

*Polynesia in Review: Issues and Events,*  
*1 July 2001 to 30 June 2002*

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Reviews of American Sāmoa, French Polynesia, Niue, Sāmoa, Tokelau, and Tuvalu are not included in this issue.

#### COOK ISLANDS

For the Cook Islands, the period July 2001 to June 2002 was dominated by continued population decline, unpopular political party switches by members of parliament, cabinet shuffles and reshuffles, dengue fever, flooding, ten-year high inflation, land controversies, and immigration concerns. Political events in the country's capital, Rarotonga, marked a year of major challenges for its democratically elected government, great political and reorganization disappointments, and a few guarded economic successes.

The country's two banks, Cook Islands Savings Bank and Cook Islands Development Bank, merged as the Bank of the Cook Islands (*CIN*, 2 July 2001, 1), and welcomed its first customer on 4 August 2001. As the new bank became an important arm of government for many financial transactions, some public servants increasingly complained of being on the same annual salary of NZ\$11,000 for ten years. They argued that disparities within the public service reflected a fundamentally unfair system. Cook Islanders generally observed that too much was being paid to heads of ministries, whose salaries ranged between NZ\$45,000 and NZ\$80,000 a year. Public Service Commissioner Jonah Tisam received little support when he pointed out that no public servant

was overpaid; rather, those on the lower scales were being underpaid (*CIN*, 3 July 2001, 1). Considering that inflation in the small nation was hitting a ten-year high, government workers who were generally on a lower scale felt most of the pinch. The cost of a loaf of sliced white bread was reported as rising (in NZ dollars) from \$2.80 to \$4.20, and French bread sticks from \$1.20 to \$2.40 (*CIN*, 9 Feb 2002, 1). Economists predicted that prices would rise even further, while describing the government's B rating by Standard & Poor as meaning that the country's economic outlook was fair (*CIN*, 8 Sept 2001, 1).

Open criticism of the public service compensation system continued throughout the year and extended to the superannuation system, which needed much improvement. By contrast, the country's parliamentary superannuation system was well established and overgenerous despite a parliamentary select committee's report calling for an urgent overhaul of former parliamentarians' superannuation payments because of the cost to the country. The government matches the parliamentarians' contribution of 10 percent from salary, but payout eligibility occurs after only eight years of continued service. This contrasts starkly with the much longer service required in the public service or private sector. The parliamentary scheme alone cost the government NZ\$525,000 in the 2001–2002 finan-

cial year. Other costs reflected parliament and government's continued appointment of assistant ministers under the new, disguised title of "undersecretary." For a small country, there were clearly too many parliamentary representatives and too many cabinet ministers, and certainly there was no need for assistant ministers. Although the general public was convinced of this, politicians seemed oblivious to their concerns.

The public outcry about politicians fell on deaf ears. Indeed, cabinet even contemplated increasing the number of ministers to 9, which meant that out of a full parliament of 25 members, 18 (or 72 percent) of the House would be either ministers or assistant (undersecretary) ministers. Even the current 6 cabinet members (48 percent of the House) must be among the highest in the world relative to the size of the legislature and the population as a whole. Apparently the proposed change could not be justified without infringing on the responsibilities of senior administrative department heads.

Proposals such as this seem to the public to disguise crude bids for increased salaries and extensive travel privileges; free use of government vehicles, telephones, furnished houses; as well as free use of government laborers, and the opportunity to offer work opportunities to constituent supporters. The fact that most ministries were reported to have failed to file legally required reports to parliament during the year supported a general sense of their inefficiency and lack of accountability. Cook Islanders are also constantly reminded of the nation's debt of around NZ\$121.3 million,

which will take at least twenty-five years to pay off (*CIN*, 17 Aug 2001, 1). Much of that debt accumulated from the legacy of the multimillion-dollar Sheraton luxury hotel project—now frequently referred to as the Vaima'anga "on-again-off-again" project (*CIN*, 21 Feb 2002, 1).

