

## INTERVIEW OF CARLOS A. SHODA

by Howard P. Willens and Deanne C. Siemer

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- Willens: Carlos A. Shoda is the Executive Director of the Commonwealth Ports Authority. Mr. Shoda has agreed to this interview with respect to his participation in the political affairs of the Commonwealth over the past nearly thirty years. Carlos, thank you very much for being available today on a busy Friday afternoon. Could we begin by you telling us when and where you were born?
- Shoda: Yes. First, Howard and Deanne, thank you for giving me the opportunity to be interviewed. I think it is a honor. With regard to your question, I was born here on Saipan on October 31, 1942.
- Willens: Who were your parents?
- Shoda: My father is Japanese. He died after the war.
- Willens: What was his name?
- Shoda: His name was Hoshiro Shoda.
- Willens: And your mother?
- Shoda: Her maiden name is Matide Arriola. When she married my father, she became Matide Arriola Shoda. Then she got married again in 1947 and became Matide Arriola San Nicolas.
- Willens: She remarried in 1947?
- Shoda: Yes.
- Willens: How did your father and your mother meet?
- Shoda: Well, my father came to Saipan back in the late 1930s in search of a better economic condition, I guess, at the time.
- Willens: Was he a farmer?
- Shoda: No, he came here as a tailor.
- Willens: So he met your mother after he settled here?
- Shoda: Yes, right.
- Willens: How many brothers and sisters do you have?
- Shoda: Only two of us from the first marriage. Myself and a sister.
- Willens: What is her name?
- Shoda: Her name is Catalina Sablan. She married and settled there in Guam.
- Willens: Tell me about your education. Were you educated then under the United States Administration?
- Shoda: Yes, I started going to school in 1950, first grade. I graduated in sixth grade from, at that time it was called Chalan Kanoa Elementary school, it is now called William S. Reyes Elementary school, in 1957. Then I graduated from Saipan Intermediate School in ninth grade in 1959. It is now called Hopwood Junior High School. Then I attended

Mt. Carmel High School, and I graduated in 1962. Then I went on to the University of Guam. It was then called the College of Guam. I got my AA degree in Accounting in 1964. And in 1966 I got my Bachelor's Degree.

Willens: Did you continue?

Shoda: I stayed until I got my Bachelor's Degree and then came back and continuously lived on Saipan since.

Willens: Since 1966?

Shoda: 1966, yes.

Willens: Then you were in Guam for about four years?

Shoda: Yes, for about four years.

Willens: When you came back to Saipan, what was your first job?

Shoda: My first job was a commercial teacher at Hopwood Junior High School.

Willens: What does a commercial teacher do?

Shoda: I taught bookkeeping and typewriting.

Willens: How long did you work in that capacity?

Shoda: For only about a year.

Willens: And then what did you do?

Shoda: And then I went to work for a shipping company as a Chief Accountant.

Willens: Was that Saipan Shipping Company?

Shoda: No, it was then called Micronesia Line. This is a franchise shipping company back in the Trust Territory days. They franchised with a mainland company to do the shipping, bringing goods into Micronesia and then going out they take all the copra. It's an operation run by United Tanker Corporation.

Willens: Did they have a contract with the TTPI government?

Shoda: Yes, right. I worked there for a little over a year. I started out part-time there because the chief accountant quit without any advance announcement.

Willens: Were you promoted?

Shoda: While I was teaching, I was working part-time there until after the school year was out and then in June, I started full-time as a chief accountant.

Willens: How long did you stay there?

Shoda: Until 1968, about a year or so. Then from there I went to work for UMDA as the chief accountant.

Willens: That was in 1968?

Shoda: Yes, 1968-1970. Then I guess at that time there were very few educated people so they asked me to run as a member of the Municipal Council. So in 1969, I ran.

Willens: For the Municipal Council?

Shoda: Yes, for the Municipal Council.

Willens: Were you elected?

