

the trend to hold onto the status quo, President Bailey Olter and Vice President Jacob Nena were chosen by the FSM Congress to serve a second term. They were inaugurated at the capitol on 9 June.

The free press arrived in the Federated States of Micronesia to the sound of cannonfire. The *FSM-JTPA Newsletter*, founded in May 1994 under the fiery editorship of Canadian lawyer Sherry O'Sullivan, has taken an openly combative stance toward certain government officials and gained a reputation for unflinching reportage of controversial political issues. Begun as an organ of the FSM Job Partnership Training Office, the monthly paper has gone private. Subscriptions from within the nation and beyond have soared as the paper takes on case after case of alleged corruption.

Preliminary figures were released for the national census taken on 15 September 1994. The national population is reported as 105,712, considerably lower than the 120,000 projected on the basis of past censuses. The slower population increase appears to be related to a decline in the birth rate and the high rate of emigration since the compact went into effect in 1986. At the time of the enumeration an estimated 6000 FSM citizens were living on Guam and another 2500 on Saipan in the Northern Marianas.

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GUAM

The major events in Guam during 1994-95 were the fiftieth anniversary of the island's 1944 liberation, the general elections, the new governor's initiatives, the "ice" problem, base closures, and the political status issue.

Some seven hundred veterans of the 21 July 1944 invasion and recapture of Guam from the Japanese Imperial Army returned to a golden salute from the government and people of Guam. Three impressive monuments to all who suffered the occupation and invasion were dedicated on Nimitz Hill and at the governor's office grounds. A parade, grander than usual, marched down a newly paved, palm-lined Marine Drive. The island had prepared well for the veterans' return as five decades of emotion poured from old soldiers and an appreciative island people.

The Pacific War veterans were also welcomed by a barrage of colorful campaign signs placed at many intersections and on roadside power poles in preparation for the September primary election. Challengers began emerging in January and February for the legislative race, and four gubernatorial teams, two from each political party, began public debates as early as April; Republican Senators Tommy Tanaka and Doris Brooks formed one team and Lieutenant Governor Frank Blas and businessman Simon Sanchez the other. The Democratic teams that emerged were Senators Carl Gutierrez and Madeleine Bordallo as one and Senator Eddie Reyes and Gloria Nelson as the other. Six of the eight, excepting Bordallo and Sanchez, were

reported to have a net worth of over \$1 million.

Although political party loyalty was not quite as strong as in earlier elections, all candidates for the 21 legislative seats aligned themselves with either the Republican or the Democratic party, and of the 53 candidates, 14 were women. Women have done well in islandwide elections, especially since the late 1970s, and held 7 seats in the nineteenth, twentieth, and twenty-first legislatures, and 6 seats in the most recent, twenty-second, legislature. Each of the four female incumbents running for reelection in 1994 had served for five or six terms, but all lost their 8 November reelection bid. Six new women, all political beginners, were elected, retaining a strong female voice in the 21-seat body.

Male incumbents did better than their female colleagues. They all survived the primary and only 2 lost in the general election. With 3 incumbent senators—Carl Gutierrez, Tommy Tanaka, and Eddie Reyes—in the race for governor, 5 new senators emerged after the November polling: Mark Charfauros, Mark Forbes, Alberto Lamorena V, Sonny Orsini, and Angel Santos, all young and all outspoken.

In the run for Guam's top executive posts, the Tanaka-Brooks team defeated Blas-Sanchez in the primary, which involved some negative campaigning with a spin-off of ill will. On the Democratic side, Gutierrez-Bordallo, a popular ticket, beat Reyes-Nelson by more than 3000 votes in a rather gentle contest. In both races the winners defeated the losers by similar margins, about 60 percent to 40 percent. With mixed tickets winning the

primary, the island was assured its first woman lieutenant governor.

