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Testimony on S.B. No. 2960

Relating to Economic Development and Hawaiian Sovereignty

by Pōkā Laenui

Five years ago, a bill was heard by a Senate committee to study the economic implications of Hawaiian Sovereignty. I submitted testimony to that hearing and wish to share with the readers a point of view which, I believe, is still relevant.

ʻAno ʻai me ke Aloha:

I speak on behalf of the Institute for the Advancement of Hawaiian Affairs, a not-for-profit corporation. In addressing the issue of Hawaiian Sovereignty over the past 27 years, I have always considered the impact on Hawai'i's economy to be one of primary concern. Yet, too little serious discussion has been spent on this matter.

I commend the authors of this bill for their interest in the topic and for creating this vehicle as a basis for such a discourse in the Hawai'i legislature.

In order to address the specifics of this bill, I want to first observe certain stated and unstated assumptions contained within it which can be pivotal to this discussion of the economic consequences to Hawaiian sovereignty. First, I want to distinguish between the concept of Hawaiian sovereignty and autonomy. These are quite different concepts if one accepts the international approach to them. While both may result from the exercise of "self determination", sovereignty is the expression of a people to independence, where there is no higher authority within the land but this sovereign entity. Autonomy, on the other hand, is a degree of self rule less than sovereignty, where there exists an entity within the land above this autonomous body. This bill uses the term "sovereignty" but treats the Hawaiian nation merely as an autonomous entity.

Second, this bill deals with the issue of Hawaiian sovereignty from a race based definition, reserving only to the Native Hawaiian the right to define the specific form of Hawaiian autonomy. However, if the basis to the claim for the right to Hawaiian sovereignty is the particular Hawaiian history which reveals an independent nation invaded and overthrown by a colonial power, the United States of America, then the basis is really founded not upon race but upon the denial of self-determination to the people, citizens or subjects, to that nation. History will also reveal that such citizens or subjects, were of many different races, who suffered the loss of their Hawaiian nation.

We must all be very clear and honest with ourselves as we deal with Hawaiian sovereignty. The foundation for the claim to sovereignty is self-determination. That foundation is firmly established by the numerous international resolutions and covenants addressing decolonization and

self-determination. Such legal basis can easily be found in the files of the United Nations. It can also be found in the various sources of international law which predate the invasion by the United States into Hawai'i.

Many have instead been carried away with another developing concept in international law today. This is the rights of indigenous peoples. Such rights are now emerging as international law. Indigenous rights are receiving general support by the nations of the world to the extent of autonomy but not independence. The United Nations is still unresolved on this issue.

Thus, the subject of Hawaiian Sovereignty and of Native Hawaiian Rights emerge out of two distinct bases of international law. One from the long held and widely accepted principle of decolonization and self-determination, and the second, from the developing principle of indigenous peoples rights limited by State sovereignty.

The present bill assumes the exercise of Native Hawaiian Right to autonomy while it uses words of Hawaiian sovereignty. Thus, the bill assumes a continuing tie to the United States of America. If that be the case, the international agreements entered into by the United States of America, such as the North American Free Trade Agreement, the World Trade Organization, formerly General Agreement on Tariff & Trade, and the Multilateral Agreement on Investment (MAI) will override any autonomous entity formed within the United States. Indeed, foreign corporations will have the power to sue governments and override local laws which are deemed obstacles to the free and open passage of monies across national borders.

The development of a truly Hawaiian sovereign nation, on the other hand, would result in the transfer of jurisdiction over our economy, international relations, movement of populations from other lands into Hawai'i, over banking, finance, credit creation, and the printing of money, over national security, taxation, and every other power which the U.S. now holds through its constitution. Under such a scenario, the suggestion contained in this bill, of creating an economic boon for Hawai'i through the development of off-shore banking laws, would, of course, be possible. In fact, the economic possibilities would be endless. U.S. presence in Hawai'i, if desired, could be achieved through bilateral treaty, without sacrificing any aspects of Hawai'i's sovereignty.

But even more important than the development of such economic programs, under a Hawaiian sovereign nation, we would be able to raise more fundamental questions as to the very nature of economics in the formation of our society. We would be able to search our deep cultures and begin to develop a society based upon our own values instead of simply accepting as our economic models the Adam Smith concept of the invisible capitalist hand, or the GNP. We could ask ourselves, "Why should we be willing to trade our gross national happiness for the strait jacket of the gross national product?"

Hawaiian sovereignty, when conceived in its full vision, should open to us the panorama of potentials for economic development. This bill plants the seed of possibility for continued discussion. Contained within it is the suggestion of an interim or transitional framework. It suggests the possibility of a condominium jurisdictional relationship with the United States of America. This is somewhat the path which the New Hebrides took before it finally emerged as the independent nation of Vanuatu. For a time, Hawai'i, too, could have a condominium relationship with the U.S. in which the people could select for themselves the authority under which they are to be governed. Like a

condominium, there could be more than one "owner" sharing the same land base. Over time and based upon the national experiences, the people could vote on full independence.

