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Micronesia in Review: Issues and Events, 1 July 2010 to 30 June 2011

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**Marshall Islands**

Threatened by impending sea-level rise, internal fraud schemes that reached into the highest levels of government, and potentially damaging changes to its relationship with the United States, the Republic of the Marshall Islands (RMI) spent the year under review facing its own mortality. The defining event of the period was the public discussion the country had about its physical and political sustainability as a nation-state, and what to do in the eventuality of its disappearance. It was during this time that the Marshall Islands had to consider not only the real prospect of being an early victim of global climate change, but indeed its very existence within the community of nations; at the same time, it also had to deal with internal strife and external relations that put its governing mechanisms to the test.

In late August, for the first time since 1997, the Marshall Islands made the editorial pages of the *New York Times*, as an unsigned editorial posed the question: “If a country sinks beneath the sea, is it still a country?” (*NYT*, 30 Aug 2010). The editorial considered the potential ramifications of the political and diplomatic status of the Marshalls should its actual landmass become uninhabitable, a situation now considered imminent. In response, RMI Ambassador and Permanent Representative of the Marshall Islands to the United Nations Phillip Muller wrote a letter to the editor, seeking to pressure nations in attendance at the 2009 Copenhagen climate change meeting to make good on their promise of US$30 billion in aid (*NYT*, 5 Sept 2010). In November, Muller again called on the Copenhagen signatories to produce US$20 million for a three-mile-long seawall on the leeward side of Majuro (Johnson 2010). While both the funding and the seawall have yet to appear, the issue of environment-
tal vulnerability offered the Marshalls the chance to become a focal point in the climate change debate.

This issue was revisited in December at the international climate change meeting in Cancun, Mexico, during which the legal considerations of citizenship, sovereignty, diplomatic standing, and fishing and deep-sea mineral rights were introduced by Michael B Gerrard, the director of the Center for Climate Change Law at Columbia University (Hanley 2010); the meeting made headlines around the world, and the potential impact on the Marshalls was the top story on the Yahoo.com website. In February 2011, the American Association for the Advancement of Science issued a report saying that the population of the Marshall Islands were in danger of becoming “environmental refugees” and questioning the political and social effects of wholesale migration on the United States, the presumptive destination of RMI migrants (Huffington Post 2011). Bringing together legal scholars, climate change experts, and government representatives, the Marshall Islands and Columbia’s Center for Climate Change Law sponsored a conference in New York for three days at the end of May 2011, during which RMI President Jurelang Zedkaia called on the United Nations to take action as a matter of international security. Noting that the international community had yet to approach climate change in a meaningful way, Zedkaia stated, “There has been enough talk. It is time for action” (MIJ, 3 June 2011).

After a year of sobering discussions, however, it remains to be seen what steps the international community, and especially the RMI government, will actually take.

In the midst of the conversation about the impending environmental disaster facing the country, Majuro and several outer atolls and islands experienced some of the highest tides in recent memory. While no storms attended the rising tides on 19 February 2011, sea levels were six inches higher than predicted on Majuro, resulting in the flooding of homes and businesses on various parts of the atoll; a month earlier, on the island of Kili, seawater was knee-deep in some areas that were normally above sea level. While extreme tides like these are part of a normal cycle, affected in this case by La Niña, they nonetheless serve as a stark reminder of the realities of global climate change and its resultant sea-level rise. As Dr Murray Ford, a University of Hawai’i Sea Grant climate scientist based in Majuro, explained, such tidal events “will continue to increase in both frequency and magnitude” (MIJ, 18 Feb 2011).