- Shoda: Yes, I got elected. I started out as an appointed member in 1968 to serve an unexpired term of some member. And then in 1969 I ran again. At that time, it was supposed to be a two year term. But then in 1970 I was asked by my party to run for the Congress of Micronesia. So I won the election in November of 1970 and then my term began in 1971.
- Willens: Let me go back for a moment to the 1960's when you returned from Guam to work here in Saipan. Were you politically affiliated with the Popular Party at the time?
- Shoda: Yes, my parents were members and at that time I found that the Popular Party was more of the common, you know the poor people. So, at that time, it's the poor versus the rich and the people with high positions in government.
- Willens: Was your stepfather active in politics?
- Shoda: My stepfather is actually from Guam.
- Willens: Was he living here at the time?
- Shoda: Yes, when he married my mother he moved to Saipan.
- Willens: But he did not become involved in politics.
- Shoda: No, because at that time as a U.S. citizen his activities were restricted. And even when he goes to Guam and comes back, he always needed military clearance to come back to join the family.
- Willens: That was during the 1950's and the 1960's?
- Shoda: Yes, right.
- Willens: Did you have any views in the late 1960's about what kind of future political status you thought would be best for the Northern Marianas?
- Shoda: Yes, we feel strongly. I guess I have been a product of American education. You speak what you believe. So I feel that the American system is the best.
- Willens: In 1969, there was a referendum here and in Guam about reintegration with Guam and the Guamanians voted it down. What is your recollection as to the reasons for that?
- Shoda: In spite of the fact that the referendum (I forget whether that was the word they used in Guam) was conducted before the election was held in Saipan and they turned us down (at that time it was called reintegration with Guam), later on when the election was held here in Saipan, a high majority voted in favor of reintegration.
- Willens: Did you personally think that reintegration was a good idea?
- Shoda: At that time, we feel that was the only way to become part of the United States.
- Willens: Why do you think the Guamanians took a different view?
- Shoda: Well, you have to look back in history during the Japanese times. I heard this from my stepfather. My wife is from Guam and we lived for awhile with her parents. I heard war stories both from my in-laws as well as from my stepfather. There were a group of Japanese-language interpreters from Saipan that were sent to Guam, and a majority of them were very cruel. They showed no mercy to their fellow Chamorros in Guam during the Japanese occupation of Guam.
- Willens: I don't understand what it means to say that they showed no mercy. Were they physically violent or were they just discourteous to Guamanians or what?

- Shoda: Yes, discourteous, violent and (again, this is from their story) they never showed remorse or they never showed mercy to the way they [the Guamanians] were treated by the Japanese. They tell the Japanese this and that, so they [the Guamanians] get punished and some got killed.
- Siemer: So, when they were translating, they would tell the Japanese what the Chamorros were saying?
- Shoda: Right, what they hear from the Guamanians point of view rather than trying to protect them. They are very outspoken and getting them [the Guamanians] punished.
- Siemer: Otherwise the Japanese might not have understood what the Chamorros on Guam were saying in their own language.
- Shoda: That's part of it.
- Willens: Did you personally suffer any discrimination because you were half Japanese?
- Shoda: Here on Saipan?
- Willens: Yes.
- Shoda: According to mom, yes.
- Willens: When you were growing up?
- Shoda: I don't sense that, but my mother was always a businesswoman in spite of being a widow. She started her own business at the same time with Joeten and Herman Guerrero.
- Willens: What was her business?
- Shoda: Retail, grocery stores.
- Willens: What was the name of her store?
- Shoda: They don't put a name on it; it was just Matide Arriola's store.
- Willens: Is it still in existence?
- Shoda: No. I guess my stepfather was a farmer, so over a period of time she neglected the store. But they started out together at the same time. They were among the first, the Sablans, the Pangelinans. And she found that because she is good in handicrafts, she can do portraits, she makes wedding dresses and bouquets for the wedding, and that's how she raised us. That is how she made extra money to start her own store.
- Willens: Did you do the bookkeeping for the store?
- Shoda: No, I was too young. Later on I did watch the store though. And then later on I did the buying. As we grew up she has to spend the money (from the store) on our livelihood, so she doesn't put back the money into the store. Instead, she spends the money for the farm and things like that.
- Willens: Where was the farm located?
- Shoda: It was located right across from the airport.
- Willens: Is that land now owned by the airport?
- Shoda: No, it's our family land.
- Willens: In 1970 you ran and were elected along with Herman Q. Guerrero and Felipe Atalig, all members of the Popular Party as I understand it.
- Shoda: Right, with Eddie Pangelinan.

- Willens: With Eddie Pangelinan running for the Senate and being successful. Was political status an issue in that election?
- Shoda: Yes. It has always been since the 1950's during municipal elections. It has always been that political status was an issue, especially reintegration with Guam.
- Willens: In 1970 the Congress of Micronesia Committee had turned down something called the Commonwealth Proposal and Senator Borja and Benjamin Manglona, who were in the Congress of Micronesia at the time, disagreed with that decision. They said that the Commonwealth Proposal might be something that the Marianas citizens wanted. Was the rejection of the Commonwealth Proposal something that you remember hearing about?
- Shoda: My observation at the time was that there was a strong sentiment and a general sentiment that we don't want to be part of Micronesia.
- Willens: Why was that?
- Shoda: It's a different culture. And what the people then at the time wanted was closer ties with Guam. Because ethnically we come from the same roots.
- Willens: The Congress of Micronesia had a Status Commission that was negotiating with the United States looking towards a single status for all six districts. Did you think trying to stay together with the other districts was desirable?
- Shoda: At that time, the sentiment was no. In general the people in the Marianas would have rejected that. They just reject any permanent ties with the rest of Micronesia. And that was an issue, a big issue, during the campaign, aside from the closer ties with the U.S. They just don't want permanent ties with the rest of Micronesia for some reason I don't know.
- Willens: Did you share that view?
- Shoda: At the time, yes.
- Willens: Had you visited the other five districts before you were elected to the Congress of Micronesia?
- Shoda: Yes, I worked for UMDA so I traveled to Yap and Palau.
- Siemer: UMDA had businesses there?
- Shoda: Yes, United Micronesia Development Association. They were the franchise exporter of the copra.
- Siemer: Were there Chamorros running those businesses in Yap and Palau?
- Shoda: No, there were no Chamorros there, only on Saipan.
- Willens: What were the differences that you saw in Yap and Pohnpei?
- Shoda: It's a different culture, different lifestyle.
- Willens: How would you describe it?
- Shoda: I would describe it as more backwards. Economically, at that time, it's still less developed.
- Willens: Did the people want to be more developed?
- Shoda: Yes, they are used to the Japanese economic conditions.
- Willens: I don't understand that.

