# MARIANAS UARIETYNEWS UARIETYNEWS

Published Weekly Every Thursday

P.O. Box 231, Saipan, M.I. 96950

NOVEMBER 30, 1973

VOLUME 88

PRICE 10¢

# Japanese Students Tour Saipan

SAIPAN-An oriental pas= senger ship, the S.S. Oriental President shipped 458 Japanese students to Saipan. The ship arrived at Saipan on Monday November 26, 1973, at approximately 6:00 in the morning. All these students are members of an organization in Japan called the Wakai-Nekko-No-Kai which means (the Young Roots Association). The basic concept of this organization is to proamong mote friendship young Japanese people and young people of other countries.

# Fund Not Utilized

Saipan - (MNS)--- Acting
Director of Resources and
Development Eusebio Rechucher has announced that
there are more than \$400,000 in the Marine Resources Development Fund (MRDF)
that are not utilized to
date. This is part of the
Congress of Micronesia
appropriation of \$500,000
for the development of
marine resources on a commercial basis.

In a memorandum to the six District Administra-

The large passenger ship could not berth at Saipan's Charlie Dock and had to be anchored outside in the deep water. The Japanese students were transported to the island by the government M-Boat

con't on page 2



way of thanks! Mrs. Mitsuko M. Sablan bows as she receives the honor certificate from the (Wakai-Nekko-No-Kai) group president.

tors, Rechucher requested that extensive publicity be carried out in each district to explain the details of the MRDF loan policies. Briefly, the following standard shall be applied in the granting of loans: No more than \$25,000 shall be loaned to any individual as a direct loan, or no more than \$50, 000 as a MRDF guaranteed bank loan. No more than \$50,000 shall be loaned to any Trust Territory corporations, cooperatives or associations as a direct loan, or no more than \$100 000 as a MRDF-guaranteed

con't on page 2

# 20 Policemen Graduated

SAIPAN- The Trust Territory Public Safety Academy held graduation exercises on November 23, 1973, for 20 police officers from the six district police following departments three weeks of advanced Traffic and Criminal Investigation training. The graduation ceremony guest speaker was Tony Perrin, Supervising Agent of the Naval Investigative Service Office (NISO) Guam.

The Academy instructors were John Aguon and Guy Cline of the Guam Police Department, Harry Stovall

con't on page 7

# 7<sup>th</sup> Round of Status Talks Discontinued

WASHINGTON, D.C., NOV. 23 (MNS) --- The Seventh Round of Micronesian Status. Negotiations ended Wednesday, Nov. 21, 1973 after only one week of deliberations. The reason for the early discontinuation of the talks was failure of the two sides to reach agreement on the financing support question, or on some mutually acceptable formula for continuing the negotiations without such an agreement.

Senator Lazarus Salii, Chairman of the Joint Committee on Future Status, and Ambassador F. Haydn Williams, the President's Personal Representative for Micronesian Status Negotiations, each presented statements at a closing plenary session Wednesday afternoon. The statements explained fully, for each side's point of view, the reason for impasse reached on the talks.

# Salii Closing Statement

"Ambassador Williams, members of the United States Delegation: We have now reached a point at which, we believe, it is necessary for the United States delegation to make some key decisions. We believe that the present round of talks has successfully focused the attention of both delegations on some major areas on which the failure or success of negotiations for a Compact of Free Association will be determined.

"We are, as we have previously stated, very pleased that it has been possible for the two sides to agree on the principles for the return of public

con't on page 8

# FOR MARIANA

SAIPAN - Preliminary information from Mobil Micronesia is the thoroughed be expected shortly. imposed upon fuel distribution in Micronesia in District has not reached a the fuel connection with crisis. The 12 percent figure is based on the the situation should not consumption level between become too severe provided January and September full cooperation is met 1973. Although a fuel cutback impact upon Saipan is not expected to be of a The District Administrator severe or crippling level, is appealing to this comitids mandatory that maximum conservation measures, have in past power crisis bers practiced particular - a great deal of conservaly, in power consumptions tion measures by turning and webicle usage. Serious off unnecessary lights, dismissions, stando threating restricting usage of planning are now taking conditioners, water heatplaced at the disampearters ers, and dryers, and and inhistration of the works and w ducing excessive vehicle funilization of the stand of usage sand ad flads 000, 558

guidelines and possible conservation directives can critical level at present and the prognosis is that from government, commercial and private sectors. munity to exercise, as you