The inability of the Republicans to come together after a bitter primary fight, plus some very adept campaigning by the Gutierrez-Bordallo team, set the stage for a 55 percent to 45 percent victory for the Democrats in the general election. Voter turnout was an amazing 90 percent, indicating the tremendous interest generated by the elections. Major campaign issues concerned funding for education and means for its improvement, what to do about the government's \$171 million deficit, how to expand the economy, and reform of the legislature. The last was a change issue that galvanized voter attention because it involved reducing the number of seats in the legislature from 21 to 15, cutting lawmakers' salaries, capping their spending, and limiting their terms. Campaign spending was the highest ever seen, reaching nearly \$1 million by gubernatorial teams and ranging from \$173,000 to \$6600 for winners in the legislative race.

Incumbent Democrat Robert Underwood ran unopposed in the race for Guam's one seat in the US Congress. He had won the seat in the House of Representatives in an exciting 1992 contest against then four-term incumbent Ben Blaz, a retired US Marine general. Underwood's extraordinarily successful freshman term gained him a prestige and popularity that lent additional strength to the Democratic ticket for 1994.

Governor Gutierrez is an accomplished politician who clearly recognizes that his tenure in office is totally dependent on creating a leaner, less

costly, more efficient government. One of his first acts after entering office was to take control of all government travel, hiring, and promotions. Soon afterward, he implemented a ban on use of government vehicles for all but essential travel. He is urging the Guam Legislature to pass a bill establishing user fees for hospital, water, waste collection, and custom and quarantine services. Further, the governor is seeking buyers for the Guam Telephone Authority and has proposed merging the water authority with the public works agency or privatizing it.

Soon after taking office, Governor Gutierrez established the Council of Economic Advisors made up of private sector executives and community leaders. The group assisted him in pulling together a financial austerity plan consisting of cost reductions, revenue enhancement, and economic expansion projects. With this plan and recent interest in Guam on behalf of Asian investors, the governor visited New York's Wall Street in June and persuaded bond dealers to lend Guam \$115 million in bridge financing to prevent a financial meltdown while his financial recovery plan gained momentum. This plan consists of six key goals: elimination of Guam's \$185 million deficit in five years; building and maintaining adequate operating cash reserves; retiring the 1995 bonds as rapidly as possible; connecting any future growth in government to productivity; restoring public and investor confidence in the Government of Guam; and managing the military base realignment and closure process to maximize economic benefits to Guam. Guam's new governor inherited a

financial crisis, and he has taken a serious, no-nonsense approach to ending what he has called the hemorrhaging of the government's general fund. This effort involves major short-term risks to his popularity but likely will yield many long-term gains in economic strength for Guam.

The financial discipline Guam's new executive imposed on government activities requires a corresponding social discipline in segments of Guam's 150,000 population that have succumbed to the power of "ice" (crystal methamphetamine), which comes into Guam from Hawai'i, the mainland United States, South Korea, and the Philippines. Guam police estimate the island has three-to-four thousand ice users and that the problem is growing (*Pacific Sunday News*, 2 April 1995, 31). Police also note the close connection of ice use to crime, and people working to help addicts claim the drug is destroying lives in alarming and tragic ways.

"An ugly disease, a major evil that is reaching near epidemic proportions," is the way Superior Court Presiding Judge Alberto Lamorena III described the ice problem in his 1995 State of the Judiciary address. Wrenching testimony from the courtroom reveals the problem cuts across age, ethnic, gender, church, and socioeconomic lines and devastates lives and families. The judge urged strengthening family bonds and social values, enacting stricter penalties for ice traffickers, and conducting an intense program for inculcating an understanding of the enormous dangers of the drug. The judge's description of the ice problem suggests that a massive attack on it

is necessary to sustain the institution of the family and to assure a local workforce competent to meet the economic challenges and opportunities of the twenty-first century.

