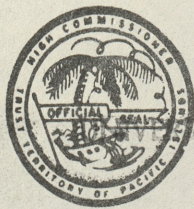


HIGHLIGHTS

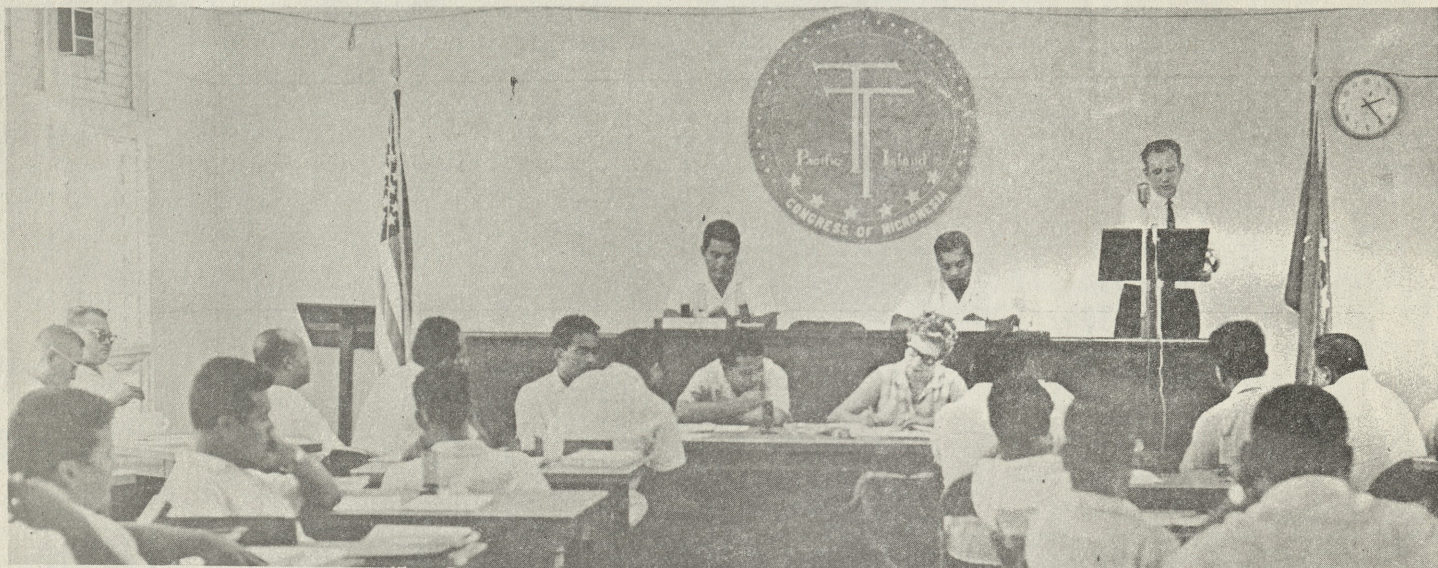


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NEWS OF MICRONESIA

Office of the High Commissioner
TRUST TERRITORY OF THE PACIFIC ISLANDS

July 22, 1968



Deputy High Commissioner Martin P. Mangan presents budget message
to joint session of the Congress of Micronesia

MANGAN DELIVERS BUDGET MESSAGE

In a special address to a joint session of the Congress of Micronesia July 17, Deputy High Commissioner Martin P. Mangan outlined proposed budget priorities for the Trust Territory in Fiscal Year 1970.

Mangan listed the major programs for the year, and solicited the congress' comments and advice on them;

Radio broadcast power in three of the six districts will be increased in order to extend radio coverage to more people. Local programming of educational and informational material will be undertaken.

In education, serious efforts will be made to improve the quality and content of the academic program, with emphasis on strengthening the basic elementary program. A major shift toward vocational education will take place with the opening of the territory's Occupational Training Center in Palau.

