worth of salary increases for several employees in his department.

There was strong opposition to the thirty-five-hour work week when it went into effect on 15 January, especially among the public school teachers. The teachers were upset that the governor's order did not affect employees who were considered to be providing "essential services." The American Samoa Education Association and the Concerned Parents of American Samoa organized a series of meetings at which various courses of action, including a teachers' walkout, were discussed. A petition was drawn up and circulated publicly while representatives tried to get legislators to support fono action to restore normal working hours. There was widespread agreement among the public that workers were being penalized for a financial crisis caused by corruption in government.

On 23 February 1990, in the wake of Cyclone Ofa, Governor Coleman announced that the forty-hour work week would be restored, and other pronouncements concerning the financial crisis mysteriously went with the wind. The 3 percent excise tax had finally died in the Senate in the week prior to the hurricane. At the end of the period under review, American Samoans were waiting for further revelations regarding the effectiveness of the Financial Recovery Plan and the status of the government deficit.

The present Coleman administration, like all its locally elected predecessors since 1977, has not demonstrated prudent financial management. For example, the 1989 inspector general's audit attributed annual losses of $2 million to mismanagement in the tax and customs offices. Nor has the administration taken appropriate action to reduce government expenditures, especially by cutting back on unnecessary hirings and promotions. Although more than 80 percent of the annual budget is spent on wages and salaries, leaders have failed to recognize that increasing taxes and reducing working hours delay rather than solve deficit problems.

The race for the territory's seat in the US House of Representatives was beginning to take shape at the end of the period under review. Two new candidates, Moaali'itele Tu'ufuli, former commissioner of public safety, and Afoa Moega Lutu, former assistant attorney general, issued the challenge to incumbent Faleomavaega Eni Hunkin. Congressman Hunkin maintained a sound measure of popularity both within the territory and with constituents in Hawai'i and on the US mainland, and will be counting on this support for reelection in November 1990.

BILLY LEGALLEY

COOK ISLANDS

Editors' note: The 1988–89 review of the Cook Islands published in Volume 2(1) of the journal stated on page 165 that the Cook Islands Party "won 13 of the 24 seats" in parliament. In fact, it won 12 seats. We would like to apologize to the authors of the review for this error, and for any embarrassment it may have caused them.

It was generally a good year for the government, but not for the opposi-
tion, which fell further into disarray. The Cook Islands party came into office in 1989 with only 12 seats in the 24-member parliament. They were enabled to govern by a deal with the 2-member Demo Tumu splinter group, who were understandably well looked after. But in August 1989 an opposition member from Mangaia crossed the floor in return for an assistant minister post, and in May 1990 the member for Manihiki crossed after a similar deal.

Internationally, Prime Minister Geoffrey Henry, an impressive speaker, was elected spokesman of the South Pacific Forum's annual meeting in Kiribati in July 1989. Then in April 1990 he was elected chairman of the Standing Committee of the Honolulu-based Pacific Islands Development Program by delegates to the Third Pacific Islands Conference of Leaders.

The prime minister met with many heads of government during the year. In addition to leaders of South Pacific Forum nations, he had extensive discussions with French Prime Minister Rocard in Tahiti and in France. France has an obvious interest in the Cook Islands, which is the nearest neighbor of French Polynesia, the location of the nuclear testing facility. Official French pronouncements promised lots of aid, though very little has yet materialized. In April 1990, during a world tour seeking aid, Henry met briefly with US President George Bush. The US interest is no doubt in Mr Henry's rise to high profile in the South Pacific and in the fact that the Cook Islands has been less critical of US strategic interests in the Pacific than most other island nations.

Despite his intense criticism of the extent of foreign travel by the previous government, Mr Henry has traveled much more than any of his predecessors. It is too early to evaluate the results.

In December 1989, the Cook Islands joined UNESCO as a full member, widening the range of international organizations in which it participates.

Economically the year was constrained. Tourism is the nation's largest income earner. Tourist numbers dropped by 3 percent in 1989, but grew a little in the first half of 1990. Employment remained high, with, for example, only 60 applicants for 165 posts advertised in May 1990 for a new government hotel project. Quality control on fresh fruit exports was not maintained, causing exports to be suspended several times while quarantine procedures were tightened. There was almost certainly a decline in per capita real income, and the government (much the largest employer) was unable to pay the six-monthly cost of living adjustments that have been standard for about a decade.

The government pins its economic hopes in the short term on tourist growth (with the government building a luxury hotel to be managed by Sheraton), black pearls (with USAID and other aid to extend the industry in Manihiki and develop it in Suwarrow), and the international finance center. When Australia, New Zealand, the United States, and some European countries enacted tougher legislation to preclude their companies using tax havens, the Cook Islands government gave the industry more protection, and an extensive clientele was located in Asia. For the longer term, economic hopes focus on seabed minerals on the
Manihiki Plateau. These exist in vast quantities, but at great depth. Their value could range from nothing to vast amounts, depending on a host of variables.