# con't from page 1

The loans can be used to finance projects for the commercial development of marine resources which may include but are not limited to the following: aquaculture, mariculture, offshore and or inshore fishing, commercial sports fishing and diving, purchase of boats and motors for inshore fishing, purchase of fishing supplies and equipment, purchase of vessels for off-shore fish ing, storage, distribution and marketing of marine products. For more details please contact your District Economic Development Office.

rent a cas T.T. EMPLOYEES \$10 NO MILEAGE GUAM INTERNATIONAL P.O. BOX 7855 TAMUNING GUAM



Shake it Baby! Carolinian cultural dance was performed on ship board during the last visit to Saipan.

Photo (MIDPAD)



### Students . . con't from page 1 Japanese

and private boats. During the afternoon of the arrival, Japanese and island students met at Micro Beach and performed some cultural events. Later the island students and some island leaders were invited to a reception aboard the ship as guests. Traditional performances were presented by both sides: food and drinks served featuring were mainly Japanese dishes.

On Tuesday, the follow-

ing day, the visitors were guided on a tour around the island by Saipanese students, had lunch at Micro Beach and played games. The ship departed the island of Saipan on the evening of that day for Japan.

According to Marianas

Tourism Officer, Diaz, S.S. Oriental President is scheduled to be back again on Saipan on Dec. 8. Also the Sakura ship will be here on Dec. 9 and the Coral Princess on January 1st and 24th.

# Hicom's Veto Of MLSC Grant Overridden

WASHINGTON, D.C., Nov. 23, (MNS) --- Office of Economic Opportunity Director Alvin Arnett took action to officially reinstate the Micronesian Legal Services Corporation funding grant for the current year, thereby ending several weeks of uncertainty over the future of the program.

In a letter to Trust Territory High Commissioner Edward E. Johnston Arnet made it clear, however, that he took into serious consideration the objections raised by the High Commissioner concerning the program, and intends to investigate and fully evaluate the program and the way it is being conducted.

MLSC Director Ted Mitchell said in Washington minutes after being informed of the action that he is "delighted" with the decision to override the HiCom's veto of the funding grant, an action which he said was due in large part to the many favorable expressions of support received by Arnett from the people of Micronesia.

The High Commissioner expressed the feelings that his veto action had been useful in focusing attention on some of the problems of the MLSC program. He added that his position in opposition to any program in the Trust Territory which is mismanaged or wasteful of

government funds will continue.

"This is to advise, "said Arnett in his letter to the HiCom, "That after thorough consideration I am reinstating grant number 90045 to the Micronesian Legal Services Corporation... My decision reinstating the grant is based on discussions with you, representatives of the Department of Interior, numerous elected officials from Micronesia, program personnel, as well as, a review of all the information and material available to me."

"Numerous issues were presented in your veto letter," Arnett continued.
"All of them are of great concern to me, and in raising them you have demonstrated your own concern for the people of Micronesia and for a sound legal services program for Micronesian poor. These issues dealt specifically with: wage discrepancies, representing over-income clients, suits against Micronesians, excessive funding, and alternate methods for the provisions of services. I am most appreciative of the time you spent with me in an explanation of your decision.

"Please be assured,"
Arnett told the High Commissioner, "that the iasues you raise both on
your veto message and your
comments on July 23 will
be fully reviewed through

evaluations and investigations. But it is necessary as we proceed with these undertakings to reinstate the grant in order that at least the current level of services can continue to be provided."

High Commissioner Johnston, in his statement following receipt of that letter from Arnett, said: "First of all, I would emphasize that I believe, and have always believed, that there is a definite need for a strong legal services program for Micronesia's citizens. It is also true that I have been and will continue to be critical of any program in the Trust Territory which: is mismanaged or wasteful: of government funds.

"Although the grant has now been re-instated, my veto did serve to bring the problems connected with MLSC into sharp focus and generated a considerable amount of constructive and hopefully useful dialogue.

