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**DREAMING THE ECONOMICS OF AN INDEPENDENT HAWAI'I**

Introduction

According to Poka Laenui (1999), the social process of decolonization has five phases: "1) Rediscovery and Recovery, 2) Mourning, 3) Dreaming, 4) Commitment, and  5) Action." In the dream phase, the full panorama of possibilities can be expressed, and dreams are built which create the "flooring for a new social order." This takes a long time  and cannot be rushed or curtailed without disastrous consequences.

Probably no one has devoted more time and effort to dreaming the economics of an independent Hawai'i than Poka Laenui. This is essential because economic dependency, more than anything else, makes people fearful of political independence. I also love dreaming about an independent Hawai'i, and present here some ideas about four economic policies-nationalization, land reform, diversification, and demilitarization-which are often applied when countries become independent, and which might be useful for Hawai'i.

Values and Principles

Laenui (1993, 1994) begins with the important premise that it is not the flow of money, but rather people's well-being ("Gross National Happiness")-including future generations-that is the ultimate goal. We must begin with basic human needs, and realize that more money often just means higher prices, plus more exploitation of the environment.

In addition, the economy must be restructured for a shift in "deep culture" from DIE (dominance, individualism, exclusion) to OLA ('olu'olu, lokahi, aloha ) (Laenui 1997).

Economic Policies

Nationalization

Firstly, a new government must take over from the colonial government in the areas of health, education, and welfare (including social security). The bulk of education funding already comes from within the state of Hawai'i. To form the basis of a new health and welfare/social security system, Laenui (1994) suggests that funds collected and retained by the U.S. government for Hawaiian citizens be turned over to the new government. I suggest we join the family of civilized nations and establish a national (single-payer) health care system, consolidating all the premiums currently being paid to private insurance companies, and adding whatever is necessary to cover the entire population. The funds need not necessarily come from payroll taxes. They could be revenues from fishing licenses in our new 200-mile exclusive economic zone, or import tariffs, or rents on land, or proceeds from a lottery.

The new national government will also necessarily need to take over the post office and create some form of central bank.

Apart from taking over such basic duties, I suggest the new Hawaiian government will want to make a shift from foreign to Hawaiian ownership, and from private to public ownership of certain assets. At the national level, we could follow the example of countries with publicly-owned utilities such as electric, gas, and telephone companies. A shipping line and an airline might also be considered for nationalization. This eliminates the need for cumbersome regulation of these industries; allows the government to implement its own policies (e.g., in the field of energy conservation and alternative energy); and benefits consumers because of the non-profit status.

Hawaiian ownership is particularly important in the tourism industry, since foreign-owned hotels, tour companies, golf courses, etc. siphon off most of the monetary benefits (Laenui 1994; Kent 1993). There are a few national governments in the world that own hotels, but I believe hotels and other tourism-related businesses would best be in the hands of their workers, in the form of cooperatives.

Land Reform

About half the land in Hawai'i is former crown and government lands that have essentially been held in trust for the last hundred years. So, the new government would immediately own half the land. I think firstly, we should follow the advice of Ka Lahui and grant to Hawaiians at least all the Hawaiian Homelands and half the ceded lands (plus Kaho'olawe). Alternatively, Laenui (2000) recommends placing all ceded and homelands under Hawaiian jurisdiction, but with 80% of the money still going to the general population and 20% to Hawaiians; or they could choose to own 20% of the ceded lands proper. I suggest abandoning the current principle of subdivision of homelands, and instead trying to re-establish communal use rights on large areas, surrounded perhaps by small house lots. Indeed, such a project has been implemented on Hawaiian homelands at Kahikinui on Maui (Minerbi 1999).

Of the other approximately 50% of Hawai'i's land, 15.6% is owned by, and 1.8% leased by, the U.S. government. These lands should also be turned over to the new Hawaiian government. Of the remaining 32.6%, about 23.8% is owned by the eight largest landowners (State of Hawaii 2000). Over 366,000 acres (8.92%) belong to Kamehameha Schools. Much of the rest was wrongfully alienated and subsequently conglomerated by foreign corporations, and here the traditional concept of land reform is most useful. We can learn from what other countries have done: Vanuatu declared that all land was owned by the customary owners, and foreigners who were using the land would have to abandon it or pay fair lease rates (Hakwa 1984). Papua New Guinea's government took over and redistributed coconut plantation land (Tamilong 1979). In various Latin American countries large landholdings were divided among the landless peasants. Today, Zimbabwe and Venezuela are examples of active land reform (Catalinotto 2000; Feinberg 2001).