- Shoda: During the Japanese period, the people seemed to enjoy more, they are more prosperous. There are possibilities. They have their land leased to Japanese companies. From what my mother said, they can sell anything, even dresses.
- Willens: Do you think the people in the Marianas wanted more economic development than the people in the other districts?
- Shoda: Yes, plus the fact, maybe people would not admit it, but they are prejudiced. The root of the problem is prejudice.
- Siemer: They were concerned about the Carolinians in the Carolines and whether they could mix very well with them?
- Shoda: Right. You know, back in the 1950s the Carolinians had their own settlements, a district in Tanapag. There's that feeling that they don't want closer ties. The Carolinians are a minority here. Even if they are neighbors, the Chamorros hardly speak Carolinian.
- Willens: When you began your term in the Congress of Micronesia in early 1971, a month or so later the Congress of Micronesia buildings were burned down. Did you witness that event?
- Shoda: Yes.
- Willens: What is your recollection?
- Shoda: Well, that was because of the political status issue. What the people felt, at the time, was that they don't want the leaders from Palau, Yap, Truk, Pohnpei or the Marshalls to be dictating to Saipan. So I guess it reached a climax then. At that time, it was the feeling that the Trust Territory was trying to hold back the Marianas as a government entity. They feel that the Trust Territory government was not serious in helping improve the livelihood of the Marianas people. So that's a combination of all that sentiment, plus the fact that the Congress of Micronesia position was for unity, a unified Micronesia which includes the Northern Marianas. I think they also opposed, initially they opposed, the Marianas pulling out. So that's the combination of that feeling.
- Willens: When you speak about the Trust Territory government, are you talking about the Administration or are you talking about the Congress of Micronesia?
- Shoda: Both. At that time it was the feeling, and I can understand it, that there are more educated people from Palau, from Truk, all through Micronesia than from the Marianas. Naturally, they end up holding good government positions. The Marianas people feel whatever the decision, it's always biased against the Marianas.
- Willens: So it's your recollection that the Marianas people felt that the Administration was being run in a way that was not favorable to the Marianas?
- Shoda: Right.
- Willens: Do you recall any issues in the Congress of Micronesia at the time about revenue sharing or taxation that revealed some differences between the districts?
- Shoda: Yes, in fact that's one of the reasons for the resentment because we were generating revenue yet we don't see that coming back [to benefit the Marianas district]. The other districts were getting more annual appropriations than the Marianas. Not just in terms of locally-generated revenues, but also U.S. appropriations being funneled to other parts of Micronesia.

- Willens: Just to digress a minute, I heard from former District Administrator Ada that he was instrumental in getting the \$5 million or thereabouts from the United States in order to build or modernize this airport. And there was a debate in the Congress of Micronesia about whether the money ought to be given to the Marianas for that purpose or shared with the other districts. Was that something that came up when while you were in the Congress?
- Shoda: That's true, yes. I was then a member in the District Legislature. When I lost in 1972, in early January I got appointed [to the District Legislature] because a guy by the name of Dr. Ignacio Dela Cruz went to a veterinary school. He had just gotten elected but he never served his term. He resigned to go to veterinary school, so I got appointed. I was serving when they passed the Duty Free legislation back in 1974.
- Willens: Was that a controversial piece of legislation?
- Shoda: Yes. Mr. Ada is correct. There was a move by the Trust Territory government to hold that.
- Willens: Do you know who burned down the Congress of Micronesia building?
- Shoda: I think they found out.
- Willens: They never identified anyone publicly?
- Shoda: Correct.
- Willens: But you think it was known who did it?
- Shoda: Yes, I think so. It was known.
- Willens: After that event, the Congress of Micronesia moved its next session to Truk and there were some discussion among the Marianas delegation about boycotting that session. Did you agree to boycott the session?
- Shoda: Yes and no. It was a political decision made by our political leaders at the time. So they advised us. At that time, we consulted closely with the Mayor and the Council and the Commissioners. In order to show how strong the Marianas people feelings are with regard to closer ties with the U.S.—by boycotting, we would demonstrate that in the hope that the Congress of Micronesia will allow Marianas to negotiate separately.
- Willens: Do you think the strategy was successful?
- Shoda: I think so.
- Willens: What happened?
- Shoda: Eventually they allowed us [to negotiate separately] and, of course, I believe there must have been a consensus among the U.S. political leaders at the time that the Marianas are serious, so let's allow them to negotiate separately. So all of these are a combination that leads to the decision to allow [separate negotiations]. It is not just a Congress of Micronesia decision; it is the U.S. government that says, "Yes, we will entertain and we will negotiate with you."
- Willens: During the two years you were in the Congress of Micronesia the United States did agree to separate negotiations. Do you remember any speeches on the floor by political leaders from the other districts about that decision?
- Shoda: Yes, although I don't remember the specifics, most of them, they regret that we are pulling out. Their hope was for a unified Micronesia but it is obvious and some even had the tone of saying, "Well, you don't want us, so we will let you go your separate way."

