RECORDS OF THE GERMAN IMPERIAL GOVERNMENT
OF THE
SOUTH SEAS PERTAINING TO MICRONESIA
AS CONTAINED IN THE
ARCHIVES OFFICE, AUSTRALIAN NATIONAL GOVERNMENT
CANBERRA

Volume 24

1. CRS G2
   ITEM Y15-2
   Jaluit Company
   1905 - 1914

2. CRS G2
   ITEM Y44
   East Caroline Enterprises
   1911 - 1914

Property of
Division of Lands and Surveys
Department of Resources and Development
Trust Territory Government
Saipan, Mariana Islands  96950
JALUIT - GESELLSCHAFT

1905 - 1914

(CAROTTI SO. FANY)

(AMOS 48, 490, ONLY)

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JALUIT COMPANY

1905 - 1914

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<th>Page</th>
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</thead>
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<td>Rongerik</td>
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<td>5</td>
<td>Bikini</td>
</tr>
<tr>
<td>9</td>
<td>Wotho</td>
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<td>11</td>
<td>Ailinglablab</td>
</tr>
<tr>
<td>17</td>
<td>Eniwetok</td>
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<td>28</td>
<td>Lai</td>
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<td>29</td>
<td>Ujai</td>
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<tr>
<td>32</td>
<td>Island Lib</td>
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<tr>
<td>33</td>
<td>Atoll Kwadjalin</td>
</tr>
<tr>
<td>45</td>
<td>Namu</td>
</tr>
<tr>
<td>46</td>
<td>Leuen</td>
</tr>
<tr>
<td>49</td>
<td>Lukoy</td>
</tr>
<tr>
<td>50</td>
<td>Namu</td>
</tr>
<tr>
<td>52</td>
<td>Utirik</td>
</tr>
</tbody>
</table>

September 23, 1912 from the Governor: Copies to be made of enclosed maps and returned to Jaluit.

September 17, 1912 from Imperial Station, Jaluit to the Imperial Governor, Rabaul: The island Wotje in Wotje lagoon has been surveyed: an area of 220 ha.
Negotiations with Labareo have achieved the same results as the previous ones.

Map of Wotje.

Bookkeeping entry: out of context.
Summarization: After a visit to the islands Eniwetok and Enjaebi it has been established that the soil conditions are favorable for plantations of coconut palms. An agreement with the natives was drawn up that plantations would be established. Approval by the Imperial Land Captaincy is requested.

The natives' food is limited to fruit and arrowroot as their fishing boats are in poor condition. They have no tools to work the soil.

After approval by the natives, appr. 1,100 seed nuts were planted on Eniwetok, and 600 on Enjaebi. 50 breadfruit trees were planted and chickens and cats were imported. The natives have also been instructed to fell all trees except fruit and nut trees. These areas will be planted after arrival of the next boat.

Translation of the agreement with the natives of the Eniwetok Islands:
In consideration that there are no plantations on the Eniwetok Islands except pandanus and fruit-bearing trees, and in consideration that the soil conditions on the islands are favorable for coconut plantations, an
agreement has been drawn up between the headquarters of the Jaluit Co. and all the inhabitants of the islands, represented by the native Lekonomia.

1. The natives have requested cultivation of the islands and promised to help the company and follow their directions.

2. The company will try to send natives to demonstrate cultivation.

3. The company will provide tools, provisions, and merchandise as well as seed nuts, against payment of shipping costs.

4. The Eniwetok Islands and plantation remain the exclusive property of the natives. The natives will sell copra and all other produce exclusively to the Jaluit Co. for the same price as paid in the other islands.

5. Deliveries and the freight will be deducted from income of copra and other produce----------(incomplete document).
EAST CAROLINES ENTERPRISES

1911 - 1914

(Folios 13-40, 80, 108-117 only)
Subject: Compilation of land acquired and available for lease to East Caroline Co.

