

INCORPORATED TERRITORY

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Obtaining incorporated territorial status, such as was enjoyed by Hawaii and Alaska prior to statehood, could represent a step backwards in political autonomy for the territory since the exclusive pattern of government for such territories is that of a governor appointed by the President and confirmed by the Senate. Since Guam is to soon have its own elected governor, accepting incorporated status with an appointed governor, seems regressive. However, there is nothing in the U.S. Constitution that prohibits an incorporated territory from having an elected governor, and thus if Congress decided to incorporate Guam into the American union it could if it wished, leave the gubernatorial selection in the hands of the people of Guam. The basic advantage to being an incorporated territory is the implicit promise of eventual statehood. Thus, if Guam was incorporated, the people of Guam would in effect have thereby been promised by the Congress that statehood was somewhere in the offing. However, Hawaii was an incorporated territory for more than 50 years and Alaska even longer. Also, being first an incorporated territory is not absolutely necessary for statehood. Neither California nor Texas were territories, incorporated or otherwise, before becoming states, and if Puerto Rico becomes a state, it will achieve such directly from a commonwealth without going through any incorporated territorial stage. The chief disadvantage of being an incorporated territory is that the income and other Federal tax laws would apply throughout the territory and the proceeds thereunder would all be paid directly to the U.S. Treasury and may not be remitted to Guam

as they are now. In addition to the enormous amount of income tax revenue this would cost us, we would also have to start paying Federal excise taxes, federal luxury taxes, and Guam would no longer be a duty free port but would have to pay the U.S. tariffs on imported foreign goods. In addition, we would still be denied the rights to vote in presidential elections and to have voting representation in Congress. To sum up, becoming an incorporated territory may be a mistake for the people of Guam in that no additional political rights or autonomy would be obtained (we might even lose the right to elect our own governor) and the financial burden of both losing substantial tax revenues of our own and being saddled with substantial additional Federal taxes would be overwhelming.

STATEHOOD

Statehood would give the people of Guam all of the political rights enjoyed by American citizens living in the 50 states of the union. We could vote in national elections, we would have two senators and a minimum of one member of the House of Representatives, we would no longer have the Federal Comptroller or similar participation of Federal agencies in local matters, and we would then under no circumstances be considered second class citizens. The only disadvantage, but this is a very real one, is the financial burden imposed by the imposition of Federal taxes, as outlined in the discussion on incorporated territorial status. There would also be certain other expenses, such as paying for our own court system, since we would automatically lose the District Court of Guam as a

territorial court. In its place a U.S. District Court would be established, but it would hear only federal cases. There would be certain other expenses attendant upon statehood, therefore while it would appear that statehood would conclude the long struggle of the people of Guam to obtain their full measure of political freedom, it is probably economically unfeasible at this time in the absence of a larger tax base and higher per capita income.

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One practical problem regarding statehood that should always be borne in mind is that under the Federal system, each state, no matter what its population or resources, is entitled to two senators. Thus if Guam were a state, it would have as much power in the U.S. Senate, the world's most powerful legislative assembly, as New York or California. This is hard for such states to swallow and it is the principal reason that it took so long for Alaska to obtain statehood - the population was just too small. Proponents of statehood usually cite the example of Nevada, which had a population of less than 70,000 at the time of its admission into the union. However, what is forgotten is that Nevada was admitted during the Civil War when the Republican Senate wished to be certain of two more Republican Senators. A similar situation with respect to Guam is not likely to arise. The population of Alaska at statehood was approximately one quarter million and that figure will have to be approached before Congress will seriously consider statehood for Guam or for any greater Guam-Marianas territory.

COMMONWEALTH

Depending upon the commonwealth statute worked out between Guam and the Congress, Guam could have as much political autonomy as it

could handle. Thus, in the commonwealth of Puerto Rico, the people elect their own governor and write their own local laws, paying no Federal taxes and being outside the operation of many Federal laws. They elect a Resident Commissioner who sits in Washington as a member of the House of Representatives, albeit nonvoting. The residents of Puerto Rico do not vote in national election but after a close examination by a committee of the U.N., it was determined by the U.N., that as a result of commonwealth status Puerto Rico could no longer be considered as a non self-governing territory and therefore was no longer within the purview of the Trusteeship Council of the United Nations. There is no fixed pattern for commonwealth status, the commonwealth of the Philippines being considerably different from the Commonwealth of Puerto Rico and thus a great deal of flexibility is available for working out arrangements between the U.S. and the new commonwealth. Economically, we could lose nothing by obtaining commonwealth status since we would not thereby subject ourselves to Federal taxation and we would have the advantage of being able to write our income tax laws. (Right now, although the territorial income tax is locally collected and spent, the rates, regulations and so on are fixed by Congress; thus we have a surcharge whether we want or need one or not). In addition, we could sit down with Congress and work out what Federal laws we wish to cover Guam and seek exclusion from those we found oppressive or burdensome. For example, we now are subject to the U.S. immigration and naturalization laws which means that aliens enter Guam on the same basis they enter any other place in the U.S. This greatly affects our economy and our way of life, since in the U.S. at large admitted aliens constitute a tiny fraction of the population, but in Guam they represent a very large segment of the population.

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Another Federal law that may be inappropriate for Guam is the Intercoastal Shipping Act which requires us to use U.S. vessels in transporting goods between Guam and the mainland. Commonwealth status would free us from the participation of the Department of Interior or similar agency, would eliminate the Federal Comptroller, would permit us to operate our own economy without the burden of Federal laws that do not fit in with the local pattern of development, would give us official representation in Washington, would give us international standing and make possible direct contacts with the U.S. and other international agencies, and yet would not be costly nor jeopardize the interests of the U.S. The principal disadvantages are that we would not be permitted to vote in national elections nor have voting representation in Congress.