

February 21, 2007

Dear people of the Commonwealth,

In recent months, the immigration, labor, and economic conditions of the Commonwealth have come under intense federal scrutiny. On February 8, 2007, the U.S. Senate Committee on Energy and Natural Resources convened an important and eye-opening hearing on our economic and social situation, and this week, a delegation of Senate staffers will arrive to conduct further meetings and assessments. This is certainly not the first time our Commonwealth has fallen under such vigorous examination. But in this deepening economic and social crisis, and with the benefit of hindsight, we must now do what we failed to do before: we must change.

For so long, we have been living in a false and unjust economy that has hurt all of us – nonresidents, residents, and businesses as well. For so long, our political and business leaders have defended the distortions and injustices of our economy and society. For so long, and against conscience and common sense, we have failed to challenge their claims. If we are ever to lift ourselves up from the quagmire we have created, we must fully confront the truth about our situation, and accept responsibility for our mistakes.

The truth is that much of our economic and social woes can be traced to our dysfunctional immigration and labor system. The truth is that raising our immigration and labor system to meet federal standards would help us all in the long run. The truth is that freely abiding by these federal standards would enhance, not threaten, our capacity for effective self-government, and would honor the Covenant that many of us hold dear.

For far too long, we, the people of this Commonwealth, have trampled upon the spirit and intent of the Covenant, and abused our powers to manage our own affairs, especially with respect to immigration and minimum wage. Local control over these issues was a temporary privilege that was granted to the Commonwealth out of concern for our developing economy and vulnerable local culture. But upon receiving that license, what did we do?

Instead of carefully building an economy at a rate and scale that was appropriate for our islands, we launched into a poorly planned, hyper-accelerated program of growth that far outpaced the development of local infrastructure and ravaged our natural environment. Instead of prudently restricting the entry of large numbers of immigrants like we said we would, we threw open the floodgates. Between 1980 and 1999, the Commonwealth posted the highest population growth rate in the world, a staggering 373.4% increase, from 16,800 people to nearly 80,000. This population growth was due primarily to the entry of tens of thousands of temporary foreign workers taking up jobs in the private sector, and especially in the labor-intensive garment industry.

As we all know, our immigration and labor system lacked the institutional capacity and political will to properly control the overwhelming flow of immigrants. It failed to adequately screen for health concerns and criminal backgrounds; to monitor effectively for illegal overstays; to safeguard the workers against exploitation and abuse; and to adequately protect job opportunities for the U.S. citizen resident population. We see the

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results of this ineffective immigration and labor program and the failures of our government all around us today. They impact everyone.

Presently, the majority of people living in the Commonwealth belong to a class of “temporary” foreign workers occupying permanent jobs in the private sector. No matter how long they live here, paying taxes, raising their families, and contributing to the life of the community, they never attain a political voice, and their social and economic status is forever precarious. They are easily exploited and easily ignored. Because they can’t vote, and because they occupy a vast majority of private sector jobs, there is little political will to raise wages or institute far-reaching reforms to create a healthier and more sustainable private sector.

Meanwhile, with private sector wages depressed across the board and a minimum wage that has languished for years at a meager \$3.05 an hour, U.S. citizen residents find themselves with limited opportunities to make a viable living in the Commonwealth. Unable to secure decent livelihoods in the private sector, many residents look for work in the government – where wages are higher, and where there is greater political will to provide jobs in order to secure favorable votes in the next election. Other readily available alternatives for residents include welfare, theft, gambling, and drugs. Our expanding welfare rolls, rising crime rates, and increasing numbers of families destroyed by poker addiction and drugs, are sad testimonies to that fact. Faced with such choices, it is no wonder so many residents choose to leave.

It is also no wonder that our government is so chronically bloated and ineffective, prone as it is to the political pressures of residents in need of jobs who may or may not have the necessary qualifications. Combine big government with fiscal mismanagement and widespread incompetence and we get a massive government deficit and failed public services and infrastructure – in short, exactly what we see today.