A much different yet equally onerous threat to the political viability of the Marshall Islands came in the form of a fraud ring composed of twelve individuals, including employees of the ministries of finance and health, and attracted the unwanted attention of the US Department of the Interior. Beginning in early December 2010, the attorney general’s office charged Majuro resident Candi Leon with defrauding the RMI government of $14,820 for goods and services that were never delivered (MIJ, 3 Dec 2010). Three weeks later, Leon named six coconspirators—including three workers in the Ministry of
Finance and three in the Ministry of Health—and the amount of alleged theft rose to $80,350 (MIJ, 24 Dec 2010). In January, the first Majuro businessman was charged, and by the end of the month both a local automotive repair shop and a Ministry of Finance Procurement and Supply official, among others in the government, were charged with a staggering twenty-eight counts—including grand larceny, cheating, forgery, conspiracy, and possession or removal of government property—involving $396,909 (MIJ, 28 Jan 2011). In the end, a dozen people were charged with defrauding the RMI government of a total of $538,979. By March, an additional set of charges were filed alleging the theft of $54,051 from the RMI National Training Council, the College of the Marshall Islands, and Waan Aelõñ in Majel (Canoes of the Marshall Islands) (MIJ, 18 March 2011). What made the situation even more precarious, however, was the fact that the amount stolen included not only RMI monies but US funds as well.

On 31 January 2011, US Director of Insular Affairs Nikolao Pula wrote to RMI Minister of Finance and Enewetak Senator Jack Ading that the United States wanted detailed records of the investigation into the fraud cases, reminding the minister that federal funding could be withheld if the RMI government did not comply. In a letter to Pula on 11 February, Majuro Senator Brenson Wase, the minister of justice and acting minister of finance, was quoted as responding, “We have it under control” (MIJ, 18 Feb 2011). Wase also suggested that the US and RMI governments discuss the issue in San Francisco at the 21 March meeting of the Joint Economic Management and Fiscal Accountability Committee (JEMFAC), but US officials did not want to wait and instead met with RMI officials in Honolulu on 23 February. At the same time, Kwajalein Senator Tony DeBrum pushed for the Marshall Islands to invite the FBI to investigate the fraud cases and wondered aloud at a session of the Niti-jela (RMI Parliament) why they had not yet been involved. In response, Minister of Foreign Affairs and Ebon Senator John Silk stated that including the FBI in the investigation “will undermine our sovereignty” (MIJ, 18 Feb 2011). On 18 February, DeBrum, along with Kwajalein Senator and Iroij Michael Kabua, Wotho Senator David Kabua, and Lae Senator Rellong Lemari pushed ahead with Resolution 87, despite Minister Silk’s objections, calling for the Marshall Islands to invite US federal investigators to assist with the fraud investigation (MIJ, 25 Feb 2011). At the meeting in Honolulu, RMI officials, including Ministers Silk, Ading, and Wase, agreed to include in the investigation US auditors, who arrived in June (MIJ, 4 March 2011). At the time of this writing, the investigations and prosecutions were still ongoing, although the charges against one of the local businessmen, David Chin Tung Lin, were dismissed on 21 June by the high court because the RMI government failed to demonstrate that Lin had knowledge of any criminal activity or conspiracy to defraud the government (MIJ, 24 June 2011).

Amid the hand-wringing over the possible withdrawal or loss of US federal funding due to the massive fraud cases rocking the government,
the Ministry of Education actually did have to hand money back to the United States, in the amount of $253,000. By failing to meet a 31 December spending deadline for fiscal year 2009 Supplemental Education Grant (SEG) funds, the ministry lost access to the unspent funds, causing a bit of public embarrassment. Commenting on the ministry’s inability to spend all of its SEG money, a former president of the Majuro Chamber of Commerce was quoted as saying that he was concerned future SEG funding would be decreased as a result (MIJ, 18 Feb 2011).

Even with all the concern over embezzlement and loss of US funding, few were prepared when a sitting minister and member of the RMI cabinet, Minister of Transportation and Communications and Senator from Rongelap Kenneth Kedi, was charged with theft and misconduct on 1 June 2011. This was the first time that an active minister had been charged with criminal activity. Kedi faced ten criminal counts stemming from alleged fraud involving reimbursement for office furniture in the amount of $1,197 and Air Marshall Islands (AMI) plane tickets totaling $1,037. In the first case, Kedi allegedly charged the RMI government for office furniture that was originally purchased for him by the Rongelap Atoll Local Government (RALGov); in the second, Kedi was alleged to have cashed refund checks from Air Marshall Islands that were made out to RALGov for trips not taken by Rongelap’s mayor and another passenger (MIJ, 3 June 2011). Kedi initially pled not guilty to all ten counts, including grand larceny and misconduct in public office, and submitted to the high court letters documenting that he had paid back the money for the furniture and the air tickets in January 2009 and March 2011, respectively; additionally, the letters included correspondence from Minister of Finance Jack Ading warning Kedi in 2008 that his actions were “unethical and illegal,” prompting Kedi first to defend his actions and then ultimately to reimburse the government. On 24 June, the high court announced that it had sufficient evidence to proceed with the trial against Kedi, but, in a deal with prosecutors, Kedi changed his plea from “not guilty” to “no contest” on one count of petit larceny and two misdemeanor counts of misconduct in public office (MIJ, 15 July 2011). In return, the other seven charges were dropped and he was fined $1,000 and given a thirty-day suspended sentence, thereby avoiding jail time and skirting the issue of what happens to a ministerial post when the minister is in prison. While there has been no public support for Kedi from President Zedkaia or the cabinet, there have been no moves to replace him either, and it seems that his political fate will rest with the voters of Rongelap in the November 2011 election.