Summarization:

<table>
<thead>
<tr>
<th>Island Group</th>
<th>ha. to be acquired</th>
<th>ha. cultivated</th>
<th>Mk. Acquisition Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Hall Islands</td>
<td>65.3</td>
<td>10.9</td>
<td>982</td>
</tr>
<tr>
<td>2. Olol Islands</td>
<td>135.3</td>
<td>54.1</td>
<td>4068</td>
</tr>
<tr>
<td>3. Pulap Islands</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>4. Poloot Islands</td>
<td>185.5</td>
<td>20.5</td>
<td>2641</td>
</tr>
<tr>
<td>5. Tuk Islands</td>
<td>268.7</td>
<td>58.5</td>
<td>4372</td>
</tr>
<tr>
<td>6. Mortlock Islands</td>
<td>210.3</td>
<td>124.4</td>
<td>6246</td>
</tr>
<tr>
<td><strong>TOTALS</strong></td>
<td><strong>865.1</strong></td>
<td><strong>268.4</strong></td>
<td><strong>18309</strong></td>
</tr>
</tbody>
</table>

Remarks:

- In the 268.7 ha. are included a pond of 35 ha., which was bought for Mk. 3.- per ha. The pond is situated in the middle of the island. The island of Tuk will be bought in its entirety, of which 100 ha. will be transferred at once to the East Caroline Co. The remainder will follow when the total native population will have been settled successfully in Saipan. Up to this time all remaining land will be left for their needs. Once settled in Saipan the land will be acquired and leased out.

- Mk. 18,309 will be paid for the total of 865 ha. Average price is therefore Mk. 21.16 per ha.
Secretary Baumert,
on board the SS DELPHIN

October 20, 1911

Land acquisition for the East Carolines Co.

Hall Islands

Summarization: Inspection of the island groups of the East Carolines took place to prepare for the acquisition of those islands which are not used by the natives and which could be leased to the East Carolines Co. Mr. Petersen, who will be the manager of the company, took part in the tour.

Dr. Kersting requested statistical information on living conditions of the natives. The itinerary led from Ponape to Truk, Hall, Olol Islands, Pulap, Poloot, Tuk, Truk, Lossop, Namaluk, Mortlock, Ngatik, and back to Ponape.

On October 14, 1911 conferred with Mr. Scharlauck, who advised against the lease of islands of the Truk group to the East Carolines Co. because of the great density of population and reserve of labor of native workers. Sufficient fertile land is needed for cultivation of produce for native consumption. This was corroborated by Dr. Kersting.

October 15, 1911: Murilo Lagoon. The natives inhabit the islands Murilo, Ruo, Fananu, Nonnoin. Count of population:
The majority of women can be accounted by the loss of men at sea.

Natives are of good appearance and are well nourished. They live however in primitive conditions and have hardly had contact with whites. They prepare food in large shells. Their houses are low and have no side screening. The surrounding areas of the huts are dirty.

The main food consists of breadfruit, but they also eat dogs, chickens, eggs, fish, bananas, lak, taro, and coconuts. They tap the palm trees for palm wine, which is often fermented and drunk at feasts as toddy. Its use should be restricted, and only permitted for children and old people.

Illness which could be observed: Elephantitis, boils, swollen testicles, thrombosis, and syphilis. Generally speaking the health conditions are good.

The natives are dressed in rags, loincloths made of material or plant fibers. Hygienic conditions are unfavorable and, with the exception of
Fanana, they drink the water from water holes in which they also bathe.

The chiefs are in charge of the administration of the law, but there is little criminal behavior.

The natives dance from sundown to midnight, as superstition has it that the palms and breadfruit bear more fruit the more they dance.

They have dogs and chickens, and on Fanana one cat was observed. There are many rats on the islands.

Real estate is owned by the inhabitants, and each owns his own land.

The uninhabited islands are owned by the chiefs. Inheritance follows the following rules: if the man dies, his widow and direct descendants inherit in equal parts. If there are no descendants, the widow is the sole heir. If the wife dies before her husband and there are no descendants, the wife's brother inherits.

Inhabited islands are cultivated, and each island has one road. Uninhabited islands are too far to be cultivated.