I suggest this bill be amended to form and adequately fund a body to do a closer examination of the economic implications of Hawaiian sovereignty in its full ramifications. The results of this examination could be shared with the upcoming Native Hawaiian Convention as well as with members of the general community for continued discussion and study.

My apologies for not including specific international law references or a more detailed discussions on some of these points. Time simply did not permit such inclusion. I could make such references available in the future or you may access our web page at <http://www.hawaiianperspectives.org/documents/economics> for an extended discussion on sovereignty and the Hawaiian economy.

Aloha a hui hou.

Pōkā Laenui

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Excerpts from Summary of the  
HAWAIIAN SOVEREIGNTY ECONOMIC SYMPOSIUM  
held at  
William S. Richardson School of Law,  
University of Hawaii  
June 5, 1993  
by Pōkā Laenui

## II. Values and Economics

There seems to have been universal agreement that one could not move very far into the inquiry of an economic base for a sovereign nation without first establishing the values which should be reflected in that base. Perhaps because of the introductory statements made by the sovereignty proponents or the handouts given earlier, or maybe an innate concern by those who attended the symposium, the matter of values was a constant issue and sometimes it seems, was the utmost issue of the discourse. Indeed, the very definition of economics was explored by several discussion groups, bringing the consideration back to the health of the family.

In line with the earlier theme of placing the human being and human values at the center of the approach to economics, the discussion groups, one after another, identified values which should guide the economics of a sovereign nation. They included:

- Strong spiritual base
- Harmony in relationships, togetherness, lokahi
- Environmentally & culturally sound, "aloha aina"
- Hawaii not prostituted
- Quality and equity in health care
- Basic needs met
- Pono, Justice
- Sustainability
- Equitability in resource distribution
- Expand lifestyle choices, meaningful work choices

Cultural survival/revival  
Enoughness, simplicity of lifestyles, subsistence  
Intrinsic human worth  
Global Village  
Community-scale, community-based economics  
Family  
Aloha

### III. Building the Economic Models

One view of a successful economic model was measured against the health of the family. One group pointed out that economic survival used to be a catalyst for family unity instead of family dysfunction. Families were able to engage in meaningful work choices, including self-employment and subsistence opportunities. Such work and the fact that each member of the family had a place in the life of that unit resulted in self worth of the individuals and community of family. Someone pointed out that the concern over family should call us all to the root word of economy - household! The value of such a healthy family was not measurable on the econometric scale but certainly a factor of consideration on a human centered one.

Culture, the embodiment of a people's life, encompassing sociopolitical and economic behavior, indigenous methods of taking decisions and using power and forms of relating to each other in trade and other business transactions, was seen as another important factor in the human development scale and considered to be another area of further discussion with in relations to economics.

For all the noble pronouncements of a more social definition of economics, many participants were still bothered by the hard reality of how Hawaiian sovereignty would allow for the nation's meeting basic services, generate productive work for people, secure social and medical benefits, support culturally appropriate educational systems, and be self-sufficient. Those concerns, however, can not be addressed until there is a clear understanding of the parameters of control of the Hawaiian nation. Under the completely independent model, the Hawaiian government's control is all-encompassing, having jurisdiction over international trade, ocean and fresh water resources and activities, agriculture, military, etc.. Under the internal nation model, the U.S. government, the State, the Counties and the Hawaiian nation would be competing/cooperating in claiming resources or providing services and opportunities.

Thus, the further study of the economic viability of Hawaiian sovereignty must first identify the model of sovereignty to be studied or conduct two distinct studies at the same time. It has been suggested that a single approach can indeed be taken by addressing the issue of Hawaiian sovereignty from a wholly independent model and extracting from that study, the points of relevance to the nation within a nation model. It has been further argued that such an approach would add clarity to the interim steps toward full independence as well as define the issues in addressing the question of a shared responsibility in an internal nation model.

#### B. Surveying Economic Models

Land use, land distribution, housing cost and the interrelationship with population influx, tied into employment and economic expansion and impact

upon the environment related to community and individual health and education soon become a huge tangled ball of string. No single discipline can adequately address the unraveling of it all. Even a composite of the various social, political and economic disciplines will not succeed as long as they operate under the constraints of external controls such as they now exist in Hawaii. Only in an atmosphere of safety in dreaming, under assumptions of anything being possible, can we take an appropriate look at our predicament and find a workable solution.

