

Pohnpeiian *sakau* market, a thriving business, and local food service businesses suffered tremendous losses. Most services to the outer islands of Pohnpei were cut. The other states of the federation, such as Yap and Chuuk, restricted imports of food and betel nuts from Pohnpei and required all travelers to have health clearance on their arrival. Pohnpei is still trying to shake off the negative impact of the cholera epidemic. The governments of Guam and the Northern Marianas banned the import of food items from Chuuk State, even though no case of cholera had been officially confirmed there. The ban was short-lived, but it took the intervention of high political power and the promise by the state government that it would follow a number of guidelines outlined by the Guam health director before it was lifted.

The statehood movement by the Faichuuk region of Chuuk State is gaining momentum. Since the first administration of the nation, that region has appealed to the national leadership to consider statehood for Faichuuk. A series of public hearings in the voting constituencies is under way in preparation for the much-anticipated constitutional referendum by the people of Faichuuk. The issue is to be included on March national election ballots, as preparations get under way for the next national constitutional convention, to be held in 2001. The Faichuuk movement may be an interesting development to watch.

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## GUAM

No loss of life or serious damage resulted from two earthquakes in early 2000, but the fractures caused by the island's political quakes are all too evident. After nearly fourteen months of tension, the US Supreme Court swept away the uncertainty regarding the reelection of Governor Carl T C Gutierrez and Lieutenant Governor Madeleine Z Bordallo, which was disputed by former governor Joseph Ada and his running mate, former senator Felix Camacho. The Ada-Camacho team claimed that the winning margin in the 1998 election was not "a majority of the votes cast in any election" as required by the Organic Act of Guam, because blank ballots and improperly marked ballots should have been included in determining a majority. This was the narrow opinion of both the US District Court of Guam as well as the Ninth Circuit Court of Appeals.

Gutierrez-Bordallo successfully appealed to the US Supreme Court, which ruled unanimously in their favor in January 2000. The court stated that "any election" must mean, in the context of the entire section of the relevant portion of the Organic Act, an election for governor and lieutenant governor only, rather than the "general election." Therefore, blank ballots and ballots on which candidates cast votes for both gubernatorial teams were not to be included in determining a majority. The court drew a clear distinction between the total number of persons who actually voted for governor and lieutenant governor and the total number who went to the polls. Obviously, Gutier-

rez-Bordallo had won the election and a run-off contest was not required.

This political fracture was not completely closed, since a second suit filed by Ada-Camacho had only recently been settled by the Guam Supreme Court. Among other things the suit alleged that the 1998 gubernatorial election was rife with voter fraud. However, Superior Court Judge Manibusan ruled that there was little evidence of fraud. Guam's Supreme Court unanimously affirmed the Manibusan ruling in July 2000.

Another set of rumblings evolved between the Guam Legislature and Governor Gutierrez over the government's budget. The fifteen-member legislature, dominated by twelve Republican party senators, insisted on very tight spending, whereas the executive complained throughout the period under review that government services to the people were suffering because of insufficient legislative appropriations. This debate came to a head in September 1999 with a near shutdown of government services. Continued debates throughout the first half of 2000 centered on the filling of vacancies for nurses at the Guam Memorial Hospital. This financial tug-of-war between the legislature and the governor involved a fair amount of finger-pointing and lack of trust.

The Guam Legislature responded to a shortfall in operational revenues by passing legislation establishing early retirement incentives for government employees. Senator Mark Forbes' initiative had to go through several revisions to eliminate problems with the language. Initially, the Retirement Board opposed the bill

and even filed suit over some confusing provisions. In late January, Governor Gutierrez expressed skepticism about the arrangement that had been implemented, stating he had to borrow some \$30 million to meet the mandates of the law (*PDN*, 28 Jan 2000, 7). In June, he labeled the arrangement "Forbes' folly."

The Guam Legislature also froze executive branch hiring to contain costs. Personnel costs declined with the departure of a fair number of government employees, but so did employee levels. Throughout the year under review, Governor Gutierrez attempted to persuade the legislature to lift its freeze. In response, the lawmakers maintained that their law granted the governor authority to hire in essential areas such as nursing, teaching, and police work. This contest was finally resolved in a most unlikely way when both the governor and the lieutenant governor were off island. Speaker and Acting Governor Tony Unpingco issued an executive order authorizing the hiring of nurses and teachers (*PDN*, 26 May 2000, 54). Although this was a popular decision, the attorney general claimed that Unpingco's order violated the freeze law.