The natives produce copra, thread and rope. Copra is bought once a year by the trader Kobelt, stationed in Poloot. These products are brought to Truk and exchanged for material and Reng. They have no guns.
The natives do not wish to be resettled in Ponape or Saipan. They declare that they are prepared to perish with their islands.

Chief Emere of Fananu had gone by canoe to Truk. He owns the islands Fananu, Namrus (?) and Pinsannoe, which might be acquired. Negotiations could therefore not be initiated. It is expected that the acquisition will be contracted.

All islands remain property of the natives, and resettlement is therefore not necessary.

The survey demonstrates that there are 253.8 ha., of which the islanders will have 188.5 ha. 65.3 ha. are for lease to the East Carolines Co.; of these 19.9 have been planted with palms.

The natives will receive Mk. 982.- for the acquisition. Phosphates and minerals have not been found on the Hall Islands.

All requests by the natives have been answered.

Islands Tagau and Pissila were sighted. Pissila was estimated to be 6 ha.
Summarization: Pulap Islands, with Fanadik and Tamatan with Runalin, of which Pulap and Tamatan are inhabited.

Chief Egiran of Pulap rules over the total group. Chief Medok of Tamatan had gone to Truk by canoe.

Statistics:

<table>
<thead>
<tr>
<th></th>
<th>Men</th>
<th>Women</th>
<th>Boys</th>
<th>Girls</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pulap</td>
<td>54</td>
<td>44</td>
<td>23</td>
<td>15</td>
<td>136</td>
</tr>
<tr>
<td>Tamatan</td>
<td>40</td>
<td>49</td>
<td>24</td>
<td>33</td>
<td>146</td>
</tr>
<tr>
<td></td>
<td>94</td>
<td>93</td>
<td>47</td>
<td>48</td>
<td>232</td>
</tr>
</tbody>
</table>

Coconuts provide the main food.

Natives of Pulap do not make a good impression, and are not as advanced as those of Tamatan, who are good looking and clean.

Areas of Pulap and Tamatan are: 62.7 and 31.7 ha.—a total of 94.4 ha.

Estimated area of Tanadik and Rumelin: 6 and 5 ha.—total of 11.0 ha. 105.4 ha.

They are inhabited by a total of 282 people.
Pulap: The soil is good and producing well. The natives were instructed to plant half of the island with palms and the other half with breadfruit. The island provides enough produce for the inhabitants. Trader Kobelt reports 9 tons of copra produced and sold to him.

Fanadik: owned by chief Egiran of Pulap, the uninhabited island is planted 1/3 with palm trees, and 2/3 with breadfruit and bush. The soil is good.

Tanatan: 3/5 with palm trees, 1/5 with breadfruit. Roads and plantations are well maintained, better than in Pulap. They have produced 6.8 tons of copra. Tanatan and Rumalin are connected by a sand dune. This island is planted half with palm trees and half with breadfruit. The inhabitants of the island do not consider resettlement in Saipan or Ponape. It is therefore not available for acquisition.
Summarization: Landing in the lagoon of Tuk is made difficult because of a narrow entrance through high surf. The population has requested to be resettled on Saipan, and a new landing had to be found to the north of the island.


In this statistic is included: 7 workers from Angaur, and 24 men in transit to Truk.

Chief Opuill takes care of Tuk and the island Polool.

The natives are good looking and healthy, living mainly from coconuts: they also eat breadfruit, lak, chicken, and fish. They produce yearly 2 - 4 tons of copra, which is sold to trader Kobelt.

They make string and rope which is sold on Truk. The women plait mats.

Four men had ringworm, and 15 persons had skin rash.

The natives have relatives living on Saipan, and are therefore willing to settle there.
CONTINUED -2

Domestic animals: chickens and several cats. There are many rats on the island.

Two islands are situated in a pond mid-island. These have an area of 5 ha. and are suitable for plantations. Area of the Tuk island: 268.7 ha., which provides barely enough food for the inhabitants.