A new NZ\$400,000 tugboat, *Toa*, was launched in July 2001, at the same time questions were being raised by the general public about government waste. Government spending for 1999–2000 represented 41 percent of the NZ\$36 million total ministry budget. The 1 July 2000 to 30 June 2001 period fared no better (*CIN*, 6 July 2001, 1). Increased government spending was predicted to total NZ\$54 million, with the total budget expected to exceed NZ\$75 million (*CIN*, 31 July 2001, 1). The Cook Islands Chamber of Commerce noted that government expenditure had increased by 20 percent over the past two years (*CIN*, 13 April 2002, 1). Ironically, some chamber members also expressed anger that marketing dollars for the tourism industry had been cut. Linked with tourism were proposed developmental projects, including alterations to the Rarotonga airport terminal expected to cost up to NZ\$9.5 million.

The largest industry, tourism, continued to maintain its prominent position during the year, despite the legacy of the September 11th attacks in the United States. A national memorial on Maire Nui Drive for the September 11th attack victims reflected the country's general support for the United States. However, there was a drop in US and European visitors, most coming through Los Angeles. Some visitors were stranded on Rarotonga by

the US ban on flights, and more than 300 visitors later experienced the same thing after Canada 3000 grounded all its flights and later declared bankruptcy. Some 74,541 people still visited the Cook Islands in 2001 compared to the record-breaking 72,994 in year 2000 (*CIN*, 14 Jan 2002, 1). The target set by the Cook Islands Tourism Corporation for 2005 had already been broken by 2000. Visitor counts were expected to continue to rise with the completion of new tourist accommodations, including the large Aitutaki Pacific luxury resort scheduled to open in October 2002. On the surface, the booming industry appeared to benefit local residents. However, many tourist-related work positions were filled by workers from overseas. The importation of labor was encouraged by some assistant ministers, who accused Cook Islanders leaving the islands of being just plain lazy—all 4,000-plus of them.

Local resident Professor Ron Cromcombe suggested that Cook Islanders often leave because they lack confidence in the government (*CIN*, 12 July 2001, 1). The high cost of living in the Cook Islands, with prices more than people can afford, adds much to the incentive to move out. Although the government acknowledged a continuing huge decline (with the population estimated to have decreased to 13,900 from some 18,000 a few years earlier), leaders still expressed other priorities. Cabinet even dropped a campaign designed to lure islanders home (*CIN*, 23 Feb 2002, 1). The assistant minister declared that those who do not want to work in the country were fleeing the country to live off benefits in New Zealand, an explanation that ignores poor salary conditions in an

increasingly expensive environment, the lack of effective unions for workers, and a tendency for national politicians to lash out at the media for criticizing official policy and action.

During 2001–2002 wide public concerns increased over the number of permanent residents being allowed into the country. Some foreigners have even been openly accused of coming into the Cook Islands with nothing in their pockets. “Like parasites they are sucking the small facilities that are available in our backs as resources for themselves,” reflected MP Norman George (*CIN*, 25 Aug 2001, 1). George also suggested that lax policies toward foreigners led to increased numbers of foreign investors operating in the Cook Islands. No safeguards exist for local businesses, and reduced opportunities tend to fuel out-migration. George favored revoking the right of the Cook Islands Development Investment Board to grant immigration permits, leaving that responsibility to the immigration officers alone. George also favored setting up a watchdog organization to protect jobs, businesses, and land rights for the people of the Cook Islands, to be called the Society for the Promotion and Advancement for the Cook Islands Employment and Business (*CIN*, 1 Sept 2001, 1).

The once larger agriculture industry had now clearly slipped in earnings, although pawpaw, *nono* (or *noni*), *maile*, and other products continued as notable exports. New challenges to the industry during the year included a coconut moth that invaded coconut trees in Rarotonga, making the trees brown and tarnished. The government declared a biological war on the flat coconut moth, involving the use of bio-agents that are natural enemies

of the moth (*CIN*, 19 July 2001, 1). However, efforts to constrain the problem in Rarotonga seemed hopeless, and by June 2002 the moth had spread to the outer islands. The arrival of the Queensland fruit bat was also feared as a potential natural disaster that could wipe all fruit growing in the Cook Islands. Added to that was tropical storm Trina, which brought five days of floods and wind. The island of Mangaia was particularly hard hit by the storm, which wrecked the island's taro crop.

