance on the part of some traditional leaders emanated from the expected seabed mineral wealth of the country. Parliament has always acknowledged the seabed resource, and this year, the government lodged a claim with the United Nations, delineating the boundaries of its extended continental shelf (CIN, 18 April 2009). The Cook Islands is claiming 400,000 square kilometers but awaits more rigorous submissions to the United Nations and a four-year waiting period (CIN, 17 April 2009). The Commonwealth Secretariat praised the Cook Islands shelf claim, describing it as a major achievement (CIN, 27 April 2009). Several overseas-based concerns have expressed interest in the seabed resources of Cook Islands waters, with the most recent involving the Canadian merchant bankers Endeavour Mining Capital, which offered the government NZ$10 million for a retention license for manganese nodule mining (CIN, 22 Aug 2008). (NZ$1.00 equals approximately US$0.70.) The proposition was not accepted by the government.

Infrastructural development added to the nation’s financial credit liability. For the 2009 financial year, the total government debt is estimated to be NZ$65.6 million, or 19.7 percent of gross domestic product (CIN, 7 Jan 2009). The four prioritized infrastructure projects for 2009 include the restructuring of the Mangaia harbor (NZ$1.83 million); the upgrading of the Rarotonga water supply network, involving fifty-two kilometers of pipeline; the upgrading of the Tereora-Tepuka sewage; and the improvement of a Aitutaki powerhouse. The Rarotonga ports expansion will cost NZ$18.2 million, which will be supported by a NZ$15.5 million assistance package from Asian Development Bank (ADB) as well as NZ$2.7 from the Cook Islands Government (CIN, 26 Nov 2008). Another project, the Rarotonga International Airport upgrade, is set to cost NZ$7–8 million (CIN, 18 Nov 2008). In addition, the government secured NZ$26.9 million from the Asian Development Bank for the Avatiu harbor upgrade (CIN, 6 May 2009).

Dependency on oil-generated energy has long been a problem for the island administration. Government interest in pursuing the purchase of energy facilities from two companies, Toa Petroleum and Air bp–Juni, ignited a firestorm because of secrecy and a perceived lack of accountability in use of public funds. The country’s own audit department alleged corruption in the Ministry of Works (CIN, 2 Sept 2008), and pointed fingers at the Secretary of Works Ata Herman. Tangata Vavia defended the government’s interest in a fuel farm scheme (CIN, 19 June 2009), but TRIAD Pacific Petroleum (a third energy company not included in the government’s scheme) challenged the NZ$5.6 million valuation of Toa Petroleum as being overstated by 75 percent (CIN, 11 May 2009). Mike Carr of the KPMG accounting and advisory firm supported the TRIAD argument that the government’s valuation was flawed (CIN, 14 May 2009). The country’s director of audit, Paul Allsworth, also pointed out that the government
had breached its own laws in the fuel farm scheme (CIN, 29 May 2009). A challenge in the high court stopped the Toa and Air BP–Juhi deal, but the government continues to pursue other avenues to complete the Juhi part of the arrangement (CIN, 11 June 2009).

The telecommunications industry saw several developments this year. Irish telecommunications giant Digicel initially revealed that it was going to buy Telecom but later had second thoughts (CIN, 27 Feb, 13 May 2009). Meanwhile, KukiCel, a local company, pushed for changes in policies to allow its entry into the telecommunications market. KukiCel wants to launch a new cell phone network and claimed it could offer 50 percent cost savings in local and international calls (CIN, 26 Feb, 29 May 2009).

Much of the development this year focused on the Cook Islands most important industry, tourism. In 2008, twenty-eight cruise ships visited Rarotonga, some with more than 2,000 passengers on board. Apparently, some thirteen ships were unable to berth during that same period because of ocean swells (CIN, 3 Jan 2009). The government is looking at constructing a berth for cruise ships on the western side of the island of Rarotonga, which should alleviate this problem. There was also concerted effort by the government to allow commercial flights to Aitutaki Island to fly on Sunday—a prospect resisted by most Islanders living on Aitutaki. When the government forced the flights to take place, protests increased (CIN, 1 July 2008). Some activists complained about blacklists and assaults (CIN, 12 July, 19 July 2008). With the controversy unsettled, tension continues on Aitutaki over Sunday commercial flights (CIN, 28 March 2009). Meanwhile, Kia Orana Air established itself as a new low-cost domestic airline service (CIN, 6 Jan 2009).