Governor Gutierrez had to deal with law suits of various sorts during the year. An enthusiastic political opponent in the legislature made allegations that several members of the Gutierrez family had been involved in a drug bust. Governor Gutierrez's wife, Geri, filed a complaint in Guam's Superior Court, and the jury found former Senator Mark Charfauros guilty of libeling and slandering her and her daughter. They were each

awarded \$25,000 in damages. But the jury also ruled Gutierrez had libeled Charfauros. Both parties began appeals.

Two former heads of the Department of Education filed suit against Governor Gutierrez for wrongful dismissal. They had become caught up in a legal battle between the former Board of Education, abolished by law, and Governor Gutierrez regarding who had ultimate authority over the school system. The case was pending at the end of the year. Also, a high school civics teacher filed a complaint in Guam's Superior Court challenging Governor Gutierrez's issuance of an order prohibiting executive branch employees from talking to the legislature about public policy matters. The governor's action, called a "gag order" by the media, generated a storm of criticism. The executive order came on the heels of some perceived rude treatment of the governor by the legislature when the two were discussing the hiring freeze and government reorganization. The tension was calmed somewhat when Speaker Tony Unpingco rescinded the "gag order" during his short stint as acting governor in May (PDN, 25 May 2000, 1).

Another high profile issue for Governor Gutierrez was his two nominations of local attorney F Randall Cunliffe for a seat on Guam's Supreme Court. Cunliffe was first nominated in June 1999 and required confirmation by the Guam Legislature. The legislature's Judiciary Committee, headed by Senator John Salas, carried out a review, but failed to vote on the nomination. Gutierrez nominated Cunliffe a second time in late December. The second review by the Judiciary Com-

mittee involved closed-door hearings, subpoena of court documents, and a level of scrutiny not seen in the review of twelve earlier candidates for judgeships, beginning in 1995. The closed hearings were needed, according to Senator Salas, because of privacy rights and the legal and sensitive nature of grand jury documents that his committee was examining. The May committee report contained more allegation than evidence and was rebutted comprehensively by Cunliffe. In June, the legislature disapproved Cunliffe's nomination by a vote of 9 to 6.

Governor Gutierrez's relations with the US Federal Government also involved a few disputes. These concerned the use of Federal Emergency Management Agency funding for typhoon relief and Department of Defense funding for schools. Consultations on these issues were ongoing during the year. A dispute regarding millions of dollars of claims and counterclaims with respect to water ended when Gutierrez and Admiral Fellin of the navy agreed to drop the proceedings.

In an unanticipated reversal, the US Navy informed the governor that the military's plan to transfer ownership of the 100-acre Ship Repair Facility to Guam was being scrapped in favor of navy retention and reactivation. The Pentagon recently reevaluated its strategic policy vis-à-vis the Pacific, and determined that the Guam assets are needed for increased military operational activity and training. In May, Governor Gutierrez met with navy admirals in Hawai'i concerning the Ship Repair Facility and later established a civilian task force to

work with navy officials to define the near-term future of the facility. While the task force is preparing its plan, the Guam Shipyard, which runs the facility, continues ship repair and training. Currently, the yard has a workforce of 220 (*PDN*, 31 May 2000, 3). Another important result of the direct talks regarding reactivation under the navy of the repair facility was Admiral Fargo's statement that the return of excess military property to Guam will be expedited.

During the year, Governor Gutierrez realized a number of distinct accomplishments. He and his wife celebrated New Year 2000 with President Clinton and some two hundred other guests—rich, famous, and influential—at the Ronald Reagan Building and the White House. While the party ticket was just \$200,000, the governor claimed Guam gained some national attention, having been mentioned twice by Clinton in his new year speech. Gutierrez endured some criticism for spending so lavishly during hard economic times on Guam.

Second, with the financial collapse of the Guam Memorial Health Plan, Governor Gutierrez directed his staff to determine what could be done to assist the thousands of government employees who used it as their health insurer. After weeks of negotiations, Gutierrez signed an agreement transferring all employees formerly with the plan to the Stay Well Health Plan, avoiding a major problem in health coverage for them.

