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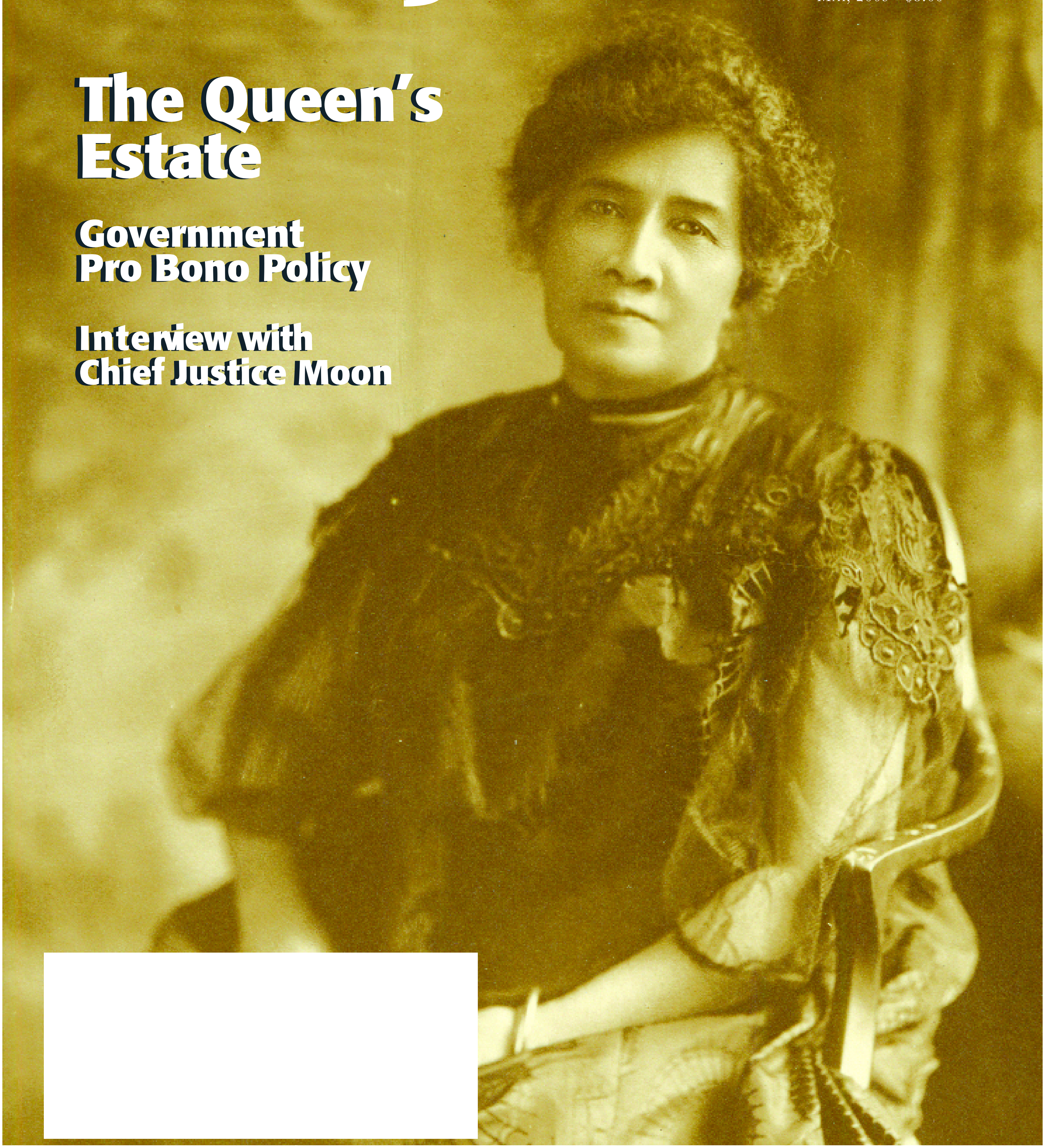
## The Queen's Estate

## Government Pro Bono Policy

## Interview with Chief Justice Moon



# *the* Queen's *Estate*

*by Samuel P. King, Walter M. Heen, and Randall W. Roth*

The public controversy surrounding Hawai‘i's last reigning monarch, Queen Lili‘uokalani, is well known. People seem to know relatively little, however, about the intensive planning and years of litigation that surrounded her personal estate. This is surprising because archives around the state contain thousands of pages of news coverage, court documents, and handwritten notes of the participants.

Although the facts of this story are unique, key elements—a disputed inheritance and a rightfully peaceful old age dogged by bitterness, scheming, and internecine discord—are ancient and universal.