Perhaps the one diplomatic bright spot in the period under review came on 10–11 May 2011, when the four Kwajalein primary landowners, led by former President and Iroijlaplap Imata Kabua, signed the Land Use Agreement (LUA) with the RMI government. Stalled since 2003 due to political wrangling and the refusal of Kabua to recognize the legitimacy of the amended compact terms (which include a fifty-year extension of the
Kwajalein lease and increased rental payments to landowners), the LUA seemed destined to remain a sticking point in internal RMI relations. While the amended compact includes the renewal of the US lease of Kwajalein island and other parts of the atoll (through the Military Use and Operating Rights Agreement signed between the RMI and US governments) through 2066, with an additional twenty-year extension after that, the United States reserved the right to defer the increase in rental payments to Kwajalein landowners, and ultimately to return the funds permanently to the US Treasury, if no LUA was signed within the first five years of the amended compact. In 2008, at the eleventh hour, the Bush administration allowed the RMI government an indefinite extension on the signing of the LUA but continued to hold back the increase in rental payments, which had grown by more than $32 million by 2011. After a series of rapid negotiations following eight years of stalemate, however, Kabua and Iroijlaplap Anjua Loeak, along with President Zedkaia, signed the LUA in Kwajalein on 10 May 2011, while the remaining two landowners, Leroij Lukwor Litokwa and Iroij Nelu Watak, signed the agreement in Majuro on 11 May (MIJ, 13 May 2011). The agreement allows the implementation of the Kwajalein Impact and Ebeye Special Needs funds, which had been held up by the lack of a LUA, in the amount of $5 million annually, although what changes on Ebeye will actually materialize remain to be seen. In the meantime, the Marshall Islands Journal reported that beneficiaries of the almost immediate release of LUA funds were busy using cash to buy up all the available cars for sale on Ebeye and Majuro (MIJ, 27 May 2011). At the same time, the Journal quoted a non-LUA recipient resident of Ebeye as saying that he held no hope for change due to the LUA, and in fact expected life to get harder on the island as a result: “We're not celebrating yet because we don't know what the terms are—we're waiting to exhale” (MIJ, 3 June 2011). With the political impasse of the LUA behind them, it is now up to officials from the Kwajalein local government and the RMI and US national governments to bring about real changes in the lives of the people of Ebeye.

The celebrations over the signing of the LUA were quieted the very next day when, on 12 May 2011, nine members of the US Congress, including the representative from Guam, all the senators and representatives from Hawai’i, both senators from Arkansas, and Senators Lisa Murkowski of Alaska and Jeff Bingaman of New Mexico, sent a letter to US Secretary of State Hillary Clinton and Secretary of the Interior Ken Salazar asking for an expedited review of the compact provisions that apply to citizens of the Freely Associated States (FAS) in terms of their ability to travel, work, and live in the United States, as well as to receive social services benefits (MIJ, 20 May 2011). Concerned largely with the financial impact of treating FAS citizens differently from other immigrants to the United States, the letter focused on the health and educational levels of FAS migrants in states like Hawai’i and Arkansas and on the island of Guam. The letter’s language closely resembled that used
by Martha Campbell, US ambassador to the Marshall Islands, who, after the signing of the LUA, said, “I hope the signing of the LUA allows the Government of the Marshall Islands more time to focus on the biggest issues it faces—how to raise the level of education and health of the Marshallese people and how to create an economy that will be stable after direct US funding ends in 2023” (MIJ, 13 May 2011). Indeed, the situation for FAS citizens, especially those from the Marshalls, looks particularly bleak considering the looming end of compact funding in a little over a decade coupled with the now-real possibility of a change in immigration privileges to the United States. Indeed, the proposed changes in the implementation of the compact pose more immediate threats to the Marshalls than the continuing changes in global climate and sea levels. As Benedict Anderson wrote, “Communities are to be distinguished not by their falsity/genuineness, but by the style in which they are imagined” (1983, 6); one wonders how the Republic of the Marshall Islands will imagine itself in the near future should the United States effect the restrictions in travel outlined in the letter to Secretaries Clinton and Salazar.