Siemer: By that time the leaders in other parts of Micronesia had faced the Marianas desire to join the United States for a number of years?

Shoda: Yes.

Siemer: Was there the sense that they were never going to turn the Marianas around? It was simply not going to change?

Shoda: Right. But then at that time it was already brewing the feeling of Palau.

Willens: Do you recall that?

Shoda: Yes. The feeling of Palau pulling out, too.

Siemer: So it is not just the Marianas that might go alone.

Shoda: I don't know whether or not it has been a sentiment among the Palauan people, but it must be because right then Palau starts talking about it.

Willens: How about the Marshalls?

Shoda: No, the Marshalls were pretty strong. Although because of the large sums of money they received [from the U.S. for the Kwajalein base], there was always that feeling, too, that we contribute heavily.

Willens: That they contribute more than they got. Was that the argument they made?

Shoda: Yes.

Willens: What do you think caused the Micronesian political leaders to have a different idea of future status than the leaders from the Marianas?

Shoda: I think they feel that they can stand, economically they can become self-sustaining.

Willens: Did you think that was a reasonable judgment for them to make at the time?

Shoda: Personally, I never believed that they can economically stand.

Willens: Was it your view at the time that the Marianas had a better basis for economic development than the other districts?

Shoda: Yes, because of our culture. We would look at things differently in the sense that we wanted to develop. And even before I entered politics, during Municipal Council elections, there was always that feeling of, "Let's do something." And in every campaign they say, "If this is what the Japanese did, agriculturally, the marine resources, why can't we do it?" The obstacle was the Trust Territory government. That's what they believed. This is even prior to the formation of the Congress of Micronesia.

Siemer: Back then, did you think the development was going to come from the U.S. or from Japan?

Shoda: At that time my strong belief was that we just have to develop ourselves, go on a small scale.

Siemer: There were not many Japanese in business in Saipan back when you were first elected, were there?

Shoda: No, that's because of the Most Favored Nation Clause.

Willens: Did you think that ought to be interpreted differently to encourage foreign investment?

Shoda: At that time we had no choice. We were under the U.S. military.

- Willens: You described a Marianas attitude about let's get going, let's get developed. Did the leaders from the other districts have a different view?
- Shoda: Yes, they were always conscious of their culture, the deterioration of their culture. Yet my view at the time was when I go there most of the political leaders were businessmen. So, deep down, I was asking myself why do they take this position, no we don't want this. If you look at Ray Setik or Amata Kabua, these businessmen are the cream of the crop. Regardless of what political status [came about], they would be successful economically.
- Willens: What do you think they were trying to protect?
- Shoda: Themselves, that's my feeling.
- Siemer: Were they worried about challenges to their royalty or clan system?
- Shoda: Yes.
- Siemer: Amata Kabua, for example, had a high clan position.
- Shoda: Yes, plus at the time I understand that he owns a lot of land and has a lot of people doing copra work. Coming from the Marianas, who cares whether you are high class or what. It doesn't matter. At that time Joeten, Manny Villagomez, they all wear the same clothes.
- Willens: Did any of the leaders from the other districts ever talk to you on a personal basis about what their own personal goals were?
- Shoda: No, but when we are out drinking or in committee meetings, they ask why do the Chamorros not like us; they are prejudiced against us. But when we travel for committee meetings, I mean right then I can tell these guys have nice homes. They dress better than I do. I just keep it to myself and I say I don't think these guys are sincere in helping the people.
- Siemer: Some of them have been to the U.S. and elsewhere to school, too, hadn't they?
- Shoda: All of them. And if you compare in numbers, we were just a handful—not even a handful—of college graduates.
- Siemer: Here in the Marianas?
- Shoda: Yes, in the Marianas. At that time only Frank Ada, Jesus Conception, myself that graduated. We had a lot of people that went away to college, but they had not come back yet.
- Willens: You mentioned earlier that there was a large number of educated people from the Marshalls and the other districts who came to work in Saipan. But in Saipan and the Marianas many of the younger people had gone to Guam to be educated or Hawaii. Would you say that there were more people, a higher percentage of people, in the Northern Marianas who had received some education in an American setting than people from the other districts?
- Shoda: No. When they started the College of Guam, they came (from the other districts) by the bus loads. Every summer, every semester, there's lots of people from Micronesia. Hundreds of them. Later I found out that they [the Micronesians] had this very generous scholarship program. During our time, they [the Trust Territory] only give us one scholarship a year. Only one scholarship for a high school graduate from Saipan all the way up to the 1970's when they opened up [to more than one scholarship each year].
- Siemer: So there were quite a number of Micronesians in Guam when you were there?