By the end of fiscal 1970, barring violence to the 1969 appropriation requests, the Ponape Medical Center should be near completion.

Part or all of the new communications system, providing for teletype and radio-telephone connections to all districts should be finished.

Major airport improvements will take place in Ponape and Majuro.

The staff of the economic development department will be significantly strengthened with the addition of new experts to

FUTURE POLITICAL STATUS

COMMISSION SUBMITS REPORT

A report by the Future Political Status Commission of the Congress of Micronesia was presented on July 17. The Hon. Lazarus Salii, Chairman of the Commission, gave an oral summary statement on the Commission's activities. The text of Mr. Salii's speech follows:

"Senate Joint Resolution No. 25, adopted during the Third Regular Session of the Congress last year, as you know, directed the Commission to undertake basically four things: the first is to develop procedures of political education as regards the status question; second is to present the range of alternatives open to Micronesians with respect to their choice of future political status; third is to recommend ways to ascertain the wishes of the Micronesian people as to political status desired; and the fourth is to make a comparative analysis to constitutional developing nations with respect to the manner through which they achieved self-government, independence, or other status.

"Such mandates to the Commission from the Congress was to say the least a difficult one indeed, and the Commission proceeded to its task fully cognizant of the time limitation by which the Commission would have to come with a report and the difficulty of the subject matter that had to be dealt with.

Continued on page 5

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CONGRESS AT A GLANCE ...

A total of 71 bills were introduced in the House of Representatives during the first week of the Congress of Micronesia's fourth regular session. Another 34 bills were introduced in the Senate.

Among major bills introduced were:

A bill to institute a Trust Territory income tax sponsored by Rep. Raymond Setik (Truk).

A bill to establish a revolving fund for home construction loans sponsored by Sen. Francisco Palacios (Marianas).

A bill to provide for recognition of traditional ownership of water below the high tide mark, sponsored by Sen. Francis Nuuan (Yap).

Other bills would establish a Congress of Micronesia committee to investigate and make recommendations on governmental operations, establish a territory disaster act, and require public hearings before government land could be leased to private persons. Rep. Lazarus Salii (Palau) proposed that all Trust Territory high school students be required to study one semester of oral Japanese.

During the second week, the first bill to pass both houses of the Congress this year was an administration bill establishing 18 as the age of legal majority for executing contracts, wills and other legal documents. Legal drinking and marriage ages are still left to the discretion of the districts. Both houses have approved resolutions extending the Future Political Status Commission's life, with its final report to be presented at the fifth regular session next year. The House passed a bill appropriating \$70,000 for the Commission's expenses next year.

The House passed a bill that would authorize government employees to take a lump sum payment in lieu of annual leave at the end of the year, a drug control bill, a bill clarifying the penalties for violating the Social Security Act, and a bill guaranteeing the rights of arrested persons. The Senate passed a bill authorizing the High Commissioner to decide what lands on the islands of Ulul and Mangur in Truk District are necessary for public use and to turn the rest of the land, which is all government owned, over to the inhabitants of the islands. These bills must all be passed by the other house before they are sent to the High Commissioner to be signed into law if he approves them.

A number of joint resolutions passed both houses. These include two urging the U.S. Congress to pass bills now before it which would give Micronesian products the same tariff treatment received by products of other insular possessions and which would provide for Micronesian participation in the Small Business Administration programs. Another resolution adopted by both houses urges the U.S. Congress to authorize the Congress of Micronesia to appropriate some of the funds which the federal congress appropriates for the operation of the

Trust Territory. Presently, the Congress of Micronesia can only appropriate funds raised locally. The administration has full control over U.S. appropriated funds. One joint resolution adopted this past week is directed to the Security Council of the United Nations and asks that body's help in expediting payment of Micronesian war claims against Japan. Another joint resolution requests the High Commissioner to centralize and reorganize operations of the administrative branch of the Trust Territory government.