“America’s flagship in the Pacific” was how President Reagan described Guam during a 1986 stopover. Nearly a decade later, it appears the flagship is about to be retired. On 1 March 1995 the US Navy’s huge Ship Repair Facility, Fleet Industrial Supply Center, and Naval Activities were designated by the Department of Defense to be closed or realigned. Guam’s response to this economic shock came via “Team Guam.” Governor Gutierrez, Congressman Underwood, and Legislature Speaker Parkinson combined their efforts in opposition to the closings. Team Guam argued eloquently before the Base Realignment and Closure Commission on three occasions and diplomatically enlisted help from high-ranking military officials. Team Guam sought a compromise. First, Guam would retain the Military Sealift Command ships and support helicopters. Second, the Ship Repair Facility would be downsized by allowing it to operate in a collaborative venture in which some of its assets and activities would be transferred to Guam for privatization. The Military Sealift Command ships would provide much of the work needed by the Ship Repair Facility. Third, the supply center would remain open to serve the ships and have supplies, such as fuel, available on Guam—US soil it was emphasized—in case of military contingencies in the Asian-Pacific region.

Although both the Base Realignment and Closure Commission and

President Clinton decided in support of the Defense Department’s plan to close Guam’s ship repair facility and disestablish the supply center, the efforts by Team Guam resulted in some benefits for Guam. The navy, not the commission or Clinton, would decide the future of the sealift command ships, waterfront assets, and support helicopters. This would work to Guam’s favor because the navy wants to keep the Military Sealift Command ships based on Guam and the two fuel storage facilities functioning. The Government of Guam is tasked to develop a business plan for repair and supply of the navy ships. Another positive note is that the closures will return 4000 acres of excess navy land, scattered islandwide, and 89 officer housing units at the former Naval Air Station, closed earlier at Guam’s request, to the local government.

Guam’s drive for a new political status, one of commonwealth, is another issue that has been pushed by Team Guam—which includes the island’s Commission on Self-Determination. However, it is an issue on which the United States has done some considerable foot-dragging. Congressman Underwood introduced the Guam Commonwealth Act into both the 103rd and 104th Congresses. The bill has not moved and Team Guam is getting impatient. Underwood is taking a wait-and-see attitude, whereas Governor Gutierrez has publicly stated that Guam will be looking at new political status options if there is no action on the commonwealth bill by the end of 1996. Events are not moving in Guam’s favor, despite Congressman Underwood’s adept work at keeping

Guam's political status quest in focus in Washington and efforts by Guam's leaders and the Organization of People for Indigenous Rights to bring to bear the moral authority of the United Nations. It took the White House six months to find a replacement for negotiator Michael Heyman, who had crafted a number of breakthroughs. Further, political energies will be directed toward the 1996 presidential campaign and the Republican-controlled House, although open to allowing more authority to territories in some areas, appears unwilling to change existing relationships in any fundamental way. For instance, just when Guam believed it had agreement on the concept of mutual consent, along came Congressman Elton Gallegly, chairman of the House Subcommittee on Native American and Insular Affairs, to question this keystone notion, throwing negotiations practically back to square one. Guam's quest for commonwealth and its place in the American political family may no longer have sufficient support in Washington to bring about the kinds of changes island leaders believe are long overdue.

DONALD R SHUSTER

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REPUBLIC OF THE MARSHALL ISLANDS

Nuclear issues dominated politics in the Republic of the Marshall Islands during the year, after President Amata Kabua proposed to use one of the nuclear affected islands in Bikini Atoll as a global nuclear waste storage site. Other issues that surfaced during the review period include the Marshall Islands' third constitutional convention, a new law raising the minimum wage, a flood of new claims filed with the Nuclear Claims Tribunal, and the selection of the Baha'i affiliated Education and Development Management Team to head the Marshall Islands School Improvement Project. The year 1994-95 also saw the Marshalls bracing against funding cuts from Washington and courting Asian Development Bank funds to help make up shortfalls.

On a sad note, Paramount Chief Kabua Kabua, who retired as a district judge in 1986, died in early October 1994 at the age of eighty-four. He represented the last of a generation of paramount chiefs whose legacy predated World War II. President Amata Kabua declared a week of national mourning, requiring all flags to be flown at half-mast (*MIJ*, 14 Oct 1994).

After almost a year of meetings, a general referendum was held in April 1995 seeking ratification of 35 proposed constitutional amendments. Only the first amendment, which requires the Marshallese version of the constitution to prevail in the event of a conflict with the English version, received the required two-thirds majority to pass. All of the others