The islanders are willing to sell their land:

\[
\begin{align*}
1/4 &= 58.5 \text{ ha.} \ @ \ Mk. 40.\text{-} & \text{Mk. 2340.}\text{-} \\
3/4 &= 175.2 \text{ ha.} \ @ \ Mk. 11.\text{-} & \text{Mk. 1927.20} \\
35 & \text{ ha.} \ @ \ Mk. 3.\text{-} & \text{Mk. 105.}\text{-} \\
& & \text{Mk. 4372.20}
\end{align*}
\]

The natives appointed Chief Opuell as their representative for the transactions of acquisition. In case of his death, native Igeniang is to take his place.

October 30, 1911: Truk: Difficulties to obtain coal to continue the inspection tour. Nama, Lossop, and Namoluk were therefore not visited.

November 11, 1911, Ponape: Supplement to information of November 3, 1911: Counselor Kersting decided that only 25% of the Tuk natives should be transferred to Saipan, i.e. 50 people. It should be made possible for them to return to their home island should they desire to do so.

Acquisition of the island will be concluded with the condition that land be made available to the islanders for their use. Lease to the East Caroline
Co. will be limited for the time being to the southern part of the island. The area of this land will be limited to no more than 100 ha. If all islanders decide to resettle, the whole island could be made available for lease to the East Carolines Co.
Summarization: The island group consists of: Poloot, Tau Elangelap, To and Jalle. Only Poloot is inhabited, and the natives live in three villages: Reroo, Bugaf, and Relong on the west side of the island. Iganur is the chief. Statistics:

<table>
<thead>
<tr>
<th>Village</th>
<th>Men</th>
<th>Women</th>
<th>Boys</th>
<th>Girls</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Reroo</td>
<td>56</td>
<td>58</td>
<td>26</td>
<td>18</td>
<td>158</td>
</tr>
<tr>
<td>Bugaf</td>
<td>24</td>
<td>23</td>
<td>3</td>
<td>9</td>
<td>59</td>
</tr>
<tr>
<td>Relong</td>
<td>81</td>
<td>83</td>
<td>56</td>
<td>30</td>
<td>250</td>
</tr>
<tr>
<td>TOTALS</td>
<td>161</td>
<td>164</td>
<td>85</td>
<td>57</td>
<td>467</td>
</tr>
</tbody>
</table>

The natives are in fair condition: their homes are carelessly constructed and the immediate surroundings are dirty.

Generally speaking, they are in good health. Prevalent illness: tuberculosis, frambosis, ringworm, and elephantitis. Ringworm has been considered controlled since trader Kobelt imported some medicine.

Main food consists of coconut, with supplements of chickens, dogs, eggs, breadfruit, bananas, lak, and fanniap. The natives prepare annually
15 - 17 tons of copra, plait mats, make rope, tortoise shell earrings, shells, and coconut bowls. Economic exploitation of the island cannot be considered, as the island furnishes all necessary food. Toddy is made here in large quantities.

Soil of the islands consists of coral covered with humus. Pandanus grows well on Poloot, and serves for food and twine.

The islands of Jallé and Tô are not used by the natives and therefore available for acquisition. Area suitable for plantations: 185.5 ha., of which 20.5 ha. are planted with producing palm trees.

Price of acquisition: Mk. 2641.-

Leaving 130.2 ha. for the natives.

Phosphate and minerals have not been observed.
Summarization: Olol Lagoon, which encompasses 10 islands, includes inhabited islands Piherar, Onari, Ono, and Olol.

The island Pielimal disappeared during the typhoon of 1905.

The natives are good looking, and in fairly good condition. Health conditions are, generally speaking, good. Their houses are carelessly constructed and surrounded by dirt, also evident in their clothing. Conditions of disease are the same as on the other islands.