The on-again, off-again Vaima‘anga Hilton Rarotonga Resort and Spa continued to experience changes in strategy. One hundred and five self-contained, precut units are now being proposed for the site (CIN, 3 Nov 2008). Six weeks of filming in Rarotonga for a UK/New Zealand–produced children’s television series, Paradise Café, gave opportunities for about a hundred locals to get jobs as extras (CIN, 29 Oct 2008). Acting Secretary of Health Josephine Aumea Herman expressed concern when World Health Organization (WHO) offices in Sāmoa put out a press release saying the Cook Islands was having a dengue fever outbreak (CIN, 2 Sept 2008). The WHO office retracted its statement, but by then it had already had some impact on the tourism industry.

The latest effort to attract tourists was to officially declare the Cook Islands as the world’s first “recession-free oasis,” asserting that the country was unaffected by the global economic crisis (CIN, 18 May 2009). This novel, government-initiated, tourism-promotion effort is expected to increase tourism by 40 percent (CIN, 19 May 2009). Much of that increase, however, still depends largely on Air New Zealand. Tourism Minister Wilkie Rassmaussen expressed concern over an Air New Zealand request for an increased subsidy, from NZ$3 million to NZ$8 million a year, for the weekly Los Angeles–Rarotonga flight (CIN, 29 Oct 2008).

A major increase in visitors is expected for the 2009 Pacific Islands Mini Games as well as for the inter-
national netball competition. To host the events, the government pursued major construction projects, with the NZ$15.6 million multi-sports complex being the largest (CIN, 23 Sept 2008). The government initiated a 200 percent tax break for Mini Games sponsors, the idea being that for every dollar contributed to the games, a donor could claim two dollars off taxes owed (CIN, 6 March 2009).

The government also sought assistance from donor countries. Chinese Ambassador Zhang Yuanyuan visited Rarotonga to sign off on a NZ$13 million soft loan (CIN, 3 July 2008), and a further NZ$50 million in soft loans was secured to assist the hosting of the Mini Games (CIN, 17 March 2009).

The country’s developing relationship with China led to the Cook Islands embracing Chinese financiers interested in investment opportunities there (CIN, 11 April 2009). Deputy Prime Minister Maoate sought private sector loans from the government-owned China Eximbank to assist pearl farmers and local growers (CIN, 12 Sept 2008). Cook Islands pearl farmers also bought into a government marketing plan and Cook Islands pearls branding efforts that should increase production. Maoate was hopeful that a recent submission to China for funding would be approved (CIN, 30 March 2009).

A banking bill to abolish offshore banking in the Cook Islands was proposed but placed on hold (CIN, Feb 14 2009). If taken up, the new approach by government would mean that only domestic banks, such as Bank of Cook Islands, Wespac, and ANZ, would be allowed to conduct offshore activities. All other banks would be required to wind down operations (CIN, 12 Feb 2009). WSBD Ltd in particular was described as an offshore bank that was ruining the reputation of the country; it was ordered to pay NZ$125,000 in costs, stop operations, and leave the Cook Islands (CIN, 27 March 2009).

The government attempted to address consumer complaints about pricing irregularities by wholesalers and retailers with a newly constituted price tribunal. Of particular concern was the high cost of goods despite government removal of levies on basic consumer products such as sugar, milk powder, eggs, and canned foods (CIN, 16 June 2008). The government’s other effort to address issues of price gouging, monopolistic behavior, and profiteering came under criticism from the Chamber of Commerce. The proposed Commerce Commission legislation was described by the chamber as an ill-conceived, knee-jerk reaction (CIN, 31 July 2008). Chamber executive member Steve Anderson argued that anti-competitive legislation already exists. He suggested that the government failed to appreciate the difficulties being faced by businesses due to a worldwide global credit squeeze and rising fuel costs. Anderson also highlighted the challenges of “a small island economy, increasing internal and external costs, reduced spending as the population declines, and restrictive immigration and development policy that doesn’t encourage economic growth” (CIN, 31 July 2008). The prospect of uncompetitive pricing was further highlighted when the Cook Islands Trading Corporation (CITC) bought Pacific Distribution Limited (CIN, 1 Aug 2008), whose entities include Foodland,
Meatco, and Oasis, as well as shares in the shipping operations of Express Cook Islands Line. The acquisition ensures that CITC is the dominant company in the Cook Islands, which creates a monopolistic situation. CITC Chairman Trevor Clarke alluded to a NZ$7.5 million price tag that included NZ$3.4 million as a goodwill payment.

On the fisheries front, the US Coast Guard cutter \textit{Walnut} seized fifteen pounds of shark fins from the San Diego–based fishing vessel \textit{Pacific Horizon} within the Cook Islands Exclusive Economic Zone. The Magnuson–Stevens Fishery Conservation and Management Act of 1996 made it illegal to have shark fins on board, and a bilateral agreement between the United States and Cook Islands allows the US Coast Guard to conduct searches in Cook Islands waters (\textit{CIN}, 3 Nov 2008). Additionally, rising fuel costs and lack of assistance from partner states caused the Australian government to consider withdrawing much of its funding for the Pacific patrol boat program (\textit{CIN}, 1 Oct 2008). The Cook Islands government revealed a fishing venture, based in Tongareva, that would allow sixteen Taiwanese long-liners to operate in the Northern Group (\textit{CIN}, 24 Nov 2008). It was expected that the majority of the catch would be taken to the canning factory in American Sāmoa (\textit{CIN}, 18 Feb 2009), although threats that the Chicken of the Sea facility there would be closed later in 2009 threw these plans into doubt.