"I shall continue to pursue my efforts at the local, regional and national levels to make the legal services program in Micronesia of amaximum benefit to Micronesia's citizens at a reasonable cost to the U.S. govern-

ment."

In reinstating grant, the OEO headquarters office also attached a set of specific stipulations that include the requirement that a wage comparability study provided for approval the Regional Office of Legal Services, that travel outside of Guam and Mictonesia must be approved by the Regional office except in certain cases, that the feasibility of combining the district and Headquarters MLSC offices on Saipan must be reported on to OEO within 60 days, and that MLSC shall cooperate and coordinate with other legal resources and agencies operating in the Trust Territory as it carries out its program.

It was understood that some of these special conditions were news ones, not attached to any previous MLSC grant. It was also understood here in Washington that a U.S. Government Accounting Office (GAO) audit of the MLSC program may be undertaken as a result of specific objections raised by the High Commissioner in his veto letter, and by Secretary of Interior Rogers C.B. Morton in his letter to Arnett supporting the HiCom's action.

J&A CRUZ HOTEL
Tinian

11 ROOMS Air Conditioned with private bath and entrance BAR RESTAURANT

SIGHT SEFING

CAR RENTAL

It is not too late to open your 1974 Christmas Club.







# Tiny Guam covets statehood, though it has much to lose

CAN Americans look forward to adding a 51st state to the union?

No, probably not soon; but some residents of Guam, America's tiny island territory in the western Pacific, are hoping the country's flag makers will someday sew on a star for them.

The people of Guam speak English, study American history, recite the pledge of allegiance, shop at the supermarket and dine at McDonald's. They are now born as American citizens, elect a governor and legislature and have a man in the U.S. Congress.

So some Guamanians see the next step as statehood.

"I don't think that the for that idea yet, and may never be," said Joe Murphy, editor of the Pacific Daily News, the island's

major newspaper. Murphy, on recent travels through the U.S. mainland, said he discussed the possibility of Guam statehood with some 100 people.

"All I got were skeptical looks," he said.

Skepticism is warranted. In the first place, the island is very far away over 5,000 miles west of San Francisco. This objection, although frequently voiced, has lost its impact in the highly mobile age of rapid jet travel.

Other objections, however, are more substantial, and most of them are based on economics.

The island is small, only 212 square miles. Rhode Island has 1,214 American people are ready square miles; Hawaii, only island America's state to date, has 6,436 square miles of land. Because Guam is so small.

By CHARLES DENIGHT

Pensive - \$15,000 to magazine editor in Guam. \$20,000 per acre and up.

Hawaii, which many Guamanians use for comparison in marking Guam's pace toward statehood, started its economy on an agricultural base of pineapples and sugar cane. But because Guam's land is so expensive, agriculture fares badly, and few farmers are willing to till land they can sell for tidy investment incomes.

Industries are reluctant to come to an island where they have to ship in raw products and where there is a shortage of labor. Many blame this shortage on the U.S. and Guam governments which absorb about half the island's work force.

There is also the problem of race. Hawaii found that to be one of the hurdles in its battle for statehood. Guam has only about 70,000 residents, plus about 30,000 U.S. military personnel. The native population is predominantly a Micronemixture, sian-Filipino with only about 5,000 whites permanently resident.

Guam itself would lose on several counts if it became a state. Federal taxes collected income from island residents, even from sailors stationed there only a few months, go entirely to the government of Guam to spend as it sees fit. The island has no local income tax and depends on this federal rebate for a large part of its budget. States, of course, get back only a portion of the income taxes their citizens pay to Washington, and Washington largely decides how the money is spent.

Guam is a free port. It imports items from around the world and sells them to U.S. and Japanese tourists at prices that do not include import duties, an

Charles Denight is a Portland writer who recently moved here after six land is precious and ex- years as a newspaper reporter and

> Reprinted from the Oregonian, Forum.

attractive feature to island visitors, whose presence has become an important slice of the civilian economic pie.

The lack of import duties also helps island residents, who import much of their everyday commodities from near-by Asia. Import duties would be payable if the island were a state and would raise a cost of living which is already higher than Hawaii's.