The pearl industry is now the third largest industry in the Cook Islands, with pearl farmers expecting a further boost in production. Although subject to quality control standards, internal competition, and climatic changes, the industry continued to do better than a steadily growing local fishing industry. Industry leaders are also becoming increasingly mindful of the rich potential offered by seabed mining resources within Cook Islands waters. However, as American Samoan politician Eni Faleomavaega Hunkin observed at the 7th Pacific Islands Conference on Nature Conservation and Protected Areas held in the Cook Islands in 2002, seabed mining could be a future source of international conflict.

Political attention too often focused on the established offshore banking industry. The wall of secrecy surrounding these activities had its challenges too, and the government now regards loosening its secrecy laws as vital to the continuing success of the industry. Even with the proposed internal changes, the Cook Islands still remained on the Financial Action Task Force blacklist (*CIN*, 11 Feb 2002, 1).

Government activity in the inter-

national arena showed some success. A Center for Development of Enterprise was established as part of European Union "antennae" to the Cook Islands. Although involving only a part-time position, this development represented Cook Islands' acceptance into African Caribbean Pacific membership in 2000, after twenty years of lobbying. Project proposals by local Cook Islands organizations could now be processed, with an individual ceiling of €15,000 or about NZ\$3,000,000 per year (*CIN*, 5 July 2001, 1). By 17 January 2002, the European Community Head of Delegation had presented his credentials to the Cook Islands Head of State, Queen's Representative Mr Fred Goodwin.

During the same period, Cook Islander Francis Topa-Apera was chosen to lead the region's Pacific Foundation for the Advancement of Women, and Rohan Ellis was selected to head the Pacific Islands Forum's Beijing office. New Zealand citizenship remained the single most important issue to the Cook Islands, and the practice of shared citizenship is expected to continue. An international conflict was avoided after an overzealous UN information officer, Angelique Doureihi, incorrectly named the Cook Islands as a shipment point for illegal drugs bound for Australia. The damaging allegation was distributed throughout the region via PACNEWS. When asked by the Cook Islands to clarify her accusation, she apologized and blamed the reporter on the radio program where the story was first aired (*CIN*, 2 March 2002, 1).

The year 2001–2002 saw the reemergence of a controversy over an alternative cancer treatment facility

established by Dr Milan Brych in the 1970s. This time the issue involved the neglect of the graves of some former patients who came to the Cook Islands when Dr Brych was no longer able to practice in New Zealand (*CIN*, 6 July 2001, 1). Other health issues involved stinging criticism of the local national hospital staff and their treatment of a tourist. Nevertheless, visiting New Zealand Health Minister Annette King declared that the Cook Islands health service rivaled that of similarly populated areas in her country (*CIN*, 14 Jan 2002, 1). Such acclamations could not prevent the dengue fever that struck Rarotonga at the same time the island was hit by flooding. As cases increased, the Ministry of Health urged a major cleanup to fight the mosquitoes that spread dengue. A few tourists contract the disease, and in February 2002 differences developed between the minister of health and the mayor of Mangaia, who wanted to isolate his island (about 110 miles south of Rarotonga) to stop the fever from coming in. By the beginning of March dengue fever had reached Manihiki Atoll, an island much further from Rarotonga.

The national hospital again came to the fore as the parents of the late John Atuatika queried the death of their son and searched for his medical records at the Health Ministry (*CIN*, 6 March 2002, 1). Atuatika's body was exhumed for a postmortem, the first time this had occurred in the Cook Islands in the context of an inquest. A proposal by Auckland-based Diatranz, Ltd., to conduct tests on humans using pig cells also received international attention and concern (*CIN*, 4 March 2002, 1).