The Senate adopted a resolution requesting that the responsibility for administering the Trust Territory be transferred from the Department of Interior to the Department of State. In the House, a resolution was adopted asking the Attorney General to investigate why Global Associates of Kwajalein and Eniwetok do not pay Trust Territory taxes. Other resolutions adopted in the House during the week ask the High Commissioner to designate Majuro as a port of entry to the Trust Territory, and commend the members of the U.S. congressional delegations which visited the territory early this year for their interest in Micronesia. The Senate version of the last resolution has been referred to committee again.

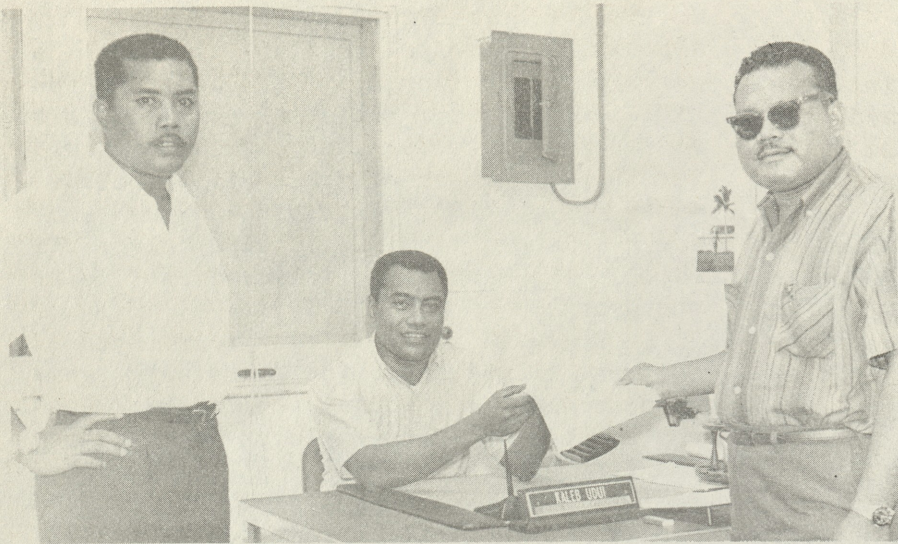
Among major bills discussed during the week was Rep. Manuel Muna's minimum wage bill. The Marianas representative has proposed a \$1.00 an hour minimum. In the Senate, Amata Kabua (Marshalls) introduced another minimum wage bill which would start at 75 cents per hour, going up to a dollar the next year, and would cover Trust Territory government employees who are excluded from coverage in Muna's bill.

Also discussed during the week was a bill which would require the phase out of civil service employees by 1971. They would be replaced by contract employees according to the bill.

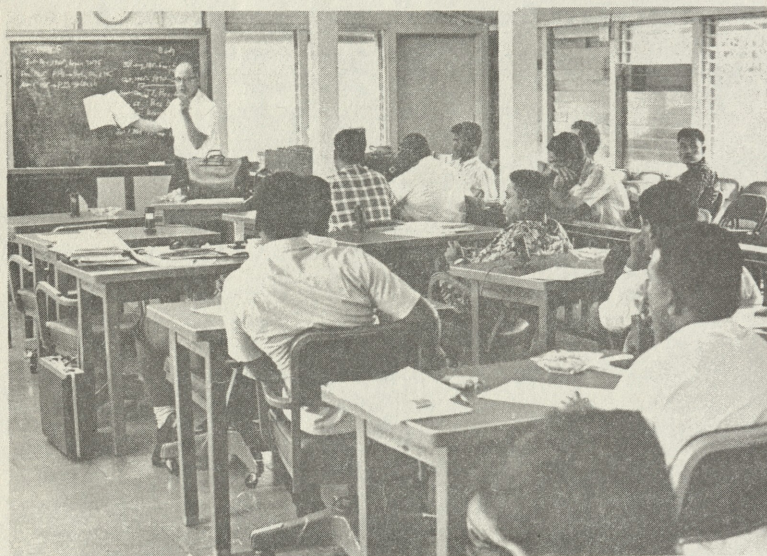
"OPERATION PACIFIC VICTORY"