In environmental news, the Greenpeace vessel \textit{Esperanza} visited the Cook Islands during the year (\textit{CIN}, 22 June 2009). A proposal by the organizing committee of the Cook Islands Games (as distinct from the Mini Games) to remove coral heads from the Muri Beach lagoon received much public outcry (\textit{CIN}, 9 April 2009). A 100–150 meter course is reportedly required for the canoe races, but even the local canoeing club distanced itself from the coral-removal proposal because of the serious lagoon damage expected. Local environmentalists and marine conservation also expressed trepidation (\textit{CIN}, 15 April, 11 April 2009).

In diplomatic developments, the Cook Islands announced the opening of a consular representative office in China in June 2009 (\textit{CIN}, 3 June 2009). The Cook Islands also maintained its special relationship with New Zealand and other countries. Prime Minister Jim Marurai held bilateral talks with the prime minister of Japan (\textit{CIN}, 26 May 2009), and received a variety of diplomats throughout the year.

On the legal front, Maara Tetava was named the new Cook Islands police commissioner (\textit{CIN}, 27 May 2009). Lawyer Tevita Tangaroa Vakalalabure was found guilty of driving a vehicle while drunk and causing bodily harm to two people (\textit{CIN}, 28 Nov 2008). Carla Davis, the widow of former Prime Minister Sir Thomas Davis, filed a libel lawsuit for NZ$1.6 million against Cook Islands media and some individuals (\textit{CIN}, 2 Aug 2008). Convicted African conman Albert Tshabalala tested the Cook Islands government’s immigration policies when the administration tried to deport him (\textit{CIN}, 28 Oct 2008). Eventually, Tshabalala left the country but abandoned and burned his car before disappearing (\textit{CIN}, 2 Feb 2008).
A woman who gave birth to the prime minister’s grandson issued a complaint when she had to pay a hospital fee of NZ$1,000 (the rate for tourists and contract workers) instead of NZ$26 (the fee for locals and permanent residents) (CIN, 29 Aug 2008). Deputy Prime Minister Maoate, in his role as minister of health, promised to look at the issue more closely (CIN, 30 Aug 2008). Albert Numanga, former manager of the Cook Islands Tourism office in Auckland, faced four charges of defrauding the Cook Islands government of a total of NZ$1 million. Numanga spent over ten years working in the Cook Islands tourism sector. Numanga’s former boss, Chris Wong, also faced charges of misusing government funds, including using thousands of dollars for gambling in the Auckland Sky casino (CIN, 11 Feb 2009).

Members of the Public Expenditure Review Committee resigned as of 1 October 2008 because of a perceived lack of support from the government. Deputy Prime Minister Maoate declared that the committee was still needed, despite the fact that much of its workload had been taken over by the audit department (CIN, 26 Sept 2008). The government’s audit office revealed that over a million dollars of fundraising activity was going on in public schools, restating the government’s concern that there was too much fundraising (CIN, 16 July 2008).

Such reliance on private initiatives for funding underlines the conflicting priorities that continue between politicians, businesses, traditional leaders, and citizens. Overall, in the rapidly changing social environment, the country continued to spiral into an uncertain future, with depopulation and high-profile regional-hosting commitments disguising the reality of an overburdening political structure.

Several prominent deaths during the year received national attention. The funeral of Sir Pupuke Robati, former prime minister and longtime member of Parliament for the island of Rakahanga, was held on 1 May 2009 (CIN, 27 April, 1 May 2009). Lawyer John McFadzien, who served as Cook Islands solicitor general from 1983 to 1995, died 13 May 2009 (CIN, 14 May 2009, 1). Sir Tangaroa Tangaroa, former queen’s representative and member of Parliament for Tongareva, was given a state funeral service on 29 May 2009 (CIN, 29 May 2009). Professor Ron Crocombe passed away on 18 June 2009 (CIN, 19 June 2009), and the nation paid a special tribute to the great scholar (CIN, “Salute to Papa Ron,” 26 June 2009).

The year ended, as it began, with public uncertainty in the current administration. The government received criticism when it announced a new policy of limiting heads of ministries to three terms (CIN, 23 June, 19 June 2009).

References


French Polynesia

The chronic political instability that has been plaguing the country since 2004 continued, with no fewer than three different governments during the period under review. The surprising