- Shoda: Oh, yes. Every summer the government was sending a lot. My first impression—it's Micronesian students all over the campus. And that's how I know some of the future leaders.
- Willens: It's hard for me to understand then why those Micronesians students that you met in those early years didn't come to have sort of the same ideas that you have?
- Shoda: Well, you know, they came from the elite group. That is how I feel. I feel sorry whenever we go for a meeting in the villages [in the other districts]. You don't see any houses, but then when you call a meeting you are surprised at the number [of people] out there. As you wander further out, you see the shacks. I don't know how they can tolerate the living conditions. Different than living here. What's good for you should be good for me, too. Part of the resentment toward the Micronesians who come to work here on Saipan was that they lived in government-provided houses. It used to be CIA and Navy [housing]. Naturally, you ask yourself, "What the hell, you have free housing, why can't I?"
- Willens: Was the resentment about the fact that the Micronesians were living in those government quarters?
- Shoda: Yes, they don't like that.
- Willens: Did you as a member of the Congress of Micronesia hear reports from Senator Salii and other members of the Joint Committee about their negotiations with the United States?
- Shoda: Yes.
- Willens: They were striving for something called free association at the time, and they also announced that independence would be a fall back position. Do you think some of them were serious about the independence alternative?
- Shoda: I don't think so. I think they were just trying to negotiate the best deal.
- Willens: Squeeze the United States?
- Shoda: Yes.
- Siemer: What did you think back then about how they were dealing with the United States. Did you think they were effective?
- Shoda: No, the U.S. government had good information on these people. Every night they go and get drunk. Where is the sincerity to help your people when you play cards every night. I don't know if this was ever brought up, but their lifestyle is on display during sessions here. So I think the U.S. knows these guys are just out to get the best deal they can.
- Willens: Was their understanding that Micronesia was so valuable from a defense and strategic standpoint that they could get what they wanted from the United States?
- Shoda: That's what they believed.
- Willens: What was the basis for that belief?
- Shoda: During the Japanese period.
- Willens: What do you mean by that?
- Shoda: Palau and Truk were major Japanese bases.
- Willens: Were there people from the United States, either civilians or military personnel, who came out and supported that position?

- Shoda: To a certain extent they held the cards. They thought the U.S. needed this land for military purposes.
- Willens: Did you personally ever meet with any members of the United States Congress or Defense Department representatives?
- Shoda: Oh, yes as a member [of the Congress of Micronesia] we get briefed, and we always ask for a meeting with the U.S. delegation to boost our political desires so they will come back from here with a good impression. So when they are here, we try to meet with them after the [negotiating] meeting. We force ourselves to make sure that we meet with them and reiterate our sincere desire to become part of the United States.
- Willens: You mentioned earlier that you did lose [the election] in 1972, and as I understand from the records you lost to Pete P. Tenorio. Was that a close race?
- Shoda: Yes, I think it is a close race.
- Willens: What was the principal issue?
- Shoda: The issue was how the campaign was done. You know, I have a different belief. You work for me because you think I can help you; not because I give you money. I didn't campaign as hard.
- Willens: Did you have an interest in staying in the Congress of Micronesia?
- Shoda: Well, I wanted to get re-elected. It is an issue of how much effort to make. In retrospect, I don't have a large family to aid me during the campaign. The idea of having your family, you know, campaign for you for a high position—it is difficult when you don't have that and I am half Japanese.
- Siemer: How long did campaigns go on back in those days? How long before the election did you start campaigning?
- Shoda: Maybe about sixty days.
- Siemer: How much did it cost you run?
- Shoda: It is expensive, and the time. It takes a lot of time.
- Siemer: Back then.
- Shoda: Yes. Eddie Pangelinan was a good politician. He had been involved to some extent in the election of Kennedy. So he knows what it takes. We started the idea of next payday let's contribute a bit and take x number of people to Rota and Tinian and do the campaign. We have to put in our share or let's buy our refreshments for the campaign tonight or help people to come. I was naive, you know.
- Willens: Is it more expensive now than it was then?
- Shoda: I think so.
- Willens: The Political Status Commission was created by the District Legislature in 1972, and Eddie and others became members of the Commission. As the Commission conducted its negotiations with the United States, did they report to you and other members of the District Legislature?
- Shoda: Yes, plus they had those Joint Communiqués. So they would give us a copy of that. And the minutes were transcribed too in summary.
- Willens: Did you feel that the people on the islands were generally kept informed of what the issues were that were being negotiated?