"Operation Pacific Victory"--the off-loading of 3,000 measurement tons of construction materials for the Typhoon Jean Emergency Housing Program--was completed approximately 40 hours after it started. The operation was accomplished 30 hours short of the estimated time, which was considered a significant feature. The Trust Territory Government would have had to pay \$3,500 a day demurrage charges if the ship had not been unloaded and allowed to sail within the time allowed.

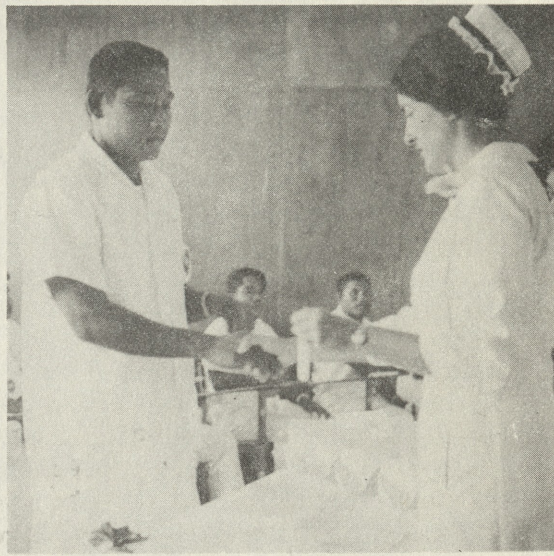
Typhoon Jean Coordinator L. K. Anderson said the success of the operation was due to the outstanding work performed by local employees and the precision coordination by officials of the activities involved: Kenneth Allen, director of transportation; Charles B. Sturgell, director of property and supply; Harry C. Rowland, superintendent of the central repair shop; and E. E. Blankenfeld, Headquarters maintenance superintendent.



Senate President John O. Ngiraked (Palau) and Senator Francis Nuuan (Yap) were discussing a point of law with Legislative Counsel Kaleb Udoi when the photographer caught their attention.



Program Analyst Rendell B. Alldredge discusses Planning Programming Budgeting System (PPBS) at joint pre-session of the Congress of Micronesia.



Mrs. Carol A. Chirman, R.N. congratulates Tosio Herman during a Trust Territory School of Nursing capping ceremony.

MTEC GRADUATION

The Micronesian Teacher Education Center located in Ponape recently graduated for school year 1967-1968 twenty-eight first year and fifteen second year students.

First year student graduates included from the Marianas: Maria Mafnas, Herman Sablan, Sylveria Tudela; from the Marshalls: Eleanora Clenry, James Edwards, Mune Gold, Bidom Leer; from Palau: Masaharu Bultedaob, Erica Elechuus, Peter Elechuus, Fermin Kebekel, Sadake Midar, Omoto Rengil, and Haruo A. Uchel; from Ponape: Yushiro Albert, Ahpel Ioanis, Joseph Moses, Dakasy Peter, Judah Sigrah and Erafe Tosie; from Truk: Machuo Hauk, Singeichy Herman, Rioichy Johnny, Eichy Karsom, Tasiro Muangin and Satauo Nazareth; and, from Yap: Robert Nam and Rumoon.

Second year student graduates included from the Marshalls: Jao Borran and Joni Samson; from Palau: Hiroshi Koshiba and Adelina Salii; from Ponape: Fanry Albert, Salik Cornelius, Aruwe David, Gideon David, Elsin Elias, Moses John, Welter John, John Johnny, Ehas Phillip, and Reynold Wolphagen; and, from Yap: Martha Laamad.

School year 1967-1968 marked the first group of second year graduates. This second year program will be continued and in addition MTEC will be accepting this fall an enrollment of some ninety students.