By the time the events described here began in 1909, Lili‘uokalani was in her seventies. She had lost a kingdom and a way of life and had to endure strained relationships with those around her, including her three hanai children. She was tired. Moreover, her best-known biographer recounts that she had never been concerned, in a Western way, with her own property interests:

> *Liliuokalani had never understood money as the haole did. Throughout her life she had watched land and land revenues slip away from her . . . . From the time she lost her hanai inheritance in 1848, through Bernice's small apportionment to her . . . through Kalakaua's taking [her] . . . lands, to . . . when the [provisional government] and republic [took] the crown lands for their use – she was not fully aware [that] these actions were impoverishing* ***her***.[2]

*Photo of Queen Lili'uokalani taken in 1913. Photographer Unknown. Bishop Museum.*

The Territorial Government provided Lili‘uokalani with a $12,000 annual pension during the last six years of her life.[3] She also received substantial inheritances and benefited from the professional management of the inherited properties.[4] Not counting her claim to compensation for crown lands taken at the time of the overthrow,[5] Lili‘uokalani's net worth when she died was about $200,000.[6] A comparable estate in 2009 might be in the vicinity of $5 million.[7]

The bitter legal disputes that surrounded the Queen's personal estate began in 1910 and were not finally resolved until 1923, six years after her death on November 11, 1917. Because her primary adversary was Prince Jonah Kuhio Kalaniana‘ole, the controversy "threatened to divide the Hawaiian community."[8] Before it ended, there would be lies, recantations, confrontations, and permanent rifts of the kind Lili‘uokalani despised. Those closest to her, including Kuhio, would even call into question the Queen's competence.

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**"This Is Too Important a Matter.**
**It Needs the Services of an Attorney."**

The story begins in November of 1909, when the Queen asks her business manager, Curtis P. Iaukea, to prepare a legal document. Iaukea, a man with a commanding presence who had served as the Secretary of Foreign Affairs under both Kalakaua and Liliʻuokalani, left extensive handwritten notes regarding the role he played:

> *[T]he Queen … handed me a document purporting to be her last Will and Testament with instructions to make certain changes therein in conformity with certain expressed wishes she had written on a separate sheet and attached to the instrument. Adding that she wanted me to make the change myself as she did not wish any one else to know . . . . I said, "This is too important a matter. It needs the services of an Attorney." The next day she informed me that she wanted to engage Judge Humphreys, as he had done some legal work for her and [she] had every confidence in the Judge.*[9]

Abram S. Humphreys would later be described by fellow members of the bar as "prompt, energetic, and indefatigable," and as someone "who possessed and displayed those qualities of mind and heart which endeared him to a wide circle of friends."[10] He was a native of Mississippi who served on the circuit court bench in Hawaiʻi from 1900 to 1902. As a judge, Humphreys was considered "obnoxious to the Dole Government," and someone who "did not permit contempts of court to go unpunished."[11] The following is from Humphreys's handwritten description of his initial meeting with the Queen. For many, the contents of this description will be controversial:

> *On November 25, 1909 . . . I called at the Queen's mansion, Washington Place, and was then informed by her that she wished me to prepare for her a last will and testament, that it was her intention to leave shortly for the mainland and she wished it drawn before leaving Honolulu. . . . . She stated that she wished to make provision to do something for her people; that she had thought of leaving Washington Place, her home, to be used as a place where Hawaiian music and the Hawaiian language could be taught. She asked me what I thought of the two or either of them.*
>
> *I then stated to her that the Hawaiian language was not a language of art or science or commerce. And I said to her, in fifty years from now, before your body will have fairly moulded into the dust, one who speaks the language with a fair degree of excellence will be looked upon as a curiosity. . . . . [A]s to Hawaiian music; it is, of course, most appealing; it does ravish the ear; it is beautiful, but it is not scientific. A knowledge of it is easily acquired, and it seems to me that it would not be wise to establish a foundation for its perpetuation.*

Humphreys then recommended that the Queen engage someone who worked closely with many charities, William O. Smith, to help her select a "proper" charitable mission:

> *I then said to her, "Mr. W.O. Smith has been identified for a number of years with various Hawaiian charities, in addition to having been identified with recognized established charities of a*

> “explained to her fully the difference between a trust deed and a will.”

*semi-public character. He has acted as . . . the almoner of noble individuals who have given of their bounty to promote the good of the Hawaiian people, and I should like very much to have your permission to associate with me, Mr. W.O. Smith, I believe it to be highly to your advantage to have the benefit of his experience and of his wise counsel.”*

*She said, in reply to that, that she would be very pleased, indeed, to have Mr. Smith join me . . . and that I might bring him with me to see her the following day if he were willing to come.*

Smith had been the attorney general for the provisional government, but Lili‘uokalani evidently did not hold that against him. She met with both Smith and Humphreys the next day at Washington Place to continue the conversation about her estate plan. Here are Humphreys’s notes about that meeting:

*In introducing Mr. Smith or rather the topic of conversation, I said for the benefit of Mr. Smith, what I had previously said to the Queen with reference to Hawaiian music and teaching the Hawaiian language. The Queen then spoke about establishing a library, to which Mr. Smith called her attention to the fact that we had a large public library which adequately met the demands of the community.*