The period under review also saw the passing of three public figures. On 19 November, Leroij Atama Zedkaia, mother of President Zedkaia, passed away at age seventy-nine. With her passing, her eldest son, the president, assumed the title of Iroijlaplap over Atama’s landholdings. A week of national mourning was declared, and she was given a state funeral at the Nitijela. At the funeral, Nitijela Speaker and Jaluit Senator Alvin Jacklick praised her support for the breaking away of the Republic of the Marshall Islands from the rest of Micronesia under the Trust Territory in the 1970s (MIJ, 26 Nov 2010). On March 17, Banny DeBrum, the long-time RMI ambassador to the United States, passed away while undergoing treatment in Honolulu. From 1995 until his death (except for a brief interim in 2008–2009), DeBrum was the top RMI diplomat in Washington DC, making him the longest-serving ambassador from the Pacific (MIJ, 25 March 2011). On March 29, Carl Heine passed away in Majuro; he was the author of the only book written to date by a Marshallese, Micronesia at the Crossroads (1974), and was an advocate for the inclusion of the Marshalls in greater Micronesia as well as, occasionally, part of the opposition to Amata Kabua in the 1970s and ’80s.

The period ended on as precarious a note as it began, with the Marshall Islands Journal reporting an uptick in both murders and suicides. The most shocking crime to hit Majuro in recent memory occurred on 14 August 2010 when Morton Makroro, an instructor at the College of the Marshall Islands (CMI), stabbed his wife Emson to death during an argument; Emson had also been a CMI instructor (MIJ, 20 Aug 2010). The crime spurred the nongovernmental organization Women United Together Marshall Islands to push for Bill 93, intended to provide greater prevention of and protection from domestic violence; unexpectedly, the bill did not make it to a vote in the Nitijela. Makroro continues to await sentencing. The Marshall Islands Journal also noted a wave of suicides in 2011, with five
in the month of May alone, putting Marshallese society on track to reach over fifty suicides for the year—twice the total for its worst year on record, 2003, in which there were twenty-six (MIJ, 3 June 2011). While the Ministry of Health and various nongovernmental organizations have been mobilized to stem the surge in suicides, it is not clear yet what the underlying causes are; regardless, the rash of deaths in both Majuro and Ebeye over the period under review has raised public calls of alarm.

In many respects the period under review has been one of the Marshall Islands’ most trying, testing its ability to survive and persist as a nation physically, politically, and socially. It points to even more difficult times ahead should these issues not be met with the urgency they require. The country has been relatively quiet in the run-up to the November 2011 election compared with the heated political rhetoric of past contests, but this election may prove to be the most important in the country’s history, considering what is at stake for its immediate and long-term future. We will see what changes, if any, this exercise in democracy will bring to the people of the Marshall Islands.

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References


COMMONWEALTH OF THE NORTHERN MARIANA ISLANDS

The fiscal condition of the government of the Commonwealth of the Northern Mariana Islands (CNMI) has been rapidly declining since the garment factories on Saipan began shutting down in 2005 and the last one closed its doors in 2009. In the exhilarating days of the late 1990s, with thirty-five garment factories and 700,000 tourists a year, annual government revenues reached $250 million. It is anticipated that revenue this fiscal year (Oct 2011–Sept 2012) will be down to somewhere between $92 million and $102 million.

As could be expected, adjusting to such a reduced revenue stream is a very difficult thing to do after having lived so comfortably. As a result, a great deal of time and rhetoric has been devoted to the issue of whether