There is also the matter of legal precedence, since lawmakers so often base their decisions on the actions of earlier legislators. In this case most people look to the example of Hawaii, similar to Guam in so many ways.

Both Guam and Hawaii have been with the U.S. since the 1800's. Hawaii was annexed in 1898 following a loose association for four decades, and Guam was taken from the Spanish in that same year. Unfortunately, the U.S. knew little of the western Pacific's geography and took only Guam in the treaty it signed with Spain. But for this oversight America would probably have the entire Marianas Islands chain instead of just its southern-most island.

Since 1898, Guam and Hawaii have parted drastically in their development. Hawaiians, who already had a native representative government, becon't on page 6

DO YOU HAVE LAND OR HOUSE YOU WANT TO LEASE OR SELL? COME AND SEE US, WE WILL HELP YOU.

> **MARIANAS** DEVELOPMENT CORR

GARAPAN (PUERTO RICO)

# THE TOKIO MARINE & FIRE INSURANCE CO. LTD.





CALL 6142 OR COME TO SECOND FLOOR AT JOETEN COMPLEX AND MEET WITH RICK DELA CRUZ OR T. ARIIZUMI

# **EDITORIAL**

### THE FRUITFUL YEAR OF MICRONESIA

Micronesians were spurred by the good words, "Wake up Micronesia," said the President of the Congress, Mr. Toshio Nakayama, during the last session of the Congress of Micronesia. Those Micronesians who had been napping or awake raised their hands and brushed their eyes carefully. Since then they began looking at both sides of the coin.

It didn't take Micronesians long to wake up and realize that this is the right time to straighten things with the Administration. The Congress of Micronesia first took action and began the fruitful work. A committee was formed and went to tour the east and west districts, meeting with the public and listening to their opinions and views concerning the future of Micronesia.

Micronesians asked that the public land kept in trust by the Administration should be returned to Micronesians. The Congress of Micronesia applied pressure, and Senator Lazarus Salii charged the Administration with witholding the information on public land from the Congress.

Several years ago Micronesians stated that political education is needed. Last year the Congress of Micronesia made a booklet and tapes about political education and gave them to the Administration to be reviewed several months ago. Again Sen. Lazarus Salii charged the Administration with witholding political education from Micronesians. The result came last month when the Administration approved the political education program for Micronesia.

In the Marianas several residents of Saipan went to court against the HiCom two months ago because of a two year delay in issuing their homestead deeds. The Court ruled that the Administration had to issue the deeds for 190 residents within 20 days.

In addition to all of these were last week's events, where several decisions took place in Washington. The seventh round of Status Talks between Micronesians and the U.S. came to an end. Chairman Lazarus Salii asked the U.S. delegation for 100 million dollars in financial support for Micronesia (read statements), and the U.S. delegation purposed only 40 million dollars. Salii said no.

Also, Micronesians sent petitions and opposed the HiCom veto on the MLSC Funds. From Washington the override decision on the veto came last week.

So far Micronesia 1973 woke up, and has been fruit-ful; and the Micronesian demands for their rights is the most important at this sensitive and valuable period of time.

MARIANAS UARIETYVIEWS

Publishers: Abed and Paz Castro Younis Editor: Abed Younis

Published by YOUNIS ART STUDIO
P.O. Box 231, Saipan, M.I. 96950/Tel: 6313
Mail subscriptions: \$15 a year



Dear Editor:

This letter is intended for the people of Tinian mainly but it relates to the people of Saipan too. May I ask the people of Tinian to think very seriously about the attempted rape that occurred on their peaceful island a week or so ago; the attempted rape done by the American Navy man among those warmly invited and kindly treated to island hospitality. And as you think about it, ask yourselves the following questions. (1) Do you really trust the U.S. military men? (2) How many U.S. military men will you have on your island when 2/3 of it is taken over by them? I would suggest that 10 to 20 thousand is quite conceiveable. (3) Do you really know what kind of trouble you are asking for when you ask for the U.S. Military?

There is a serious lesson for us to learn from this revolting incident. We are not to let it pass and shut our eyes to it. We must think about it, talk about it, get sick about it, and do something about it. Do anything to prevent rapists roaming around and inside our homes. Thanks to the Navy, we are being warned.