Businesses suffer, too, in this dysfunctional economy, especially businesses with a vested interest in the community. They suffer because they pay taxes to support a bloated government that continues to provide inadequate public services. They also suffer because their pool of qualified, hard-working resident workers shrinks with a deteriorating economy. Businesses that complain about residents who “don’t want to work” and who lack necessary skills fail to see the whole picture. Talented, industrious, and qualified residents have left the islands in droves and they are taking up many of the same jobs that are occupied by foreign workers here. Those residents *do* want to work – they just don’t want to work for artificially low wages and they want to be able to support themselves and their families.

What kind of development have we been pursuing in the Commonwealth, and what has it done for us? Yes, hundreds of millions of dollars in garment and tourism revenues and federal aid have flowed through our government and economy over the years – but where did the money go? What did we do with it? How much have we squandered, and how much more have we given away in public land, overly generous tax breaks, and viable jobs that could have been filled by residents? In 2005 alone we lost \$114,000,000 in guest

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worker remittances – how much more are we losing now, in remittances and also in the personal savings that are being taken out by foreign workers and residents leaving the islands, and in the capital that is being siphoned out to foreign business interests? If the Commonwealth is such a miracle of economic development as some have claimed, why are our public schools, hospital, sewer systems, electric and water utilities, environment, and public health still floundering?

One can blame external factors only so much. Yes, the September 11 attacks, the SARS epidemic, the Asian economic crisis, the pullout of Japan Airlines, and the changes in global trade rules all had significant impacts on our economy. But externalities are a fact of life, and they affect other places too. Economies that aren't resilient enough to begin with have the most difficulty recovering, as we in the Commonwealth know painfully well.

There is no time like the present to choose a dramatically different, more sustainable course of development. But to do that, we must move forward from the personal interests, political rhetoric, and fears that have been distracting us from the truth about our current situation, and we must decisively abandon the status quo.

Let us move forward from reactionary attacks against people like Ms. Lauri Ogumoro, Sister Stella Mangona, and Ms. Kayleen Entena, who testified truthfully about their firsthand knowledge of social injustice in our Commonwealth. For their courage and honesty, and their calls for social awakening and reform, these individuals (and the many others who came before them) deserve our deepest respect and gratitude.

Let us also move forward from the rhetoric of "federal takeover." The calls for secession and the inflammatory accusations of political vendettas being wielded against us and federal legislation being "shoved down our throats" do us far more harm than good. Furthermore, since the beginning of the Commonwealth, there has been, and continues to be, extensive dialogue between our local representatives and the federal government -- in hearings, in correspondence, in 902 talks, and other official discussions. If we have any issues with the results of all the discussions and meetings that have taken place over the years, the people we should take to task are our own leaders who have for so long and on our taxpayer dollars defended a status quo that has failed us all.

Even the passionate calls to defend the Covenant and protect our right of self-government are misguided, however sincere in intentions they might be. The Covenant is not truly at risk except by our own abuses, and in the first place, local control over immigration and minimum wage was never negotiated to be a permanent privilege. Besides, the Commonwealth already abides by numerous federal laws, including those pertaining to labor (with the exception of minimum wage), the environment, airport security, and banking, and our right of self-determination remains intact. Clearly, it is possible – and, indeed, necessary for the good of the Commonwealth – to freely embrace a new program of immigration and labor that meets federal standards and provides adequate protections for all the people who live here. It might be a painful transition, but we can and should be part of the process of determining the best course of transition for the Commonwealth.

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Now is the time to finally take responsibility for the crisis we have created and acknowledge that there are real and profound problems with our economy and society. Let us begin to right those pervasive and systemic wrongs by accepting the necessity of federal standards for immigration and labor and maturely engaging in talks with the federal government to decide how to apply those standards for the greater good of the Commonwealth. Let us also recreate our long-term vision for our islands. What kind of community do we want for ourselves and our families? How can we achieve good governance, social justice, and economic renewal in our Commonwealth? In addressing these vital questions, we prove ourselves worthy of both self-government and U.S. citizenship, and set ourselves and future generations on a new path towards a resilient and sustainable economy, and a freer, more prosperous society.

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