*The Queen . . . asked Mr. Smith for some suggestion, and he then said, he thought it would be a beautiful idea to make provision, in a spirit of charity, for the benefit of Hawaiian orphan children, telling her there was no institution of that sort in Honolulu, and that the need of such an institution was apparent every day to those who kept in touch with the Hawaiian people, who knew their poverty and environment. The Queen thought the suggestion a wise one [and] said so ... .*

A trust with a charitable mission can be created by the terms of a will, as Princess Bernice Pauahi Bishop had done years earlier (a testamentary trust), or the trust can be created and funded currently (an inter vivos, or living, trust). Humphreys and Smith recommended that the Queen fund a living trust that would benefit only her for the rest of her life and then continue in perpetuity to carry out the charitable mission. Here is a record of how the actual conversation went, including the reasons for the Queen’s decision to use a living trust, according to Humphreys’s notes:

*I said to the Queen . . . it would probably be better for her to provide for the charities which she had in mind by means of a trust deed, rather than by will, and I explained to her fully the difference between a trust deed and a will: not going into attenuated detail, but making such an explanation that would convey to the mind of an ordinarily intelligent lay person the distinction between the two.*

*I said to her, for instance, that a will could be . . .*

*attacked . . . after her death, when she would not be here to defend it. I then told her that a trust deed . . . would have this advantage over a will; namely, if any attack were made upon it, such attack would probably be made in her lifetime, and not, as in the case of a will, after her decease.*

There was one more important matter to resolve. Retaining the right to change the trust only with the trustees' consent could protect the Queen from those who might try to take advantage of her well-known generosity.[12] Here is how Humphreys explained the issue:

*I said to her . . . you will be importuned, probably for life, as the years go by, by those about you to provide for them, they claiming that they have some call upon your bounty. If this trust deed is made, your answer to all these demands and all these importunities may well be, "The book is sealed. I cannot change this trust deed without the consent of my trustees."*

Humphreys's notes record that the Queen then instructed him to provide for the amendment of the trust only with the consent of a majority of the trustees.

*"The Queen had no close blood relatives, but others, including three hanai children and a business manager, became trusted members of her 'ohana."*

**The Queen's `Ohana**

To understand a person's estate planning decisions, one must consider that person's relationships with the members of her immediate family, and with others who are close to her. Lili'uokalani's husband, John Owen Dominis, had died 18 years earlier in 1891, well before this story begins. Had John still been alive in 1909, Lili'uokalani might well have looked to him, rather than to others, for help in developing an estate plan.

The Queen had no close blood relatives, but others, including three hanai children and a business manager, became trusted members of her `ohana. For example, business manager Curtis Iaukea describes how he came to hold her power of attorney:

*Early in November of 1909, I received a telephone message from John Aimoku, one of the Queen's wards, saying that the Queen wished to see me . . . . I found the Queen with Aimoku sitting in the back parlor. Greetings over, she started the conversation by saying that she was planning to sail for the mainland in a few days to make one more effort to obtain recompense from the Congress for the loss of the Crown Land revenues since her dethronement, and wished [me] to take charge of her personal and business affairs during her absence. Glad of the opportunity to serve her, I consented. A Power of Attorney was drawn of which she signed and executed before Carlos A. Long, Notary Public.*

In addition to the ward (that is hanai child) identified above—John Aimoku ("Aimoku")—the Queen had two other hanai children: Joseph Aea ("Kaipo") and Lydia Aholo ("Lydia"). Lili'uokalani referred to Aimoku, Kaipo, and Lydia as princes and princess. Kaipo was the one with whom she had the most in common:

*Kaipo was an accomplished pianist, by nature, not study, and [he] enchanted Queen Liliuokalani with music, song, laughter and gaiety. He was the perfect hanai son for her—carefree, always joking, spending money without regard. From birth he had been Liliuokalani's favorite, and still was.*[13]

Unfortunately, Kaipo ran with a bad crowd and was unreliable in business affairs. Talking about Kaipo, Lili'uokalani told her advisers, "He has his own land but I don't want him to know it."[14] Addressing Kaipo directly, Lili'uokalani promised to give him his own home when he married his fiancé, but Kaipo must first "give up carousing . . . [and] receiving low women."[15] In a letter addressed to "my son," Lili'uokalani beseeched Kaipo to "think of your wife to be . . . [and] if sinners entice thee, consent thou not."[16]

Lili'uokalani's only hanai daughter, Lydia, made a point of keeping some distance between herself and Lili'uokalani—for example, by living and working on the campus of Kamehameha Schools with Ida May Pope, the principal of the Girls' School. The Queen once offered to pay Lydia whatever she was earning at Kamehameha Schools if only she would move back to Washington Place to live with the Queen, but Lydia declined the offer.[17]