- Shoda: At the time, yes. But some of the details were technical, you know, complicated and even among our members, it's a little sophisticated.
- Willens: There were some objections to the Covenant later on by a group of young educated women. They formed a women's political association. They campaigned against the Covenant on the grounds that it was too complex and more time was needed. Was that a view that you heard very much about?
- Shoda: No, I think it was all initiated by Oscar Rasa.
- Willens: What issues were of particular importance to you during the negotiations?
- Shoda: The financial support, and the relationship with the federal government, and the immigration.
- Willens: You have touched on three important issues. What was your thought about financial support? What were you looking for?
- Shoda: At that time, we don't have much of an economy. So we were worried about how do we go about developing our economy to become self-sufficient. If we are not guaranteed funding, there would be a massive layoff. The government would not be able to retain the people who worked for the Trust Territory government and the district which is part of the Trust Territory government. Of course, at that time we had our own Municipal Council which generates its own revenue. So we don't worry about that part.
- Willens: At some point during negotiations, the United States delegation offered the Northern Marianas more money than had been available to the Marianas District under the TTPI. Did you think that substantially more money was necessary for infrastructure or operations?
- Shoda: Yes, especially for infrastructure.
- Willens: What were the principal infrastructure needs you saw at the time?
- Shoda: The roads, the power were very primitive. Even the water system at that time was from after the war. The military built the public housing and they ran the pipes to the housing.
- Willens: What was your assessment of how well the Trust Territory Administration had done its job?
- Shoda: They neglected the Marianas. One good example is that even when I was a member of the Municipal Council we would talk on the floor about the poor development. And when I served in the Congress of Micronesia, we always talked about developing Charlie Dock.
- Willens: Charlie Dock really wasn't addressed then until the 1980's?
- Shoda: Until we took over. It was always a political issue about the dock. No one came up with the money.
- Willens: Why would it be a political issue?
- Shoda: Because people who had been to Guam, they see those facilities. And maybe that's part of the reason why the outlook of the Chamorro people is progressive. Because they see the material differences, Saipan vs. Guam.
- Willens: Were you generally satisfied with the kind of the financial arrangements that were reflected in the Covenant?
- Shoda: At the time, yes.

- Willens: What is your judgment now about the economic support that the Commonwealth has received over the years?
- Shoda: The leaders then could have incorporated and listed the infrastructure that must be taken over by the U.S. government or have them make a commitment to the list of projects that they are going to do. You know, the Trust Territory left Saipan but they didn't even deal with the airport.
- Siemer: Rather than a dollar amount, have specific projects that had to be completed each year?
- Shoda: Yes, identify those projects.
- Willens: Before the Commonwealth became effective?
- Shoda: Yes. And based on that, then you negotiate the dollar amount.
- Willens: There were some efforts to identify the needs and develop a program for infrastructure during a transitional period. There was a transitional office run by Pete A. Tenorio initially and then Manny A. Sablan was involved in that.
- Shoda: The physical master plan.
- Willens: Was any of that work implemented?
- Shoda: No.
- Siemer: Why not?
- Shoda: Quite honestly, it's our own fault.
- Siemer: Was it because Pete A. was of a different political party than controlled the Legislature when the first government took over?
- Shoda: Not necessarily.
- Siemer: People just rejected the work?
- Shoda: No. Maybe they just don't have money, number one. Number two, there is too much red tape in undertaking a project. Especially a project to be handled by the government. You have to go through all of the requirements of CRM, Fish and Wildlife, and things like that. So for us, the leaders then at the time did not have the experience of how to work in an environment where you have to turn every rock, to find four loopholes, to get your project done. That's how I do it here [at the Commonwealth Ports Authority]. That is why we are successful here. I built all the three airports. I built a terminal. And I went to court to get the \$5 million from Duty Free.
- Willens: Is it your recollection that once you became a Commonwealth, the U.S. laws that were applicable were just too complicated to manipulate at that time?
- Shoda: That is one. Two, these are bureaucrats, you know, and it is typical of bureaucrats that you have to go through a cycle. You know, to build an airport it takes you maybe ten years because of all the processes. But there are shortcuts.
- Willens: It didn't take you ten years here.
- Shoda: No. In fact it took me only six months because when I took over, they told me you have \$2 million to build a Rota airport. On one condition—you close the road that traverses the runway. I found out that it was the station manager of Continental who had a farm over here, across the runway. So when I start building, they called me up, and they said, "Carlos, are you crazy or what? How come you are building the airport before you are building the dock?" I said, "That is why we are putting it up for bid." And we require the

bidder to come and take a look at the site, so that's not my problem. How are they going to bring in the material and equipment, that is your problem. That is not my concern. So the first thing I did was I ordered five loads of coral and I closed that road. So I ended up with about half the Legislature calling to ask why did I close that road. I said, "You tell me which one you want, the airport or the road?" I was hired to work on the airport, so I don't care about the other problems. My mission is for the airport.