NEW NURSING INSTRUCTOR

Mrs. Carol Ann Chirman, R.N., is the newest staff addition at the Trust Territory School of Nursing. She is the wife of Marianas Staff Physician Savelly B. Chirman, M. D.

Prior to coming to the Trust Territory, Mrs. Chirman was a medical and psychiatric nurse at the Cottage Hospital and General Hospital, Santa Barbara, California.

She received her training at Massachusetts Memorial Hospitals in Boston. She attended Boston University and Santa Barbara City College.

Mrs. Chirman is a member of the California and American Nurses' Associations.

Dr. and Mrs. Chirman, Matthew, 11, and Guy 9, share the hobbies of sailing and swimming.

help identify and exploit opportunities for development. Mangan emphasized the administration's belief that tourism will be the most important source of money for Micronesia as a whole.

Finally, in fiscal year 1970 a major effort will be made to improve public utilities in many of the districts.

"It is clear," Mangan said after listing these priorities, "that the fiscal 1970 budget does not embrace needs in all areas." He said that many programs had to be sacrificed in order to allow enough money for those programs considered most essential. The Deputy High Commissioner specifically named three important areas which the Trust Territory will not be able to finance fully in fiscal year 1970.

First, he said, the government will not be able to undertake serious road development. Money will be available only to stop deterioration of existing roads.

A general program of harbor development would be highly desirable, Mangan pointed out. But the money will not be available in fiscal 1970.

Finally, during fiscal 1970, the Trust Territory will still not have enough money to insure every child a place in school. But the decision had to be made, Mangan explained, to give up some classroom seats in favor of better training, and to put more money into economic development to insure jobs for the students who do graduate.

After discussing budget priorities, Mangan presented a detailed explanation of the difficulties and uncertainties facing the Trust Territory administration and the Congress of Micronesia in planning the 1970 budget. The basic problem, he said, is that the government never knows this far ahead exactly how much money it will receive from the U. S. Congress and Bureau of the Budget.

FISCAL '68 A BANNER YEAR FOR GRANT-IN-AID

Over \$366,000 worth of needed community facilities for 45 Micronesian communities were funded through grant-in-aid during the past fiscal year, Francis B. Mohoney, Director of Community Development announced in a recent report to the High Commissioner. Government grants toward these projects amounted to \$224,923, while matching contributions from the communities themselves amounted to more than \$47,000 in cash as well as an additional estimated \$94,000 in volunteer labor and other in-kind contributions - a total local input of better than 38%. Government grants in the preceding fiscal year came to only \$63,680, less than a third of the amount approved this year.

All told, grants-in-aid awarded in Fiscal Year 1968 have funded 11 water systems, 7 community centers and/or recreational facilities, 4 dispensaries, 4

docks, 4 electric generators, 3 roads, 2 schools, 1 municipal office, 1 island-wide garbage collection system, 3 boats, 3 vehicles and 2 minor projects. Of the six districts in the Territory, Palau received the largest number of grants (11), followed by Ponape (10), with Truk and the Marshall Islands tied for third place (8 each). All districts received at least one grant.

An approved grant-in-aid represents a contract between the Trust Territory government and a particular community, Mahoney explained. The people of a community identify a particular need of theirs, and decide there may be something they can and want to do about it. They draw up plans, study cost estimates and decided how much of this total cost they are prepared to pledge in cash and in volunteer labor or other in-kind contributions (free leasehold, food for workers, etc.). Their proposal is reviewed and assigned a relative priority by the District Grant-in-Aid Review Board, which then forwards it to the Director of Community Development for processing and final submission to the High Commissioner.

As explained by the Community Development Director, there are several basic tests of a successful grant:

(1) evidence of genuine interest and desire on the part of the community expressed in a willingness to make a substantial commitment of their own cash and manpower resources; (2) structural and financial feasibility of the design prepared and endorsed by the community; (3) evidence of a capability on the part of the grantee to operate and maintain the resulting structure or service without continued financial assistance from the government.