*Lydia, whom [Lili'uokalani saw] only infrequently, was completely Ida Pope indoctrinated: prim, respectful, but above all strangely "independent." Lydia, perhaps more than the boys, had felt "less royal." Ida Pope left no doubt in [Lydia's] mind on this question, and in the previous years, Lydia had taken a step backward from the "princes," because for many years she believed that both Aimoku and Kaipo were [the biological sons of the Queen's husband] John Dominis . . . . This relationship placed them closer to the queen's love in [Lydia's] mind . . . .*[18]

Although the Queen's husband, John Dominis, never acknowledged that either of the hanai princes was his son, many people believed that Aimoku was John's and that Aimoku had inherited his father's haole ways: "Aimoku was his father's son – helpful in business matters to the queen, always referring to her as 'the queen'."[19] Aimoku and Lili'uokalani had "cried together" over Kaipo's indiscretions, yet Aimoku resented that Kaipo was "handsome, charming, as personable as David Kalakaua."[20]

Likeable or not, Aimoku was more dependable than Kaipo, and he had a closer relationship with the Queen than did Lydia. Perhaps this explains why Aimoku played a much larger role in Lili'uokalani's estate planning than did the other two hanai children.

**The Queen's Homes**

Most people associate the mansion known as Washington Place with Lili'uokalani because it was her residence immediately before, during, and after the overthrow. For almost all of the time that the Queen was married to John, however, it belonged to John's mother, Mary Lambert Dominis. Mary's husband, a sea captain, had arranged for its construction shortly before he was lost at sea.

Lili'uokalani resided with John at Washington Place in the years immediately following their marriage, but there was little aloha for her there. Mary Dominis did not appreciate Hawaiian culture or customs; she and her son "believed completely in the rightness of their own ways and ideas, and anyone who differed was definitely *wrong*."[21] The hanai system, for example, was "pagan."[22]

Under the circumstances, Lili'uokalani had to be resourceful in maintaining her Hawaiianness while trying to build a happy life with a haole husband who was exceedingly solicitous of his mother. This could not have been easy. In the Queen's words:

> *As [my mother-in-law] felt that no one should step between her and her child, naturally I, as her son's wife, was considered an intruder; and I was forced to realize this from the beginning. My husband . . . would not swerve to the one side or to the other in any matter where there was danger of hurting his mother's feelings. I respected the closeness of the tie between mother and son, and conformed my own ideas, so far as I could, to encourage and assist my husband in his devotion to his mother.*[23]

Living at Washington Place with John and his mother did not get easier over time, but then something happened that literally had Lili'uokalani dancing for joy. In 1868, the year of her thirtieth birthday and the sixth anniversary of her marriage to John, Lili'uokalani inherited valuable property in Waikiki that included a home known as Ke'alohilani. In contrast to stately Washington Place, the one-story Ke'alohilani was open on two sides with a large and inviting living room "filled with all things Hawaiian," where Lili'uokalani and her `ohana could "gather in joy and hospitality."[24]

> *Next to a satin pillow, embroidered in heavy thread proclaiming 'There Is No Place Like Home,' stood feathered kahilis. . . . . A feather cape, a knitted afghan, a dog's tooth necklace, a gold-plated bracelet—all intermingled in the home Liliu[okalani] came to love so dearly. "I danced around the rooms. It was my own! Do you know what it means to have a place that is your own? I felt I'd never be alone again," she later related to Lydia... .*
>
> *Liliu[okalani] had at first assumed that John would come to live with her . . . [h]owever, Mrs. Dominis [John's mother] and John had other ideas. [In their minds,] Liliu[okalani]'s place was with her husband, and that was at Washington Place.*[25]

Lili'uokalani took up residence at Ke'alohilani anyway. She encouraged John to join her, but he chose to stay at Washington Place with his mother.

**Claims of Prince Kuhio**

Lili'uokalani wanted badly to have children with John, but it was not to be. She had no descendants, according to Western law, which at that time was blind to hanai relationships (as it remains today).

If Lili'uokalani were to die without a valid trust or will, at least part of her probate estate would pass to her nearest blood relative—whom she believed to be her second cousin, Prince Jonah Kuhio Kalaniana'ole.[26] In fact, Kuhio contended that he would be the Queen's *sole* heir, because the children of Kuhio's deceased brother, David Kawananakoa, were one step further from the Queen on the family tree.[27] Perhaps Kuhio felt that he alone should take the Queen's property because Lili'uokalani had previously named him and his brother as successors to the throne.