Population statistics are:

<table>
<thead>
<tr>
<th>Island</th>
<th>Men</th>
<th>Women</th>
<th>Boys</th>
<th>Girls</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Piherar</td>
<td>26</td>
<td>28</td>
<td>18</td>
<td>14</td>
<td>86</td>
</tr>
<tr>
<td>Onari</td>
<td>20</td>
<td>26</td>
<td>19</td>
<td>18</td>
<td>83</td>
</tr>
<tr>
<td>Ono</td>
<td>19</td>
<td>19</td>
<td>7</td>
<td>12</td>
<td>57</td>
</tr>
<tr>
<td>Olol</td>
<td>12</td>
<td>26</td>
<td>16</td>
<td>12</td>
<td>66</td>
</tr>
<tr>
<td>TOTALS</td>
<td>177</td>
<td>99</td>
<td>60</td>
<td>56</td>
<td>292</td>
</tr>
</tbody>
</table>

Natives from Piherar, Onari, and Olol wish to resettle in Saipan: 58 men, 80 women, 53 boys, 44 girls: Total of 235.
The people of Ono have refused to leave for Saipan; however, the wife of the chief of Ono is the daughter of the chief of Ton, and the tribe will follow both of these without doubt.

Conditions on the islands: a total of 359.8 ha., of which 130.4 ha. on the northern part of Olool are owned by Etscheit of Ponape. This plantation was leased for 20 years to the Jaluit Co. for Mk. 2000. and a share of $3\frac{1}{2}$ or $3\frac{3}{4}$ Pf. for each pound of copra shipped. The plantation is worked by Pingelap native Elias, who acts as trader for the Jaluit Co., and has a contract with the company. 13,000 nuts are collected every two months. Big seed nuts have been planted which promise a higher yield in copra.

The soil is fertile, and a small strip of bush surrounding the plantations shields them from the winds. Rats are a major plague.

Island Magerlap was inhabited until the end of 1911; these natives are included in the count of Omari. They have followed the call of their chief Fanaman from Saipan, and will resettle in Saipan.

The Island Magererik, 11.5 ha., is a bird island. A sample of soil will be forwarded, as the presence of phosphate is suspected.

Since the islanders are willing to settle in Saipan, negotiations for acquisition have been undertaken.
Counselor Kersting has decided against the sudden resettlement of inhabitants of Onari, Piherar and Olol. The people of Magerlap should be the first to leave for Saipan, as well as 100 from Onari and Piherar. People from Olol have the choice to settle in Ono-, Onari and Piherar. Therefore only Magerlap, Magererik, and part of Olol which belongs to natives, could be made available to the East Carolines Co. for lease. Islands Piherar, Weliat, Onari, Bihof, Behiliper, and Amurtride will remain, for the time being, for the natives and will only be leased when their resettlement has successfully occurred.
A. Tatuan Lagoon: of which Tatuan, Ta, Kutu, and Or are inhabited.

Population statistics: 345 men, 340 boys, 147 girls, for a total of 1061. Of these, 74 men, 76 boys, 60 girls (total 252) will settle in Ponape. Therefore the future population will be 271 men, 273 boys, 160 (pr 103) girls, leaving a total of 801. (Figures given in document, although incorrect.)

All but 100 of the latter have been transferred to Ponape.

The natives of Tatuan and Ta lack energy. Natives of Kutu and Mor are more lively, which may be mainly due to better living conditions. The island suffered greatly from the typhoon and rats. It will be to their advantage to be resettled in Ponape. They are fairly well fed on coconut, breadfruit, and also chicken, eggs, fish, bananas, luk, taro and dogs. They are willing and of good will. Almost all are clad, but often in dirty rags.

Their health condition is generally satisfactory. Main diseases: syphilis, frambosis, and elephantitis. Drink and bathwater are not differentiated; dwellings and surroundings are dirty.
They grow lak and taro, and make trips by canoe, but do not care for the cleanliness of their surroundings. They make mats, string, and ropes for their own use.

Most of the natives are Protestants. Some of the population of Tatuan are Catholic.

A substance was found at a depth of 50 cm. which may be phosphate, and a sample has been collected. It is said that an expedition from Nauru has been to investigate, but the results are unknown to the natives.

The islands are fertile, and should provide a good produce of copra for their inhabitants. As the most needy will be settled in Ponape, the remaining natives should find a good living.

B. Etal Lagoon: Of the 15 islands, only Etal is inhabited: 101 men, 2 women, 47 boys, 36 girls, for a total of 294. The same conditions prevail here as in Tatuan; with the exception that the natives dance day and night with the result that no work is accomplished. The fertile islands provide the good life.