From the discussions at the symposium, there seemed to be a general call for a green Hawaii peppered with blue and red. There are strong advocates of environmental sanity including programs for self-sufficiency and human rights, especially with regards to native Hawaiians. But there has also been a call for some "blue chip" activities such as some very highly developed technological and informational industries, international banking, educational institutions and transfer of information activities. The qualifiers for these industries seem to be environmentally and culturally friendly without requiring an influx of foreign population to meet the skills required. The red element comes in terms of social welfare and protection of the national commons. Thus government would play a role in seeing that every person is able to obtain minimum services for health care, that the ocean is protected from misuse and abuse, that the airwaves are used for social benefits and not commodified at the cost of our children's misdirection.

#### i) Hawaiian Experiences

It seems there are some existing demonstration projects fulfilling economic models operating in Hawaii. The community-based economic development programs ongoing and being developed at Wai'anae, Waihole, and other places, connecting up with the Department of Business, Economic Development and Tourism should be looked into. These are examples of communities taking control of economic resources to sustain a lifestyle that is consistent with community cultures and values.

The economic initiatives developed in response to sugar plantations and military base closures are potential areas to watch for strategies of an independent nation. The growing interest in transforming tourism to an eco/cultural visitor relationship is another area of investigation.

The whole arena of finding alternative energy sources must be further explored. In this exploration, there must be voices from all aspects of the community so that the cultural values of the indigenous peoples will not be ignored by the environmental or economic voices. Yet, there must be a balance among discussants to assure that no single interest will be able to outshout the rest.

Some discussions regarding ocean governance of the full 200 mile exclusive economic zone have been taking place but without sufficient public support and without the daring to dream. There still remains the mental limitation of the U.S. government's exclusive exercise of that territory. More support needs to be given in that area, ranging not only from the issue of governance but of the potential economic opportunities, the need to control the prevention of pollution, the protection of fisheries, the exploration of the sea beds, the potential for harvesting the ocean not only for fish but for pharmaceutical purposes, scientific and educational purposes, as well as recreation. Already,

the ocean (mainly recreation) plays a larger economic role in Hawaii's economy than does agriculture.

ii) The Pacific Experience

Many other Pacific places have shared Hawaii's predicament and have resolved them in one or another way. Some of their resolutions have come in the form of multi-national cooperative organizations such as the Pacific Islands Development Corporation or trading blocks or environmental protection agencies. Not only can we find national models and cooperative regimes in the Pacific, but we may also be able to find particular indigenous economic models such as the experience of the Maori of Aotearoa (New Zealand).

Within the Pacific, there seems to be much economic activities. Trade between Papua New Guinea and Australia amounts to \$1.2 Billion and New Zealand and other Pacific Islands, about \$653 million. The fact of our cultural similarities could be developed into commercial ties by which Hawaii could provide expertise in tourism, agriculture, ocean studies, public health, and education, forming sort of a Pacific Basin trading hub.

In the review of Pacific Islands experiences, we could also inquire into the models of government those islands have followed and the economic basis and impacts flowing from those models. Are there alternatives to constitutional and parliamentary forms of government which might be considered for a sovereign Hawaiian nation?

iii) The World Experience

Presently, there are a multitude of ideas encircling the international community regarding new economic thinking. We are very much aware of the push by the major industrial countries for the breaking down of trade barriers to permit greater access to markets throughout the world, greater access to raw materials and cheap labor in third world countries, and opportunities to create dependency of poorer countries upon the industrial North countries. Such breaking down of trade barriers will also result in the easier access to political and military control within weaker countries.

There is an equally legitimate argument against the universalizing of the world economy, the call for self-sufficiency within communities, the belief that small is beautiful and that diversity must be protected from the invasion of mass production and marketing.

Hawaii's people must take an active interest in this debate. It addresses the heart of the discussion of self-sufficiency, of community-value based economic development, of job availability and choices which carries with it dignity, in holding families together, of protecting Hawaii's population growth, etc. That question affects the very question of the education we provide for our young, the regard for human rights and human value we show in our economic choices, our behavior toward our environmental resources. The day may not be very far away when these questions will become questions of greatest importance to us as we try to apply social, ethical and moral principles to our economic decisions.

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West Coast Strikes Reminder Of Alternatives
by John McClain

Being an island some 2,000 miles from the nearest continent, Hawai'i seems to be in a delicate situation when it comes to food imports. Benjamin Cayetano, as reported in the Oct. 3 issue of the Honolulu Advertiser, is so worried he has asked for an exemption from the strike so that goods may be shipped here.

Mark Teruya, president of Armstrong Produce Ltd., Hawai'i's largest produce distributor, has already flown in one shipment of produce from the U.S. to keep shelves stocked. While it costs \$8,000 to ship the items by sea, it reportedly cost \$20,000 to fly them in. And it is certain that the added costs will NOT be absorbed by Armstrong Produce.