The Queen had no intention of dying intestate, however, and apparently had no desire to give any part of her estate to Kuhio. But there was a snag: Kuhio was Hawai'i's sole delegate to Congress. Without his enthusiastic support, the Queen's chances of receiving compensation from the United States Government for the crown lands would be seriously diminished.[28] Disinheriting Kuhio altogether could be problematic, but his attempt to borrow $1,000 to "push her claims" did not sit well with Lili'uokalani.[29]

**The Queen Lili'uokalani Trust ("QLT")**

Assisted by her attorneys, Lili'uokalani conveyed all her real property to three trustees (brother-in-law Archibald S. Cleghorn, business agent Curtis P. Iaukea, and attorney William O. Smith) on December 2, 1909.[30] She retained the right to use Washington Place and Ke'alohilani as her residences and to receive the trust's net income, all for the rest of her life. After the Queen's death, Aimoku and his children would be entitled to reside at Washington Place, Kaipo could reside at Ke'alohilani, Iaukea would take fee simple ownership of a specific property in Waikiki, various individuals would receive life estates in specific properties or annuity payments, and the QLT trustees would use the rest of the trust's income to benefit orphan and indigent children, with preference given

to Hawaiians of pure or part aboriginal blood.[31] Thus began the QLT.

Contemporaneously with her execution of the trust document, Lili'uokalani signed a pour-over will that bequeathed most of her personal mementos, heirlooms, crests, decorations, and insignias of royalty to the Bernice Pauahi Bishop Museum. Kuhio would receive a bequest of $5,000, but *only* if the Queen had received by the time of her death "a sufficient sum" from the United States Government to compensate her for the crown lands. Also, Aimoku would receive any silverware bearing the Dominis name or initial. Iaukea recorded some of the Queen's reasoning in his diary:

> *Whilst sitting with the Queen this morning under the Arbor in the frontgarden, where she often sat and mused by herself . . . I said to her, "You know, Your Majesty, that Prince Kalanianaole [Kuhio] expects you to leave Washington Place to him, he being your nearest of kin. Have you given this matter any thought?" She cast her eyes to the ground without speaking for fully a minute and when she looked up said, "Yes, I know that the Prince would like me to give Washington Place to him. But the property came to me through the Dominis' and by right should go to [my husband's] Keiki, Aimoku. . . . [H]e is of his own blood."*

Iaukea's notes record that Kuhio objected vehemently to this arrangement, and made a threat that he would later carry out:

> *To this, and the mere thought of having the old and historic [residence of the last reigning monarch] turned into a private home, after the Queen's demise, for the use and occupation of one [an illegitimate child] who was not legally entitled to it, the Prince and heir at law of the Queen, Jonah Kuhio Kalanianaole, made strenuous objection. Saying to the Queen, in my presence, that unless she left and devoted the home in such a way as to keep up the memory and sanctity of the place and premises for some beneficent and public purpose, he, as next of kin, would move and take steps to set aside her last will and testament.*

**Facing the Music**

Iaukea notes that after the estate planning documents had been properly signed and witnessed on November 2, 1909, and the lawyers, witnesses, and notary public had departed, Lili'uokalani, Iaukea, and Aimoku suddenly realized that an important detail had not been discussed:

> *[T]he Queen made the remark, "I hope they'll not put the deed of record until I'm gone. If Prince Kuhio knew that I have left this home to you," addressing Aimoku, "and all of my personal relics and family mementos to the Bishop Museum, he would be huhu ... and may not lift a hand to help me in my claims before Congress."*
>
> *I [Iaukea] asked if I might run down to W.O. Smith's office and acquaint him of her wishes. "I wish you would," she replied, "it will relieve me of much anxiety." I then hurried to Mr. Smith's office only to find that the deed of trust was on its way to the Record office, Mr. Smith feeling that the sooner that was done, the better.*
>
> *On returning and informing the Queen that my errand was a fruitless one, she hung her head down and for a few moments said nothing. As I bowed myself out of the room, she looked up and said, "I suppose I'll have to face the music when the Prince meets me in*

> *San Francisco." "Keep a stiff upper lip," I [Iaukea] said jokingly. "It will all come out in the wash." She laughed, as I left her.*
>
> *The next morning the local papers came out with the announcement in blaring headlines: "LILIUOKALANI DISPOSES OF ESTATE – Disposes her Property in Trust to Governor Cleghorn, W.O. Smith and C.P. Iaukea—Aimoku is to get Washington Place—Children's Orphanage to be Built."*

As Lili'uokalani had feared, trouble was indeed waiting for her in San Francisco. Here, again, is Iaukea's account:

> *[N]o sooner had [Kuhio and his party] joined the Queen in San Francisco when trouble began to brew. And on reaching Washington D.C. it took the form of a deed of revocation, which the Queen was induced to ascribe her name to, on the plea and pretext (as the Queen herself informed her trustees upon her return to Honolulu) that the deeding away of her property and estate would militate against her claim before the Congress.*

Lawyers claiming to have been authorized by Lili'uokalani filed a lawsuit contesting the trust. They did this while she and Kuhio were still in Washington, D.C. Here is how it would later be described by Kuhio's lawyers:

> *[A] suit was filed on February 19, 1910, in the Circuit Court . . . alleging that the grantor [Liliuokalani], in executing the deed of trust, did so without a full and sufficient knowledge or understanding of the terms, provision and effect thereof, and under a mistaken belief as to the character of the same . . . .*[32]

Shortly after returning to Hawai'i, however, the Queen conferred with the QLT trustees and then withdrew the lawsuit, republished her will, and reaffirmed the trust. Iaukea writes that this brought to a close "the first attempt on the part of the contestants to wrest control and management of the Queen's estate from the hands of her Trustees." As indicated in Humphreys's notes, this was not the last such attempt.