The Gutierrez administration's Vision 2001 development plan called for diversification of Guam's economy. One positive step in this direction has been the apparent expansion of financial services through legislation estab-

lishing regulations for a trust industry. The new law will allow tax rebates to off-island trust corporations. If all goes according to plan, the rebate offer will entice trust companies to place their money in Guam financial institutions with interest on the invested funds going to the government of Guam for its use, expansion of jobs in the finance industry, and a 100 percent tax rebate for the trust firms. Several Guam bankers have their doubts that Guam has the authority to grant 100 percent tax rebates to companies as the law intends (*PDN*, 15 Feb 2000, 5).

The Olympic flame came to Guam from Greece on 22 May to begin a journey across the Pacific to Australia, host of the 2000 Olympic Games. The torch relay of one hundred runners began at Two Lovers Point, an attractive tourist location, and ended eight hours later at the Ricardo J Bordallo Governor's Complex at Adelup. The event was high on symbolism and provided a venue for Chamorro rights activists, who expressed their support by waving the flag of the Aboriginal people of Australia. Governor Gutierrez carried the flame on the last leg of its journey, lighting the "Flame of Glory," and thanking the Australian government for underwriting the cost of the flame's Pacific passage.

The 25th Guam Legislature, up for election in November 2000, passed some important legislation during the period under review. Indicative of fiscal discipline, Public Law 25-49 requires that a funding source be identified for all appropriations. The Sunshine Reform Act of 1999, written by Senator Ben Pangelinan, received maximum public comment during its drafting, particularly from the island's

media. It established a generic list of documents government agencies can withhold to protect personal privacy, and reduced the time that agencies have to respond to requests for information deemed public. Another bill that generated active public comment was the so-called right-to-work bill, sponsored by Senator Simon Sanchez. This legislation was vetoed by Acting Governor Bordallo, but her action was overridden by the legislature by a 10 to 5 vote. This override may hurt the November reelection chances of some of the Republican senators who supported the legislation.

Legislators also wrestled with bills for the important decolonization plebiscite. Their work was set back by the US Supreme Court's *Rice versus Cayetano* decision, which held that race or ethnic-based voting was unconstitutional. The legislators concluded that Chamorro self-determination via a vote by Chamorros on future political status options (independence or statehood or free association) had to be based on the definition of Chamorro as a political rather than racial group. The legislators chose the term "native inhabitants" used in the 1898 Treaty of Paris by which Spain ceded Guam to the United States, and "inhabitants [and their children] of the island of Guam on April 11, 1899" from the 1950 Organic Act of Guam, as making up a political definition of *Chamorro*. Public Law 25-106 established a Guam Decolonization Registry and Governing Board, which would define a list of eligible voters, and PL 25-148 set 7 November 2000 as the date for the decolonization plebiscite.

Congressman Robert Underwood, who is completing his eighth year in

office, does not have a vote on the House floor but has become adept at introducing key amendments to legislation during mark-up sessions in committee or conference. For example, Underwood was able to get an amendment to the Justice Department's appropriations bill, thereby providing Guam with an additional \$1.2 million annually for police vehicles and equipment, training, and prosecution services. Similarly, for Defense Department legislation covering the US mainland, Underwood entered an amendment to the defense appropriations bill that requires military contractors to hire Guam residents when Guam's unemployment rate—about 14 percent—exceeds the national average, now about 5 percent.

Underwood's work and accomplishments in legislation during the year under review are extensive. When passed, HR 755 will establish a Guam War Claims Review Commission to validate previous decisions, research past records regarding war claims restitution efforts, and receive oral testimony from individuals who personally experienced loss of life or property for which compensation was not made. Earlier Guam war claims compensation legislation failed because the Congressional Budget Office and the Office of Management and Budget concluded the final costs of compensation would be too high for the Congress to pass on to the American taxpayers. Given the research base of HR 755 and the deaths of eligible claimants, that criticism will not likely be relevant or arguable.

Underwood serves on the House Resources Committee, which reported out HR 2462, the Guam Omnibus

Opportunities Act, during the year. This legislation will help Guam in important ways. First, it will provide the Government of Guam the authority under US tax treaties to tax foreign investors at the same (lower) rates as the states. Second, when federal land on Guam is declared excess, the Government of Guam will have the first right of refusal, ahead of all federal agencies. Third, the federal government is required to respond to studies of the impact of compact aid, prepared by Guam or other insular areas, and to document the health and criminal records of all freely associated states citizens who desire to enter Guam. Last, the act would allow US citizens on Guam to carry betel nut for personal consumption to Hawai'i and on to the continental United States. This provision is both practical and symbolic in that Guam is part of the United States but outside its customs zone, making for some bothersome anomalies.