But the fact is that although 90% of all goods sold today in Hawai'i are imported, the islands have historically supported numbers of people at almost the current population levels. With improved understanding of agricultural techniques, it is certain that Hawai'i could, in theory, support the current population with no food imports whatsoever. While we cannot do this today, there is a thriving agricultural market available to us - one which is the People's Open Market Program.

POM is an island-wide project started in 1973, with 22 locations currently operating on ka mokupuni o O'ahu. For a run-down on places and times the markets operate, check online, through the link below:

<http://www.co.honolulu.hi.us/parks/programs/pom/sked.htm>

Not only do the farmers' markets sell vegetables and fruit, but a variety of fish, shellfish, flowers, and even baked goods. And not only do you alleviate any worries that you'll be left "high and dry" if the West Coast strike continues, you are also supporting local farmers selling local produce.

Also to be considered is that this is only the "official" farmers' market program. A number of other farmers' markets (such as the one at the McCully shopping center on Saturday mornings) pop up here and there around the island. And there's always Honolulu's Chinatown, which is another great place to shop for inexpensive fresh local vegetables.

The short version is: don't worry, eat healthy... buy local!

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Report from Germany  
by Regina Gregory

I was back in Bavaria—ku'ū one hānau—during September 20 to October 5 (Oktoberfest time), and here is my report:

### Politics

On September 22, the governing "Red-Green" coalition was re-elected by a very slim margin. I had been watching the campaign on Deutsche Welle TV (on 'Olelo) in the weeks before, and it went roughly like this: The Red-Green Coalition was doing poorly in the polls because of the bad economy. Unemployment remained stubbornly near 4 million despite the government's promises to bring it down. It looked like the conservatives would win the election. Then, Chancellor Schroeder declared he was against Bush's attack on Iraq, and that Germany would never participate in such a venture so long as he was in power. This was so popular that Red-Green won after all.

It was good to be in a country full of people who feel like I do about Bush (basically, that he is a fascist imperialist lunatic). There were three main ideas about why he wants to attack Iraq: (1) to distract from domestic problems (although few had heard about Enron, etc.); (2) to take control of the oil; (3) to prop up the sagging U.S. economy. People asked me whether Americans really support him, and I said well, the news nowadays is all propaganda, and every night they tell people how dangerous Saddam Hussein is, so people start to believe it. I said that people like me who are against the war can make phone calls and write letters and stand on the street waving signs, but really there is little that citizens can do in this so-called democracy.

### Economics

There are some good examples of “peace conversion” as the U.S. has been closing its military bases in Germany for some years now. Housing areas that held U.S. military families have been fixed up and sold to local residents. A three-day music festival was held at a former U.S. radar station.

The legendary public health insurance system is quite costly for some people: e.g., my mother’s cousin and his wife each pay the equivalent of \$500 per month for health insurance! But it is strictly based on a percentage of income; people who work less or earn less also pay less. Children and the elderly are all covered for free.

The recycling system is legendary too, but—except for the great convenience of having cases of bottled beverages delivered to your door, and the bottles picked up and reused—it is rather cumbersome. I had been under the impression that manufacturers of disposable containers were obliged to take them back, but as my cousin explained, actually the manufacturers pay someone to dispose of them, add the cost to the consumer’s price, and then the consumer is responsible for washing the container and taking it to a recycling center.

October 3 was a holiday, celebrating the reunification of East and West Germany. Most people were less than thrilled about it, since they had paid a lot to modernize the infrastructure of the former East Germany ... then much of it was washed away in recent floods and needs to be rebuilt again.

### Energy

Considering that Germany is #1 in the world for wind power generation, I expected to see a lot of windmills. I saw only one in Munich, probably because most of them are located in northern Germany where it’s windier. Solar panels are also disappointingly rare. I was told solar water heaters don’t work well in the winter, and photovoltaics are too expensive. I said I heard Germany was incorporating photovoltaics into building components (roof tiles, windows, etc.) but just got blank looks on that.

At a little street exhibit by the forestry industry, I picked up a brochure on a combination solar/wood pellet burning system for home heating ... then we walked around the corner and I asked my cousin, “What’s over there, with that huge cloud of smoke rising up?” It was the nearby nuclear plant. I found out there are four nuclear reactors on the Isar River, although no one was sure about the grouping (i.e., whether they are four separate nuclear power plants). However, Germany is committed to phasing out nuclear power and there is a new surcharge on electricity to pay for more renewable energy.

Gasoline sells for the equivalent of \$3.78 per gallon. There is a very good mass transit system and lots of bicycles.



## Culture

The most astonishing thing is that the TV schedule is almost like ours! Even Spongebob Squarepants (one of my daughter's favorite cartoons) is dubbed into German.

The other cultural export I noticed is litter, especially McDonald's cups with their plastic lids and straws.

But the good old Oktoberfest is still the same.