Sincerely Yours,

Ramon G. Villagomez



You taste more of life when you live it with gusto. Because you don't get a second chance. So why settle for second best? Even in the beer you drink. When you're out of Schlitz, you're out of beer.

# Tiny Guam . . . con't from page4

1900. Guamanians had been serfs under the Spanish, with no say in the govern-1950.

Hawaiians were allowed to elect a nonvoting delegate to Congress in 1902, two years after they received their Organic Act. Guamanians received this privilege only in 1972.

1903. Guam has not yet done this and it appears doubtful that a formal orfor some time.

Instead, Guam seems to Guam and Hawaii enjoyed similar status in the early 1900's as U.S. territories, but the territory of Hawaii always seemed energetically intent on statehood. Most Guamanians then and now seem content with territorial status, and their leaders use much of their energy to attract Asian economic investments to the island. Chinese and Japanese investors have poured millions of dollars into the island in the past few years, and with such an economic stake it is unlikely these foreign investors can resist at least covert political activity.

It is unlikely that the U.S. would allow Asian nationals to take a very active political role because of the strategic military value of the island, where nearly 30,000 military personnel are now

However, despite the closeness of Asia and its economic ties, Guamanians feel completely American. Most Guamanians would answer "yes" if asked whether Guam should become a state. The island has contributed many of its men to the U.S. military, more than 60 of them died in Vietnam, and the people

American citizens resent their lack of a through the Organic Act of vote for president. They want the increased consideration that would come from greater representament, and did not receive tion in Congress. Statetheir Organic Act until hood would best satisfy this desire.

When will that come, ever? Right now the island is vigorously building an economic base, using both federal funds and the funds of outside investors. Present poli-Hawaii first petitioned tical goals are based on Congress for statehood in the achievements of this base. When this base has been built; when the roads are all paved and ganization will develop the telephones all connected, then you may expect the Guamanians to behave its eyes turned in gin sending delegations several directions. Both and petitions to Washington.

> And then you may begin to get an idea of when America will add the 51st star.

CARGO & PASSENGERS SERVICE IN THE MARIANAS &

### MAZDA DEALER (ROTARY ENGINE)

ALSO SALES AIR CONDITIONERS AND REFRICERATORS. REPAIR SHOP & SERVICES

FOR YOUR NEEDS. CALL: 9707 TELEX: 724255

### CORAL REEF MARINE CENTER INC

Z(D) D) /A\ C INFLATABLE BOATS

DIVING AND MARINE EQUIPMENT

POWER AND SAIL BOATS

P.O. BOX 2792, AGANA, GUAM 96910 TEL. 772-8786, MARINE DRIVE, ASAN

### ATTENTION SPECIAL SAIPAN CHRISTMAS CARDS IS PRINTED IN FULL COLOR BY YOUNIS ART STUDIO. AVAILABLE NOW CALL 6313 OR COME IN PERSON

PUBLIC HEARING ON RATE REVIEW BOARD

THE WATER REVIEW BOARD ANNOUNCED THIS WEEK THAT A PE-HEARING DATE HAS BEEN SET FOR DECEMBER 20TH, TO SOLICIT PUBLIC VIEWS AND OPINIONS ON THE SERVICES AND RATES OF THE TRANSPACIFIC LINES INCORPORATED.

ACCORDING TO ELIAS OKAMURA, A MEMBER OF THE BOARD REPRESENTING THE GOVERNMENT, THE HEARING IS TO FORM AN AGENDA FOR THE NEXT REGULAR BOARD MEETING SCHEDULED FOR FEBRUARY NEXT YEAR. ANY INDIVIDUAL WHO HAS COMPLAINTS OR GRIEVANCES CAN EITHER APPEAR AT THE HEARING FOR ORAL PRESENTATION OR SEND HIS COMMENTS IN WRITING TO THE DIRECTOR OF TRANSPORTATION AND COMMUNICATIONS, SAIPAN, M.I., 96950.

MEMBERS OF THE BOARD IN ADDITION TO OKAMURA CHAIRMAN RALPH BAGLEY, AND BILL PENROSE, GENERAL MAN-AGER OF TRANSPACIFIC LINES.