Siemer: When did you start at the Commonwealth Ports Authority?

Shoda: December 1, 1975. I had to resign from the Legislature to take this job.

Willens: How was the Ports Authority created?

Shoda: It was created by the Fourth Congress of Micronesia as an Airport Authority.

Willens: Was there an Airport Authority in each district?

Shoda: No, only in Saipan. At that time, Continental sees the potential. Even when I was working for UMDA, at that time, Continental already was aiming at Japan. So I had some insight, knowledge of the potential of this route.

Siemer: Then what happened to you when the Marianas became separately administered?

Shoda: That was in 1977. From the Congress of Micronesia, I went to work for Mike Line, Micronesia InterOcean Line. MILL. Marine Chartering at that time had the franchise. So I worked there until the strike in 1973. There was this West Coast strike by the longshoremen. The company went into Chapter 11. Then I quit there and went to work to create the Mariana Islands District Fishing Authority. So I set that up and then after I set it up, it was too small. At that time, they decided to make the District Legislature permanent. I mean a full-time job. I worked there up to 1975. The Legislature became full-time I think around June of 1975. So I quit my job there. I was a full-time member of the District Legislature. Then in December, I got appointed [to the Airport Authority] so after December 1, 1975 I worked here. From there on, I worked with the Airport Authority until they changed in 1981. They changed it to Ports Authority which works over the seaport and the airport.

Siemer: That was done under Governor Camacho's Administration?

Shoda: No, it was still under the Trust Territory back in 1975. Then we were under separate administration with Erwin Canham [as Resident Commissioner].

Willens: In 1981, it was under Governor Camacho?

Shoda: Yes, in 1981. The Camacho Administration came in about 1979 or so.

Willens: January 1978 through January of 1982. Then he was followed by Pete P. Tenorio.

Shoda: I was here [at the Airport Authority] when Camacho came in. Camacho kept me here. Then Pete P. Tenorio came in, and he kept me for two terms up to 1989 when I retired. I retired because I supported Froilan [Tenorio].

Willens: So you were replaced by someone in 1989?

Shoda: Yes.

Willens: And then you came back four years later?

Shoda: Yes, November 1, 1994.

Willens: This position is subject to appointment by the Governor with the advice and consent of the Senate?

- Shoda: No, with the approval of the Board. At that time it was only the Board that appoints. The Governor has no involvement until Governor Tenorio moved under the Executive Order. The Executive Order said, "the governor appoints all executive positions" and depending on the organization, the governing Board approves, as in the case of CPA, MVB, MIHA, and all those sort of autonomous agencies.
- Willens: What were you concerned about during the [Covenant] negotiations in terms of the nature of the relationship with the U.S. Was U.S. citizenship important to you?
- Shoda: Yes, because my wife was a U.S. citizen. She was making more than I.
- Willens: U.S. citizenship was important economically?
- Shoda: Yes, economically. Also I was concerned, although the Covenant says those benefits extended to other states, I always questioned that. Whether the full benefits would be given to us. But again with Burton there's always a special treatment for us especially when it comes to matching funds.
- Willens: Some people have said those benefits, particularly something like food stamps, were very detrimental to the traditions and culture of the community. Do you have any reaction to that?
- Shoda: Maybe it is okay, but the intent of the food stamps is not to make you too dependent on that. It is supposed to be a help. Regardless, there are always poor people, you know, people that don't work as hard.
- Willens: The last issue you mentioned were immigration. What concerned you back in the 1970s about immigration to the Northern Marianas?
- Shoda: We were worried then and there were other people, too, that were suspicious because Eddie was married to a Filipina. Whether Eddie was railroading [the immigration provisions]. I think we asked you a lot about the domicile. Later on, you know, domicile was nothing more than just living here.
- Willens: You remember there being a substantial number of immigrant workers here in the 1970s?
- Shoda: Yes, I think so.
- Siemer: People were conscious that there were aliens coming in and concerned about it even back then?
- Shoda: Yes.
- Willens: What is your judgment now looking back over the past 20 years in terms of the number of immigrant workers that have come here?
- Shoda: Well, maybe to a certain extent there's a loophole. But personally I feel it is just the lack of enforcement. No one to blame but our leaders. Because when you look at it almost every legislator has their own alien labor.
- Willens: Working in their offices?
- Shoda: If they are businessmen, they have [alien] workers in their offices because it's cheaper. If they are cock fighters, it's a Filipino that takes care of the birds.
- Siemer: Whatever business they are in, they use alien laborers.
- Shoda: Yes. You go up there and check. Almost every single one. So naturally there's always self-preservation. That's my view. I may be wrong.