> *The second . . . came when, on November 30, 1915, a suit was instituted and filed in the Circuit Court, in the name of Liliuokalani by Jonah Kuhio Kalanianaole . . . against [the QLT trustees] for the purpose of obtaining a cancellation and annulment of the trust deed of December 2, 1909, upon the ground and claim that the said deed was executed by Lili'uokalani as a result of a conspiracy on the part of [Iaukea and Aimoku] and that the same was executed by her while she was incompetent to do so, and as a result of undue influence . . . .*

News of the lawsuit filled the headlines of Honolulu's two daily papers, *The Pacific Commercial Advertiser* and *The Honolulu Star-Bulletin*:

> *KUHIO INSTITUTES SUIT TO BREAK TRUST WHICH CONTROLS PROPERTY OF QUEEN LILIUOKALANI; Prince and Heir Presumptive to Throne of Hawaii, On Behalf of Her Majesty and Himself, Makes Some Sensational Charges Against Trustees Iaukea and Dominis; CONSPIRACY IS ALLEGED. Complaint in Suit to Break Trust for Queen Liliuokalani Is Teeming With Romance of Hawaiian Royalty.*[33]

> *QUEEN OPPOSED TO KUHIO'S SUIT, INSISTS IAUKEA; Managing Trustee of Liliuokalani's Estate Says Former Ruler Is Satisfied; PRINCE STARTS FIGHT WITOUT HER CONSENT; Wants Trust Deed Set Aside on Grounds She Was Not of Strong Mind When Signing.*[34]

Kuhio claimed to have standing to bring the action both in his own right as the Queen's heir and as her "next friend" (a person who acts on behalf of an allegedly incompetent person). The Queen, however, did not feel at all that she was incompetent and told her lawyer so in no uncertain terms. Here is an excerpt from Humphreys's statement in the 1915 action:

> *I called to see the Queen at Washington Place and was received by her alone. After making some respectful inquiries after her health, I then expressed regret that she should be annoyed by the suit. And she said, "Yes, yes, it is too bad. I was at peace with all the world." I then asked her if she was satisfied with [having her property held in trust and managed by her trustees]. She said she was entirely satisfied with it; that it was just what she wanted; that all of the cares and burdens and worries of her business had been taken off her hands, and [that she was] perfectly content with the situation.*

*"The bone of contention," that was her precise language, "the bone of contention seems to be this place [Washington Place] and the Waikiki place [Ke'alohilani]. These little boys, Aimoku and [Kaipo], I have reared and educated, and I have learned to love them as though they were my own. So is it to be wondered at, then, that I should wish to provide handsomely for them?" And here she stated . . . "Now, do I talk like an insane person?" I replied, "you don't, your Majesty." She then said, "My brother Kalakaua took all of the lands which belonged to our mother, and I made no fuss about it. When Kalakaua died those lands and all of his other property went to his widow Kapiolani. Kapiolani gave all of that property to Prince Cupid [Kuhio Kalaniana'ole] and his brother Prince David [Kawananakoa]. They are amply provided for." Again, "Now do I talk like a crazy person?"*

Acting under authority of the Queen's power of attorney, Iaukea engaged the services of a former justice of the Territorial Supreme Court, Antonio Perry, to represent Lili'uokalani in Kuhio's lawsuit. Perry would prove to be an exceptionally strong and effective advocate for his client, the Queen.

**An Unexpected Twist**

The controversy heated up when the presiding judge appointed a guardian ad litem for the Queen, Lorrin Andrews, who viewed the matter differently from Perry. In fact, their positions could not have been more different. The Answer that Perry prepared on behalf of the Queen denied all of Kuhio's allegations, and the one Andrews submitted admitted each and every one of them.