THE ALCOHOL AND DRUG ABUSE PREVENTION PLAN FOR THE TRUST TERRITORY OF THE PACIFIC ISLANDS IS PRESENTLY BEING DRAFTED. ALL INTERESTED INDIVIDUALS AND AGENCIES ARE INVITED TO MAKE RECOMMENDATIONS WITH REGARDS TO ITS CONTENT. RECOMMENDATIONS AND COMMENTS WILL BE ACCEPTED FOR POSSIBLE INCLUSION IN THE PLAN UNTIL JANUARY 1, 1974. CONTACT ROBERT B. FISHER, M.D. DEPT. OF HEALTH SERVICES, OFFICE OF THE HIGH COMMISSIONER, SAIPAN, MARIANAS ISLANDS 96950, TEL. 9355/9422.

## PUBLIC NOTICE NORTHERN ISLANDS FIELD TRIP

THE QUARTERLY GOVERNMENT FIELD TRIP TO THE NORTHERN MARIANAS ISLANDS WILL BE CONDUCTED BY THE M/V NORMAR ON SATURDAY, DECEMBER 1, 1973 AND WILL DEPART SAIPAN AT 10:00 P.M.

IT IS REQUESTED THAT ALL DEPARTMENTS WHO ARE SENDING REPRESENTATIVE ON THIS FIELD TRIP, PLEASE CONTACT THE DISTRICT ECONOMIC DEVELOPMENT OFFICE FOR BOOKING PURPOSES.

### PUBLIC NOTICE

THE STUDENT NURSES OF TRUST TERRITORY SCHOOL OF NURSING WILL SPONSOR A VARIETY SHOW AT MOUNT CARMEL SCHOOL AUDITORIUM ON NOVEMBER 30TH AND DECEMBER 1ST AT 7 O'CLOCK P.M.

THEY WILL PRESENT THEIR DISTRICTS' AUTHENTIC DANCES: HULA, STICKS, MARCHING AND TAP DANCES: SONGS AND SKITS. BRING YOUR FAMILIES AND FRIENDS, FOR EVERYBODY IS INVITED.

ADMISSION FEE FOR ADULTS IS \$.75 AND \$.50 FOR CHIL-DREN. RESERVED SEATS COST \$1.00. GET YOUR TICKETS NOW FROM ANY OF THE STUDENT NURSES AT THE SCHOOL BETWEEN 4:30 TO 6:30 P.M. FROM MONDAY THROUGH THURSDAY, AND 4:30 TO 10:00 P.M. ON FRIDAYS AND SATURDAYS. YOU CAN ALSO CALL NURSING SCHOOL AT TELEPHONE NUMBER 6218.

# Police Graduate...

con't from page 1

of NISO-Guam, and Captain Cabrera, Luis M. Cepeda, police department.

Detective Sergeant Felix underwent training in Traffic Investigation, Police Public Relations, Court Sylverius Besong; Yap-Leo Procedure, Preservation Giltamag and Bonifacio and- Presentation of Evidence, Arrest Procedures. Investigative Techniques, etc.: Marianas-Felix B.

Joe Mafnas of the local Greg I. Sablan, Candido B. Taman, Greg M. Camacho, Jesus M. Mettao and Jesus B. Cabrera of the Mariana L. San Nicolas; Ponape-Islands District Police Manabu Abraham, Quirino Department was selected as Ladorre, and Elsin Mudong; the class representative. Truk-Tasy Otoko, Jonas The following graduates Bauluay, and Itoshy Mefy; Palau-Kamesak Tudong, Ignacio Rengulbai, and Taman; and Marshalls-Jamurlok Kabua and Robert Kumtak.

The recent graduation



Class representative sergeant Felix B. Cabrera of the MID Police Dept. addresses his fellow graduates during the recent Public Safety Academy graduation on Saipan.

brings to 195 the total number of police officers who have received formal police basic or advanced training at the Academy.

Academy Director Manny T. Sablan stressed: "Constant training is necessary. Funds permitting, top academy students may be sent to the International Police Academy in Washington. But for the present, training, and lots of it, is the word to be ahead of the modern day criminal."