In the areas of health and education, Congressman Underwood realized a number of advances. The federal Health Care Financing Administration agreed to adjust its reimbursement rate for Guam's homebound elderly from 65 percent to 96 percent and increased the cost of living allowance as well. As chairman of the Congressional Asian Pacific Caucus, Underwood got the attention of the College Board to study the college success rates of Pacific Islanders and Southeast Asians. He also encouraged the creation of a Presidential Commission on Asian American and Pacific Islanders, and President Clinton accepted Underwood's nomination of former University of Guam President Dr Wilfred Leon Guerrero, as one of

the fourteen commission members. In a small but very significant step, Underwood persuaded Census 2000 officials to add a new category to the census form, "Guamanian or Chamorro," allowing for a more accurate count in 2000 of people claiming this ethnicity.

In March 2000, Underwood participated in the first meeting of the Interagency Group on Insular Areas. This group was established by President Clinton and is unique in that the island areas have direct access to agency heads, can track issues across several agencies, and will be far more visible to the federal bureaucracy. With this greater visibility, it is envisioned that the insular areas will not be "overlooked, under-seen or over-sighted" (as Underwood has remarked) in the future, when various initiatives are designed and implemented. The March meeting concluded with the identification of fifteen key insular areas issues, ranging from toxic chemical clean-up and participation on federal trade missions, to the return of land.

Guam's quest for an improved political status beyond the 1950 Organic Act, which declared Guam to be an unincorporated territory, received attention from both the United Nations Special Committee on Decolonization and US Senator Frank H Murkowski. Chairman of the influential Senate Energy and Natural Resources Committee, Murkowski was witness to the breakdown of Guam-US negotiations on a commonwealth arrangement for Guam in 1997. With this failure, he offered to provide some draft proposals that might end the impasse between Guam, the Clinton administration, and the

US Congress with respect to positions taken on the draft commonwealth bill.

In June 2000, Murkowski forwarded his twenty-point draft proposal to Clinton, Gutierrez, and Underwood with the caution that although it provided an avenue for renewed discussions, the proposal was separate and distinct from political or constitutional status issues. The key provisions of the Murkowski proposal, which could come as amendments to Guam's Organic Act, are, first, a general policy Guam could use in dealing with federal agencies according to which the agencies "shall recognize and respect local self-government through consultation with the Governor and other elected officials of the Government of Guam and by considering the views and recommendations of such officials in the implementation and enforcement of Federal laws and regulations." Second, special consultations on a change of status would take place by means of a special working group on Future Political Status that would discuss with the governor of Guam "the requirements for and conditions of any proposed Constitutional change in the political status of Guam either under or outside the sovereignty of the United States" (Murkowski 2000). Such consultations would begin with the governor contacting the attorney general of the United States. Third, regular consultations would take place between Guam and federal authorities, namely, the secretaries of Interior, State, and Defense regarding the effect of federal action on Guam. Fourth, congressional review of the application of federal law on Guam could take place via a resolution adopted by the Guam Legislature and certified by

the governor. The US Congress would have four months to consider and take action on the Guam resolution. Although serious in intent, this particular provision is not clear regarding exactly how a federal law or regulation in force is made inapplicable to Guam.

With the collapse of Guam's quest for commonwealth in 1997, a new means for a change in political status emerged via passage of Public Law 23-147, which created the Commission on Decolonization for the Implementation and Exercise of Chamorro Self-Determination. Since that time, there have been annual meetings between the commission and the UN Special Committee on Decolonization, but these have not included federal territorial officials.

In February 2000, Governor Gutierrez, Speaker Unpingco of the Guam Legislature, and Congressman Underwood signed a joint letter to the chairman of the UN Special Committee on Decolonization repeatedly urging that Guam representatives be present at any informal discussions between the special committee and Guam's administering power (the United States) concerning the status and political future of Guam. The three leaders stated that as democratically elected representatives of Guam they "represent the interests of the inhabitants of Guam; a people whose views are paramount in the process of attaining a full measure of self-government pursuant to the Charter and relevant resolutions of the General Assembly" of the United Nations. The Guam leaders also invited the special committee to play "an appropriate role" during the November, 2000 self-determination plebiscite. In separate

correspondence, Governor Gutierrez had invited the special committee to conduct a regional seminar on Guam concerning the processes of decolonization. In response, US Ambassador to the United Nations Betty King opposed such an invitation, indicating that elected officials of territories or states have no authority in matters of foreign affairs.