Andrews supposedly reached his conclusions (even regarding the Queen's competency when she signed the trust document more than six years earlier in 1909) based on a single meeting with Lili'uokalani in February 1916, which raises questions about his objectivity. Andrews's partial report to the Circuit Court describes the encounter:

*Accompanied by Iaukea, I . . . was received by the Queen. . . . Iaukea then asked me whether I wished to talk with said Queen privately . . . . Before I answered, the Queen stated that she wished either Iaukea, or his wife, to be present, as* *they understood all her affairs and she did not wish to speak except in their presence. I then asked said Queen if she knew of the suit which Kalanianaole was bringing to set aside the trust deed entered into by herself in the year 1909, and she replied that she did not know of any such suit and appealed to said Iaukea, who informed her that such a suit had been brought. I then explained to her briefly the outline of the suit brought by Kalaniana'ole [Kuhio] . . . and asked whether he appeared for her at her request, or whether Judge Perry was her attorney. She stated that she had not hired or retained said Perry and knew nothing about it; that Mr. Iaukea must have attended to these matters, as she left all such matters to him. ... She answered that... in regard to the trust deed, she left it all to W.O. Smith, who was a good man and a trustee of the Bishop Estate, and that she was perfectly satisfied with the present trustees. She further stated that she made the trust deed at the suggestion of W.O. Smith so as to have no further bother with regard to her affairs; that she was old and did not wish to be longer bothered with them. She stated that if I wanted to talk about the trust deed, or anything connected therewith, to talk with Mr. Iaukea, as she left everything upon his shoulders . . . .*

> "On December 2, 1909, Liliuokalani conveyed all her real property to three trustees (her brother-in-law, business agent, and estate planning attorney)"

The litigation dragged on for several more years. The transcripts from the hearings are fascinating and sometimes entertaining (for example, at one point several lions of the Hawai'i bar accuse each other of "babyish" behavior). The Territorial Supreme Court reversed several key lower-court rulings, thereby weakening Kuhio's position considerably.[35] The matter ended abruptly on June 21, 1918, when the parties reached an out-of-court settlement: In exchange for dropping his claims to the Queen's estate, Kuhio took fee simple ownership of Ke'alohilani, the trustees paid all of Kuhio's legal fees, and the trustees agreed to sell Washington Place to the Territorial government.[36]

This ended Kuhio's lawsuit, but Lili'uokalani's estate was far from settled. Because of numerous other actions (including competing genealogists,[37] a fake will,[38] and a dramatic confession by a would-be witness who later claimed to have been told by God in a dream the night before to start telling the truth,)[39] Lili'uokalani's will wasn't admitted to probate until 1923, nearly six years after her death.

The Queen's sole surviving executor, Curtis Iaukea, submitted a final accounting one year later: the bequests to Kaipo and Aimoku lapsed because they failed to survive the Queen; contingent bequests to Kuhio and the children of his brother, David Kawananakoa, lapsed because Lili'uokalani never received compensation from the United States Government with respect to the former crown lands; Bishop Museum received the Queen's personal property that was left after the public auction of many items in order to pay attorneys' fees; and the QLT received the remaining cash balance of $15,152.86.[40]

The QLT ended up with a corpus worth about $200,000 at the time, and today the QLT has a value of nearly $700 million.[41] In 2008, various programs of the QLT's Queen Lili'uokalani Children's Center directly affected approximately 10,000 orphan and destitute children. Through various collaborations, the QLT also benefited another 50,000 at-risk youths.[42]

**The End of the Story (For Now)**

Shortly before dying, the Queen shared this thought with her hanai daughter:

> *The way to lose any earthly kingdom is to be inflexible, intolerant, and prejudicial. Another way is to be too flexible, tolerant of too many wrongs, and without judgment at all. It is a razor's edge. It is the width of a blade of pili grass.*[43]

Only Lili'uokalani could know whether, in the end, she managed to walk that razor's edge in regard to the worldly goods she left behind. But the story of her last legal acts ought to be instructive to any lawyer—and any next of kin.

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1 Third-year law students Chris Bayne, Vince Camacho, Asami Miyazawa, and Doris Tam collectively spent more than a hundred hours combing through microfiche and dusty archives looking for the details of this long-forgotten story. Documents discovered by Bayne and his insights regarding their significance inspired the authors' decision to make this a book project. Princess Soares, Josie Ah Ching, Kelly-Ann Liang, Julie Suenaga, and Renee Watkins provided essential administrative support. Lavonne Leong helped with the editing.

2 Helena G. Allen, *The Betrayal of Liliuokalani: Last Queen of Hawaii 1838-1917* 359 (Mutual Publishing 1982), here citing J.O. Carter Letter (H.H.)(D. B-W); *see also id.* at 149.

3 *Id.* at 372; but also see *Queen Liliuokalani of Hawaii Dead: Her Throne for Years a Storm Centre of Home and International Politics,* N.Y. Times, November 12, 1917 ("The dethroned Queen was voted a pension of $4,000 a year by the Hawaiian Legislature, and permitted to receive the income from a sugar plantation of 6,000 acres.").

4 *See* Schedules A, B, and C of the Queen Lili'uokalani Deed of Trust for the Queen's real estate as of December 2, 1909, http://www.onipaa.org/4.html (last visited March 22, 2009).