- Willens: Do you think economic development is something that people wanted so much that they were willing to accept the influx of alien laborers upon which development depended?
- Shoda: No, that was never the issue.
- Willens: Do you think that people anticipated that the economic development would require this number of alien workers?
- Shoda: Probably not. And the tremendous boom, you know, I think, quite fairly, it caught us off guard. The land boom made it worse.
- Willens: How so?
- Shoda: Almost everybody becomes an instant millionaire. So there's that attitude, it's money that talks.
- Willens: Do you think there were members of the local community, Chamorros or Carolinians, who want jobs but can't get them?
- Shoda: Oh, no.
- Willens: Congressman Miller recently made a statement saying there is 12 percent unemployment here among U.S. citizens, and I don't know where that figure came from.
- Shoda: I don't know. No, there is no unemployment actually because if there is, all the government has to do is just chop off x numbers of [Filipino] office workers in the private sector and employ these [local] people [who are unemployed]. Even in the government, you go there and you see Filipinos working.
- Siemer: If there is any unemployment all they have to do is deny a few entry permits and they will have plenty of jobs available.
- Shoda: That is how it is. If there is unemployment, and if I were in that position to correct that, that's what I would do. You do this balancing act every year.
- Willens: You have to hire here [at the Ports Authority] on government salary terms?
- Shoda: Yes, and, in fact, sometimes higher, to retain people.
- Willens: Are you permitted to change your pay scales in order to get the workers you need?
- Shoda: Yes. Since we were created, we were not part of the government Civil Service. Although all the benefits of a government Civil Service employee, we have to provide that.
- Willens: Including a retirement program?
- Shoda: Right, yes. But the advantage that we have is that the intent of the Airport Authority is to be operated like a business. And as such, they were given the power of hire and fire.
- Siemer: From the beginning?
- Shoda: Yes, from the beginning.
- Siemer: So you have a tradition here of being able to hire people on merit and fire them.
- Shoda: Right, and over the years up to now the Legislature has not meddled with our affairs because since day one, when they hired me, we never get a penny from the general fund. Because I had to go to court to get that money from Duty Free, the excess money after building this facility, to turn it over to us so that we can pay for the maintenance and operations.
- Siemer: So it comes directly to you. It does not go into the general fund?

- Shoda: Right. And all of those improvements that you see, not a penny came from the Legislature. Not even the port.
- Willens: It was raised by the . . .
- Shoda: We borrow from CDA at 10.5 percent. Since there's a federal jurisdiction, the U.S. Congress gave us \$10 million.
- Siemer: And that comes directly to the Ports Authority as well?
- Shoda: Yes. And then for \$22 million, I floated bonds in the U.S. market for the seaport. Twice we floated bonds to build all these facilities.
- Siemer: So the seaport is project-financed from this?
- Shoda: Yes. And we not guaranteed by anyone. We are on our own financial standing. We got the \$22 million from the open money market.
- Willens: It doesn't have to be supported by the Commonwealth government?
- Shoda: No.
- Willens: You mentioned \$10 million that the federal government gave. What was that for?
- Shoda: Back in 1985, for the channel out there. We cannot use that for the port.
- Willens: Is that work now done?
- Shoda: Just about. We built our runway and everything on Rota and Tinian—again not a penny from the local taxpayer. I go to the FAA.
- Siemer: During the 1981 and 1985 campaigns, your job was not political?
- Shoda: No.
- Siemer: But it became political in 1989?
- Shoda: Yes.
- Siemer: Why was that?
- Shoda: Because I forced myself to take sides.
- Siemer: The first ones you had not taken sides? You are known as a Popular Party person, but you hadn't been active.
- Shoda: Not publicly, but here they know what is my party affiliation.
- Siemer: So in 1989 you changed your mind and campaigned for Froilan [Tenorio]?
- Shoda: Yes.
- Willens: You covered a lot of ground here in a short period of time with us, and we appreciate that. In looking back on the 27 years since you went into the Congress of Micronesia in 1970, how do you think the Commonwealth relationship with the United States has worked out?
- Shoda: Well, the American system is diversity. That is normal. Unlike here, [where] when you take positions they try to retaliate. But in the States, that's how America was formed.
- Willens: The judgment of the Northern Marianas back in the 1970s to go a separate way has been supported and confirmed by the last 20 years?

Shoda: Yes. I think overall it was a good decision. Unfortunately we never produced a leader, a true leader, except now, who can stand up and say, "That's what I did this for." Just because I express my feelings, you are going to fire me?

Willens: Thank you very much for the interview, Carlos. We appreciate your time, and your comments have been most helpful.