Continued from page 2
"Operation Pacific Victory"

Stevedoring activities were supervised by specialists from the Navy in Guam. Thirty regular District Public Works employees plus an additional 30 hired locally for the job were assigned to the off-loading. Headquarters Property and Supply personnel took charge of the material as it was loaded on trucks at the dock.

Operators for cranes and forklifts, and truck drivers from both the District and Headquarters were dispatched by the Central Repair Shop. The regular Shop employees remained at their posts throughout the night servicing and repairing the equipment and vehicles.

Acting District Sheriff Jose P. Mafnas and his staff were commended for the special handling of traffic in the surrounding area while the cargo was being transported.

Director of Transportation Allen concluded that "Operation Pacific Victory" was well-planned, but it took the excellent work of the Micronesian employees to make it come off as planned.

The written report before you today addresses itself to the mandates given to the Commission and draws the following conclusions with respect to each one of them:

I. On the political education, the Commission felt that the Micronesians must be given the opportunity to understand their present system of government, be placed in a position to understand the alternatives of democratic systems of government possible, and be capable of making a meaningful and realistic decision regarding their future political status. The members of the Commission were generally of the opinion that any realistic recommendations as to procedures and courses of political education and action should be preceded by a thorough evaluation and study of alternatives open to Micronesians with respect to their choice of political status. The request of this Commission for an extension of one year and funding of its operations will enable the Commission to report on the subject.

II. On the range of possibilities and alternatives as may be open to Micronesians, the total number of possible alternatives is nine. Possible areas to be joined with the Trust Territory, either singularly or more than one in combination, include Guam, Nauru, American Samoa, the Cook Islands, the Gilbert and Ellice Islands, and others. They have little to offer in the way of economic advantages in a union with the Trust Territory, and their problems are much the same as those of Micronesia. Any possible union would only spread the available resources thinner. Culturally, there would be little advantage since none of these groups, except Guam and the Gilberts, have the same languages, historical heritage, or culture, and hence would only add to the divisive influences that are already present in Micronesia. The Commission requires additional time to explore advantages and disadvantages on this particular alternative, from the geographical standpoint.

As to the alternative of dividing the Trust Territory, it is generally felt that any division of the present Trust Territory would have little to offer. Tentative conclusions of the Commissions would seem to indicate an answer in the negative. Furthermore, the fact that both the United States and the United Nations have expressly stated on numerous occasions that "fragmentation" of the territory is out of the question as a public policy, effectively concludes any further inquiry into the question as a practical alternative. The time available to the Commission did not allow the members to satisfy themselves that they had considered every aspect of the question so as to feel comfortable in dismissing possible alternatives in this area. To enable the Commission to proceed, the Commission tentatively agreed to con-

sider preserving the present Trust Territory as a whole for the sake of taking up the question under a different orientation and context.

As to political approach, there are four broad categories of political alternatives open to Micronesia. These are: (1) Independence, (2) a "free associated state" or protectorate status, (3) integration in some form of the relationship with a sovereign nation, and (4) remaining as a Trust Territory.

I. Independence. With regards to independence, the Commission feels that there are good arguments both for and against the alternative. The whole question of independence revolves around the problem of economic development: at what time will the economic structure of Micronesia be strong enough to sustain, without outside help, the fiscal needs of the government of Micronesia? The answer to this question lies in the rate of growth of the major industries of fishing and tourism and the supporting industries of agriculture, copra, and handicrafts. Considerable further investigation will be required before any attempt to answer this question can be made.

II. "Free Associated State." As a free associated state, Micronesia would naturally look to the metropolitan nation for aid and assistance in development and skilled manpower. However, a new question arises in the form of, with what nation Micronesia will associate and what the substance of that association will be. The Commission feels that these problems should be studied carefully before a decision accepting or rejecting the alternative is made.