The government was in the process of negotiating loans from Italy (for the new hotel), France (to upgrade the power and water supply), Asian Development Bank (for housing and other developments), and other sources. The loans amount to the equivalent of nearly one year's gross domestic product—an extremely high level, and very dependent on as yet uncertain repayment sources.

Cook Islands Television (a government corporation) began broadcasting to Rarotonga on 25 December 1989. It is losing money heavily, as advertising revenues are insufficient to finance as much local programming as is understandably desired. Another communications development was the NZ$12-million agreement signed in July to provide telecommunications to all islands over the next three years. Taxes were increased to finance this and the television deficit.

The government's daily newspaper The Cook Islands News was sold to private owners after making heavy losses for many years. The result is a better and more independent paper, but at double the price.

There were no significant changes in aviation, and shipping services remained very poor. For example, there was no ship to Pukapuka from October 1989 to April 1990. In shipping in particular, but also in other fields, the connection between the Cook Islands and Fiji was strengthened. The proportion of imports from Fiji increased, and the Cook Islands government chartered vessels from Fiji and ordered a NZ$4.5-million ship to be built by the Fiji Government Shipyard for the interisland trade. That price is far above the capital cost needed for a suitable vessel, and the ship can run only at a heavy loss to the taxpayer. At least two private operators offered to supply ships and run the service at no cost to the taxpayer and at no greater cost to the users. The government's decision may have been influenced by the knowledge that a monopoly on shipping is a powerful political tool for whichever political party is in power.

Promised reviews of education and health were undertaken during the period under review. The education review, published under the title The Polynesian Way, advocated major changes in school management and the establishment of a Cook Islands Institute of Higher Education. Implementation of the report is proceeding slowly. The health review, undertaken by former Minister of Health Dr Joseph Williams, advocated changes that Dr Williams has been hired to implement.

A review of the Department of Outer Islands Affairs revealed that many staff (appointees of the other political party when it was in power) had insufficient work to do, and led to its closure. This was consistent with the government's promise to reduce the size of the public service, which absorbed 42 percent of the national budget in the period 1987 to 1989. By 1990 it was absorbing 52 percent.

A major policy shift was intended to enhance the importance of culture and was reinforced by the plan for the
Cook Islands to host the next Festival of Pacific Arts, to be held in October 1992. A Ministry of Arts and Culture has been created, and a NZ$20-million arts and culture center with seating for 2,300 is to be built.

A serious split arose over the question of leasing the uninhabited island of Manuae, which is jointly owned by about sixteen hundred Cook Islanders of Aitutaki origin. The company that has been pressing for the lease for some time, with the backing of the government, is Manuae Leisure, a Sydney-based firm whose alleged connections and motives concern many landowners. A government minister assured opponents that Manuae Leisure is not the Mafia. In April 1990, following long and acrimonious debate, a majority of the landowners decided against leasing.

A consignment of heroin with a street value of between NZ$21 and $31 million (or about half the national budget), arrived in Rarotonga in January 1990 from Thailand. It was not claimed, probably because the intended recipients had learned that police in various countries had been tracking it. It was seized by the Cook Islands police in April, but no arrests were made. For a nation of 17,000 people that is a lot of heroin, and questions were raised about the volume that has been or will be distributed from Rarotonga. On conviction, the offender would probably have been given the maximum fine allowed by law (NZ$200—about US$114) which allows some change from NZ$21 million! Proposals for higher fines are being considered.

Overall, it was a year of very successful international activity, significant national developments in several areas of policy, a sluggish economy, and economic projects with as yet unknown outcomes.

RON CROCOMBE
MARJORIE CROCOMBE

FRENCH POLYNESIA

Pacific countries have been quite articulate about French political and military activities in French Polynesia, but rather less is known about internal developments in the territory. In part, this is because the Léontieff government—a coalition of parties of quite diverse political orientations—has been preoccupied with its own survival since it came to power in December 1987. Consequently the major topics in territorial assembly sessions and the local media were economic and social. With the exception of Oscar Temaru’s Tavini Huiraatira party, and to a lesser extent, Jacqui Drollet’s Ia Mana te Nunaa, there was little discussion of either the independence or the nuclear issues.

Having established itself, however, the Léontieff government gradually began to adopt a more assertive stance. A first initiative was taken in June 1989 by a citizens’ group that called for a government debate on the impacts of nuclear testing. Following this, the Ia Mana party, a member of the majority coalition, introduced a motion calling for the assembly to establish a commission on Moruroa to investigate the socioeconomic, ecological, and health consequences of nuclear testing. It also called for a public poll on testing (rather than a referendum, in which