The uninhabited islands are rarely visited, and the island Weu has not been visited at all by a large number of islanders, nor their chief Peliro. The islands are not used in spite of their good produce, and it may be possible to acquire some of these islands. The natives may then be obliged to work. It is recommended to buy the islands Unon, Weu,
Parang, Alangalimalis, and Langeisor (?) for lease. The islanders would have 69.8 ha., i.e. 4.5 ha. per person.

The natives were not persuaded to sell their islands, as they are afraid that this would end their good life—which would certainly be the case.

**Lukunor Lagoon:** Inhabited islands are Lukunor and Oneop. Population statistics:

<table>
<thead>
<tr>
<th>Island</th>
<th>Men</th>
<th>Women</th>
<th>Boys</th>
<th>Girls</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lukunor</td>
<td>188</td>
<td>206</td>
<td>146</td>
<td>127</td>
<td>667</td>
</tr>
<tr>
<td>Oneop</td>
<td>113</td>
<td>105</td>
<td>47</td>
<td>61</td>
<td>326</td>
</tr>
<tr>
<td>sub-total</td>
<td>301</td>
<td>311</td>
<td>193</td>
<td>188</td>
<td>993</td>
</tr>
<tr>
<td>Left for Ponape</td>
<td>13</td>
<td>18</td>
<td>14</td>
<td>15</td>
<td>60</td>
</tr>
<tr>
<td>TOTAL</td>
<td>288</td>
<td>293</td>
<td>176</td>
<td>173</td>
<td>933</td>
</tr>
</tbody>
</table>

Almost all people are well dressed and intelligent. People on Oneop love song, and it is a pleasure to hear them sing. Otherwise conditions are the same as on Tatuan.

Inhabitants of Ta agreed to sell Ta, Weta, and Aliar. People of Tatuan agreed to sell 18.5 ha. of the island Ta, and the people of Oneop part of the island of To-----(?).
On November 16, 1911, 192 natives from Tatuan, Eteel, Bukunor, Oneop, and Ta agreed to resettle in Ponape—with the exception of three. Three sick men from Oneop (?) asked for medical help.
Summarization: Application of Mr. Etscheit is submitted.

The Spanish Governor of the West Carolines and the Palaos, Don Manuel de Eliza y Pever de Vergara, who administered also the East Carolines until the year 1887, has certified at the Spanish Notariate and Land Register, that the island Olol (Onun) in the Nomonito (Olol) Group is the property of Mr. Charles Ekfoed (?), identical with Mr. Dominikus Etscheit, merchant and plantation owner in Ponape.

This property title has been recognized by the Vice Governor of the Island District, Dr. Hahl, in the year 1901. The condition of the Spanish to retain a small area for government purposes has been ---------- by the German Government----------(unfinished document).
From: Imperial Governor, Rabaul  
To: Secretary of State, Colonial Office, Berlin  
Date: June 21, 1912  
Subject: Addendum to report of June 7, 1912 concerning the East Carolines Enterprises

Summarization: Submits copy of report by Counselor Kersting of May 8, 1912, which deals with the administration of the Island District. These considerations deal with the future of the island world, and thoughts to be given to this subject.

Dr. Kersting begins with the realization that the administration of the Island District is not fully satisfactory. Public income and transaction of goods have increased, which is mainly due to the two mining establishments. The development and industry of the people, the cultural improvements, have been of modest dimensions. The administration is expensive.

It was unanimously agreed that education, schooling, and medical care would remedy the situation. The widely-scattered districts, in contrast to a continental entity, have been repeatedly discussed.

The limits of the task and Kersting's in-depth investigations do not shed new light on the situation. Agreement about the goals of the administration has also been discussed. Ways and means to reach this goal are divergent.
A. General Conditions:

The Island District, as well as New Guinea, will not receive impetus from the opening of the Panama Canal. The canal will bring the east of North America closer to the South Pacific Ocean and New Guinea than to the European industrial countries. It will not affect the northwest islands, mainly Melanesia and Micronesia. For these, Hamburg and New York will be closer via the Suez Canal. The boundary is situated in Hong Kong. The Island District produces today 5,000 tons of copra—the total possibility of economic enterprise exclusive of the mining enterprises. It will take one generation to bring about a doubling of production, if all expectations will be fulfilled. Even if the production will increase to 10,000 tons per annum, it could not produce a decisive influence on shipping.