In a May meeting with the UN Special Committee, Ron Rivera, vice chairman of the Guam Commission on Decolonization, claimed in written remarks that the United States had demonstrated a “posture of non-cooperation with the Special Committee” and with Guam concerning the decolonization process generally, and discussions of the UN-sanctioned self-governing status options in particular. Guam’s commission established three task forces to study the three options—statehood, independence, and free association with the United States—and educate the public about the options in preparation for a plebiscite that would be an expression of self-determination.

The most visible expressions of the task forces’ efforts have been some billboards that have surreptitiously popped up along Guam’s main roads. Even though they advocate one option only, they have stimulated interesting discussion and debate, with slogans such as Wipe Out Cock Fighting: Vote Statehood, or Decolonize Your Mind: Vote Independence. Unlike candidate campaign billboards, the decolonization boards have no identity, although one or two carry a parrot logo. Nearly all the messages advocate independence at the expense of statehood. The free association option has not received any attention from the bill-

board producers, who appear to be a grouping of individuals from the Organization of People for Indigenous Rights, the Chamoru Nation, and the Independence Task Force.

Although the decolonization plebiscite was rescheduled from July to November 2000, the latter date being election day for the fifteen-seat Guam Legislature, village mayors and vice mayors, and Guam’s congressional seat, the vote faces several difficulties. First, the voters will likely be more enthusiastic about and interested in the candidates for office than in the political status options. Second, the plebiscite on the status options will be limited to descendants of people (mainly Chamorros) who lived on Guam as of 11 April 1899, but the registration of such people has not begun.

Although Governor Gutierrez has two years remaining in his second term, he has been active pushing the candidacy of various Democrats such as Cliff Guzman, Ted Nelson, and Rick Unpingco, cabinet members, and political associates. As the governor sees it, the veto-proof hammerlock the Republicans have had on the legislature (12 of 15 seats) must be broken, and the Democratic party will therefore be fielding a full slate of solid candidates.

Another reason Governor Gutierrez has for gathering as much political strength as possible is that he is ineligible for the gubernatorial race in 2002. Gutierrez adeptly combined forces with Madeleine Bordallo, wife of former governor Ricky Bordallo, to defeat the Republicans in 1994 and again in 1998, but this political partnership expires in 2002. The voting public is looking at a number of



Democratic party candidates for the governorship: Geri Gutierrez, wife of the current governor, Congressman Robert Underwood, and Madeleine Bordallo. Guam's election 2000 may be a harbinger of future political alliances and opposition.

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### MARSHALL ISLANDS

The Republic of the Marshall Islands' most dramatic political upheaval occurred in November 1999 with the first national election of the post-Amata Kabua era. The governing party, in power since constitutional government began in 1979, was rejected by Marshall Islanders and replaced by the former opposition party. The United Democratic Party, a coalition of former ministers ousted by Imata Kabua in the aftermath of the defeat of gambling legislation in

1998, joined forces with opposition leaders to run on a platform of anti-corruption, transparency, and accountability.

In nearly every way this election broke new ground. Unlike elections of the past, votes were tallied in public and at record speed, and the nation's radio station broadcast results throughout the night. Individuals used the Internet to spread the news instantly across the ocean, on a near hourly basis. Winning a majority of seats, even those of four of six long-term cabinet ministers, the United Democratic Party gained control of the *Nitijela* (parliament).

Most surprising were the defeats of Ministers Tony deBrum (Finance), and Phillip Muller (Foreign Affairs and Trade), both four-term officials who in previous elections garnered top numbers of Majuro votes. As the dominant leaders of the nation, particularly since Amata Kabua's death in 1996, their defeat points to the extreme dissatisfaction of Majuro voters, who elected opposition leaders in record numbers, most notably Wilfred Kendall and Witten Philippo. In other seats, even first-time politicians were elected over incumbents, including some of traditional *iroij* (chief) status. John Silk beat Iroij Mamoru Kabua (Ebon Atoll), Abacca Anjain-Maddison won against Minister Johnsay Riklon (Rongelap), and Mike Konelios defeated Lomes McKay (Maloe-lap). Senator Anjain-Maddison is the only woman to currently serve in the *Nitijela*.

In January, the *Nitijela* unanimously elected as its president Kessai Note, a third-term senator and former Speaker from Bikini. The nation's first commoner to serve as president, Note