In order to put Hawaiian lands in Hawaiian hands, Laenui (1993, 1994, 2000) suggests that all foreign land ownership end within 10 years following independence. That should be ample time for titles to revert to Hawaiian citizens or companies, and any land still under foreign ownership could be confiscated. Foreign residents could be limited to owning their residence, and sale or transfer of land to non-citizens could be forbidden.

But we also need to re-examine the idea of land "ownership" itself, as it is a foreign concept. The real "owners" of the land are the spiritual rights vested in the people by their ancestors (Halapua 1996). The ideal, if we really want to decolonize, would be to convert all the lands to ahupua'a-based communal ownership, and to trace "spiritual rights" back to pre-Mahele times. This may be unrealistic, but we can easily have some mix of private and communal land relationships. According to Laenui (1994, 2000), a certain amount of former government and crown lands (e.g., 20%) could be set aside for communal ownership. Also, special areas of land and sea can be designated for use by native Hawaiians who choose to "return to a more communal life style." We can also reinforce the broader ahupua'a use rights of the hoa'aina (native tenants) (Hasager 1999). And, regardless of ownership, land use planning can fruitfully take place at the ahupua'a level, in both rural and urban areas (Stuart 1995; Minerbi 2001).

Diversification

Hawai'i, like most colonies, became dependent on a narrow range of economic activities, based on how the colonizer thought best to exploit her resources (Kent 1993, 1994). So another task is to diversify and to produce for ourselves. In this regard, a large number of ideas have been espoused, presented here in list form for the sake of brevity:

    1. agriculture and aquaculture (including diversified use of former sugar cane lands, fishponds restoration) (Yim 1995; Gearheart 1995; Minerbi 2001; Rohter 1994, 2001; Laenui 1993; Eagar 1999)
    2. alternative energy resources (Rohter 1994)
    3. recycling (Rohter 1994)
    4. off-shore banking, casinos (Cruz 1995; Laenui 1993)
    5. alternative tourism (ecological, cultural, health) (Cruz 1995; Rohter 1994)
    6. fair rents for "ceded" lands (Cruz 1995)
    7. subsistence lifestyles (DURP 1985; Minerbi 1999; Kent 1999)
    8. 200-mile exclusive economic zone (fishing licenses, etc.) (Laenui 2000)
    9. high technology (Laenui 1993)
    10. diversified trading partners (Laenui 1994)
    11. community-based financial institutions (Cho 2000; Native Hawaiian Bank Initiative Informational Packet)

"Best case: All of the above, and then some as Hawaiians determine" (Cruz 1995). Laenui (1994) suggests we begin with self-sufficiency in basic needs.

Demilitarization

Hawai'i has long been a major U.S. military outpost, with current installations ranging from Army training grounds to nuclear submarine ports and "Star Wars" missile test sites. This does bring money and jobs to Hawai'i. "But the trade-off for this money
and jobs is awful" (Laenui 1994). Not only does the military occupy large portions of land (with very little compensation, often a token $1 for a 65-year lease), it is also a leading source of hazardous wastes and makes Hawai'i a target for attack.

If the U.S. military were to leave Hawai'i, not only would large parcels of land (and infrastructure) become available for other uses, but also demands on government services such as education, roads, sanitation, police and courts, etc. would diminish; likewise demands on natural resources such as water would decrease (Laenui 1994, 1997). Moreover, our homeless problem could be solved: the number of housing units owned by the armed forces (20,616) is nearly equal to the number of homeless and "hidden homeless" households (State of Hawai'i 2000).

Alternatively, the new nation of Hawai'i could decide to allow some military installations to remain, provided that adequate rental is paid. As an example, the missile test range on Kaua'i might bring at least $9 million per year; this is the rent the federal government agreed to pay Kwajalein (Marshall Islands) landowners in 1989 for their test site (Mason 1989:37-38). A facility such as Pearl Harbor could fetch many billions in rent.

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