The islands are hardly suitable for transit traffic. The only harbor able to serve large ocean traffic is Guam, and that belongs to the United States.

Progress of the welfare of the people cannot be the sole purpose of a colonial administration, nor of the Government. The elevation of the native, progress of the economy, development of shipping, and the fulfillment of a cultural goal are independent of the implementation of the administration. These are dictated by political considerations, and the expectation of the largest possible potential, but should not serve as the one-sided task of the state.
B. In detail:

By reason of our experience, it has been established that the Island District can only be served if the management is centralized. This can only be achieved by streamlining instructions at the same time from Berlin, Rabaul, and the administrations. The necessity for constant supervision and instruction of the performance should guard against arbitrary decisions, which often result from the insularity of the situation.

The progress of today's developments forces the upkeep of a unified legal and economic district and a unified management, and should not endanger freedom of movement and consideration to the particular needs of each locality.

The basic thought has been unanimously agreed. Kersting believes that application should be the responsibility of one civil servant. This means the implementation of one particular government—a regression in the development which had also been suggested by Counselor Fritz. The Island District with its 55,000 inhabitants, scattered over a wide area, is not in a position to exist as a formulation of a state. There are now four localities with Melanesian troops. The Island District used to be dependent on New Guinea even before closer amalgamation became a reality. If an efficient administration could be established—dependent on Rabaul—the chief administrator would receive his instructions and
authority from the Governor. The KOMET, a swift Government steamer, is available. Service docks for repair of ships will be a necessity. It is to be expected that, with the progressive development of the Island District, a simplification may yet be achieved.

The budget projection points to the following major deficiencies:

Medical aides and nurses are not included in the personnel More Mk. 10,000
Aides and acting representatives lack 50,000
Increase for Civil servants 20,000
Further personnel: 100 men for harbor services and customs 40,000
Personnel for cultivation and land surveys 20,000
For maintenance of boat materials and Government medical services 20,000
Construction of roads, bridges, housing, harbors, water-mains, etc. 100,000

Kersting's organization plan would demand Mk. 260,000.

The Missions would not renounce the education and schooling of the people. The state, on the other hand, would not be able to afford the means of public education. A vocational schooling center could be established, and an agreement with the Missions must be worked out.

Subsidized shipping, which would serve every atoll, is not feasible. Concentration of freight and passengers should be left to business organizations. Subsidy of the North German Lloyd, existing in planned draft contract for the Marianas and East Carolines is referred to.
The new establishment of the Marshall Plantation Enterprise serves the German interest to hold its own against the Japanese and Australian competition. 400 ha. to 700 ha. area plantations are not brilliant enterprises, the more so since they are scattered over a wide area of islands. The enlargement of cultivation is an important task, as the typhoons present a constant danger. The cultivated areas comprise a small fraction of the available land. The report on the Marshalls should present a measure of comparison.

Up to now, no one has established a profitable trade. The Jaluit Co. has functioned for many years without profit, and lately with a small income. The wealthy income is not derived from trade, but from the share in phosphate. If the foreign trade could be eliminated, a basis for revenues could be established—which is the aim of investment.

Should, however, the land become a pure native state or a colony of many little people, someone would have to take care of all the tasks which fall to an efficient merchant and which are today shared by different establishments. It is difficult to imagine these transactions without the backing of strong capitalistic enterprise.

Finally it is recommended that for economy's sake the force of the people as wage earners be used in mining and plantations. A structured occupation, strongly disciplines, will be an education for the indolent island people.
Movement of war ships depend on tasks of military and political nature, and are constantly submitted to change. It can only be decided from case to case, in consultation with the commanders.

Content of budget application lack Kersting's considerations. They are all embracing, and deal with the administration of the Island District from a particular point of view. They have therefore been submitted.