III. Integration with a Major Power. While integration with other nations is entirely possible, the logical choice for integration is with the United States. Such a relationship with the United States would practically guarantee continued support for the development programs now being carried on within the Trust Territory. A question arises with regard to the kind of relationship to be entered into. Several possibilities are as follows:

(a) Commonwealth

As exemplified by Puerto Rico, this status allows the most freedom inside the Commonwealth while still retaining direct ties with the Mother Country, the United States. They have free access to the mainland and are United States citizens. They benefit from numerous social welfare programs annually passed by the United States Congress.

(b) Unincorporated Territory

The next step up on the scale of closer and closer relationships with the United States is the status of "possession" or "unincorporated territory." Such a territory may be "organized" or "unorganized" depending on whether or not Congress was passed on organic act setting forth the structure and powers of the government of that territory.

(c) Incorporated Territory

It is the highest status next to state-

hood. The Constitution of the United States applies fully to its citizens, and self-government is almost complete in an incorporated territory.

(d) Trust Territory

The final status alternative is that of remaining as a Trust Territory. One argument which favors this course of action cites the pressure which continued public exposure would produce on the United States Congress. Countering this argument, however, is the fact that a resolution of the status question would hasten development by establishing with certainty the relationship of Micronesia with the United States and with the other countries of the world."

* * *

Editor's note -- a copy of the foregoing address was submitted by Rep. Salii for publication in Highlights.

EMERGENCY HOUSING MATERIALS ARRIVE

With the arrival of the MSTIS-chartered vessel PACIFIC VICTORY at Saipan last week and its rapid discharge, the Typhoon Jean Emergency Housing Program in the Mariana Islands has now moved into its second phase. The ship brought to the islands approximately 3,000 measurement tons of construction materials, most of it for use in the erection of 500 emergency shelters authorized by the Office of Emergency Planning (OEP).

After notification by OEP of the allocation of \$800,000 to the Trust Territory Government for use in this emergency housing program, which is authorized under Public Law 81-875, as amended, by which the Trust Territory is included within the United States National Disaster Act, the Trust Territory Government moved quickly into the emergency program the middle of May. While awaiting the arrival of the construction materials, emphasis was placed

on the preparation and clearing of housing sites, laying of coral pads, and the forming and pouring of the concrete slabs. Approximately 100 slabs already have been prepared awaiting the arrival of materials purchased on the U. S. West Coast, Guam, and other areas in the Pacific.

Erection of the houses will now proceed, according to Administrative Officer L. K. Anderson, Typhoon Jean Coordinator. This will include the pre-cutting of the bents and gussets and their delivery to the housing sites with all materials required for the final construction of the houses.

While certain supervision will be given by the Government, with Peace Corps volunteers assisting, final responsibility for the erection of the houses remains with the owner and members of his family. A target date of October 15, 1968, which is 90 days after arrival of the last materials, has been established for completion of the 500 houses on Saipan, Tinian and the Northern Mariana Islands.

In addition to the emergency shelters, OEP has authorized the issuance of materials to repair 200 houses in the District. This phase of the program will proceed concurrently with the erection of the 500 houses.

The Emergency Housing Program is proceeding under the general coordination of District Administrator Peter T. Coleman, with direct coordination of the construction phase assigned to Antonio C. Tenorio of the Headquarters Engineering staff. The Officer-in-Charge of Construction, Marianas has the general responsibility for coordinating the procurement of supplies to the Naval Supply Depot, Marianas. The arrival of the PACIFIC VICTORY was the result of this joint OICC-NSD operation. NSD also had the responsibility for the ship operations on Saipan, assisted by the Trust Territory activities concerned.



HIGHLIGHTS

June Dena Winham, Editor

Public Information Office

TRUST TERRITORY of the PACIFIC ISLANDS

Saipan, Mariana Islands 96950