Meanwhile Health Secretary Tupu Aaraiti successfully lobbied for a law encouraging cremations, claiming that this was in line with a public move away from the practice of burials.

The Cook Islands political leadership crisis reemerged in the middle of July 2001 with rumors of new coalitions, MP realignments, and leaked reports of conflicts in cabinet. In theory the three main political parties were the Cook Islands Party (CIP), Democratic Alliance Party (DAP), and New Alliance Party (NAP). In reality, party membership was more for election purposes, and individual members of parliament felt free to shift at will. The New Alliance Party and the Democratic Alliance Party had merged at one point, but when dissatisfied former DAP members wanted to return to their old party, they realized that they had lost the name legally and had to consider returning to the Democratic Party. Even though the Westminster parliamentary system was proving inadequate for the Cook Islands, sitting members were not inclined to make any real changes, a disappointment to many electors. Subsequently there was much public apathy when the *Cook Islands News* predicted a change of government with a new coalition between Dr Robert Woonton and Sir Geoffrey Henry (*CIN*, 21 July 2001, 1). This was to be the fourth coalition since the 1992 general election.

Apathy toward political leadership extended to parliament as an institution when the normally stable position of parliamentary speaker became a political maneuvering tool. Longtime senior public servant Joe Cafferey turned down the request to serve as

Speaker of the House for one day and then resign to pave the way for Dr Pupuke Robati (*CIN*, 23 July 2001, 1). The process eventually took place with Harmon Pou Arere substituting for Cafferey. “Mickey Mouse,” “political farce,” “comical exercise,” and “stupidity” were some of the comments directed at these government actions. The cost to taxpayers for the two-and-a-half hours of Harmon Pou’s work was estimated to be more than NZ\$6,000 (*CIN*, 18 Aug 2001, 1).

Almost immediately after the Speaker fiasco, Prime Minister Dr Terepai Maoate sacked Deputy Prime Minister Norman George and took over all portfolios (*CIN*, 27 July 2001, 1). Unfortunately the timing of the sacking loomed over the national constitutional celebrations known as *Maire Maeva Nui*, disappointing many members of the public. Curiously, though, a quick street survey by the *Cook Islands News* suggested that few respondents were sympathetic to George’s predicament. With Mr George sacked, Dr Maoate confirmed Dr Robert Woonton as his new deputy prime minister. Woonton warned that one or two senior officials in the prime minister’s department were not carrying out government policy, and that their actions could lead to a reshuffle in the government (*CIN*, 4 July 2001, 1). He also suggested that “Promises of political reform and transparency were not being lived up to,” a statement rebuffed by Prime Minister Maoate (*CIN*, 5 July 2001, 1).

Rumors of back-seat maneuvers continued as overseas member of parliament Dr Joe Williams declared that he had been ordered to stop a coup (*CIN*, 11 Aug 2001, 1). Prime Minister

Maoate added to the perplexity when he labeled the previous two years as confusing, a reference to attempts to transfer central government functions to the outer islands (*CIN*, 12 Sept 2001, 1). He was alluding to a growing management and accountability conflict between local and national administration. After a five-month break, parliament finally met, but their first session lasted only ninety minutes (*CIN*, 2 Feb 2002, 1). Not long after 12 Feb 2002, the deputy prime minister ousted his boss Dr Maoate as prime minister. Within ten days of his administration taking office, new Prime Minister Dr Robert Woonton promised to remove import levies, introduce a health insurance scheme, pursue full UN membership, and review benefits and basic wages (*CIN*, 13 Feb 2002, 1). New government ministers were sworn in 13 February 2002, and the Cook Islands had their fourth government since the 1999 general elections. Continued apathy or increased opposition seems likely as the country approaches the general elections in two years’ time.

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### Reference

*CIN*, *Cook Islands News*. Rarotonga. Daily.

### HAWAIIAN ISSUES

On 17 January 1893, the monarchy of Hawai‘i was deposed by a group who “represented the American and European sugar planters, descendents of missionaries and financiers” (US Public Law 103-150). With the aid