5 *Queen Liliuokalani of Hawaii Dead: Her Throne for Years a Storm Centre of Home and International Politics,* N.Y. Times, November 12, 1917 ("For fifteen years after her deposition she made vain efforts to have her kingdom restored to her. She made equally vain efforts to have 1,000,000 acres of crown land, taken over by the Hawaiian Government, declared her private property.").

6 *See In re Matter of the Trust Created by Deed of Liliuokalani*, Annual Accounting dated March 2, 1918, page 14 (Equity No. 1748), stating a value of $183,928.66, but this did not include the trust's interest in the Queen's probate estate which added another $15,152.86. The trust estate's initial value in 1909 was about $125,000, according to the Queen Lili'uokalani Children's Center Manual, 5 (February 1991).

7 *See, e.g.*, Samuel H. Williamson, *Six Ways to Compute the Relative Value of a U.S. Dollar Amount, 1774, to Present*, MeasuringWorth (2008), http://www.measuringworth.com/uscompare.

8 *See* Allen, *supra* note 2, at 394.

9 This article includes numerous excerpts from handwritten notes and diary entries made by Lili'uokalani's business agent, Curtis P. Iaukea, and by one of her lawyers, Abram S. Humphreys. The authors intend to make these documents available for online use once all necessary permissions have been obtained.

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10 Haw. Bar Res., 23 Haw. 823, 823-24 (1917).
11 Special, *Judge Humphreys Vindicated*, N.Y. Times, Sept. 5, 1901, at 7.
12 *See, e.g.,* Allen, *supra* note 2, at 176.
13 *Id.* at 360.
14 *Id.* at 373.
15 *Id.* at 379.
16 *Id.*
17 *Id.* at 373.
18 *Id.* at 360.
19 *Id.*
20 *Id.*
21 *Id.* at 105; *see also* Blount Report, U.S. Govt. Print. Off. 1895, page 996 (despite firmly held opinions of right behavior, John Dominis "sometimes took more liquor than was good for him, and occasionally … had some love advertures," according to his personal physician).
22 *Id.* at 107.
23 Liliuokalani, Hawaii's Story By Hawaii's Queen 23 (Lee and Shepard 1898).
24 *See* Allen, *supra* note 2, at 120-21.
25 *Id.*
26 Prince Kuhio's grandmother was a half sister of Lili'uokalani's biological father. Others would claim a closer relationship or a right to take by representation, but they did not prove it to the court's satisfaction.
27 This position would not prevail in 2009 (see H.R.S. 560:2-103), but there was strong statutory support at the time Kuhio asserted it. *See* Territory of Hawaii Statutes, Section 3246 of Revised Laws of 1915 ("If the intestate shall leave [no descendents] surviving, nor widow, nor husband, the estate shall descend in equal shares to the next of kin in equal degree, but no person shall be entitled, by right of representation to the shares of such next of kin who shall have died.").
28 *See* note 4, *supra*.
29 *See* Allen, *supra* note 2, at 379.
30 *See* Queen Lili'uokalani Deed of Trust, at http://www.onipaa.org/4.html (last visited March 22, 2009).
31 *Id.* (Lili'uokalani amended the trust in 1911 to include indigent children as intended beneficiaries in the mission statement. The trustees agreed to this and to various other changes requested by Lili'uokalani.).
32 Complaint re Liliuokalani, by her next friend, Jonah Kuhio Kalanianaole and Jonah Kuhio Kalanianaole vs. Curtis P. Iaukea, William O. Smith and Samuel M. Damon, trustees, dated November 30, 1915, at 1 (Equity No. 2009).
33 *Pacific Commercial Advertiser*, Dec. 1, 1915, at 1.
34 *Honolulu Star-Bulletin*, Dec. 1, 1915, at 1.
35 *See, e.g., Jonah Kuhio Kalanianaole v. Liliuokalani*, 23 Haw. 457 (1916).
36 Settlement Agreement, dated June 21, 1918, at 3-5 (Equity No. 1748).
37 *See, e.g., In re Estate of Liliuokalani*, 25 Haw. 127 (1919).
38 *See In re Estate of Her Majesty, Liliuokalani*, Order Refusing Probate of Alleged Will of August 29, 1917, and Dismissing Petition, Probate No. 5322, issued December 24, 1917.
39 *Id.*
40 *See In re Estate of Dominis*, Probate No. 5322, Petition for Approval of First and Final Account of Executor, dated April 21, 1924.
41 For comparison purposes, the James Campbell Estate at its inception in 1900 was worth about $3 million, and the George Galbraith Estate in 1904 was worth about $250,000. Although the Campbell Estate converted to a limited liability company in 2007 and the Galbraith Estate is now in a winding-down period, the current values of those enterprises are perhaps in the vicinity of $2 billion and $100 million, respectively.
42 *See*, http://www.onipaa.org/ and http://www.qlcc.org/.
43 *See* Allen, *supra* note 2, at 401.

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