# E BIG SAVINGS ON HE NEW DATSUNS







1500 PICKUP SEE KELLY ADA FOR A NEW CAR DEAL TEL. 6448

# Salii Statement . . .

con't from page 1

land. This has permitted us to go forward with the discussions of the very important issue of the level of financial support to be granted by the United States to the government of Micronesia in the first years following the termination of the Trusteeship. It has been and remains our position that we cannot usefully discuss the remaining details of the proposed Compact of Free Association until it becomes clear that there is a substantial likelihood that we can reach agreement on the question of financial support. At the present time, our positions are very wide apart. It has been possible for us to agree to a large extent on the structure of the section on finances, on the procedures to be followed, and on associated matters. On the matter of the level of financial support itself, however, we are sorry to have to recognize that no progress has been made. Our initial proposal, advanced a year and a half ago in Koror was for an overall level of 100 million dollars annually for the first ten years, plus the continuation of the existing U.S. Federal programs provided in Micronesia. Your proposal, advanced this week for the first time, would involve a level of support totalling between 40 and 41 million dollars annually for the six districts of Micronesia plus the continued provision of the services afforded by the Federal Aviation Administration, the Postal Service, and the Weather Service.

"Since these respective propositions have been advanced the United States delegation has been unwilling to make any significant improvement in its offer. We, on the other

hand, have been willing to reduce our request by 20 million dollars annually and to accept a significant diminution in the federal programs to be offered without compensation subsequent to termination of the Trusteeship.

"Because of this wide gap and the apparently unyielding stance of your delegation, we have had to conclude that we cannot usefully proceed with the discussions of the remaining sections of a Compact of Free Association until this gap is substantially narrowed. Regardless of the ability of our delegations to adjust remaining differences, the Compact is not one which the Joint Committee would be willing to recommend to the Congress of Micronesia if it contains figures which approximate those in your current proposal.

"Accordingly, the Joint Committee desires at this time to present to you and the members of our delegation alternative ways by which it may be possible for us to break the present deadlock and proceed toward the completion of a Compact of Free Association.

"The immediate problem, as we have suggested, is the vast difference between us on the level of financing to be provided by the United States. You have suggested that this difference reflects a difference in approach. As we understand your position, the termination of the Trusteeship should bring about a significant reduction in the amount of U.S. money directed toward Micronesia. You have suggested that, instead, we should pursue other possible sources of financial support and investment. For our part, we regard the status of Free Association, as presently contemplated by both delegations, as one which involves a most appreciable measure of continuing United States involvement in Micronesia. Titles II and III as negotiated ad

referendum in July 1972 would commit the government of Micronesia to allow a virtual U.S. domination of Micronesian foreign affairs and the leveral use of Micronesia territory for U.S. security purposes. We are firmly of the view that the level of U.S. financial support embodied in your present proposal is totally inadequate to justify this degree of continuing association between Micronesia and the United States.

"For purposes of proceeding with the negotiations, we would therefore suggest as one possible approach that we accept the proposition that the amount of financial support to be provided by the United States will be far less that we had anticipated in reaching this stage of our negotiations. We would hope, from your comments, that this offer can improved. be somewhat We would therefore be prepared now to resume the discussion of the other sections of the Compact. On this basis, however, it

would be necessary for us to reevaluate the nature of the association and to reopen for substantial modification the provisions on which tentative agreement has previously been reached. Specifically, we would comtemplate a significant curtailment of the degree of authority to be delegated to the United States in foreign affairs and defense matters under Titles II and III.

"If you desire to proceed on this basis, we are ready to do so. It should be noted, however, that the committee could not undertake to recommend affirmatively to the Congress of Micronesia a Compact of this nature and with these levels of support. We would, however, be willing to present such a Compact to the Congress for its consideration and action.

"The alternate course is for both sides to continue to view the status of Free Association under the concepts that have previously guided our negotiations. Such a status, as we have con't on page 9

FOREMOST FOODS COMPANY
SAM FRANCISCO, U.S.A.

TRADE INQUIRIES:
PETER FISHER TRADING PTY. LTD.
321 PITT STREET, SYDNEY. AUSTRALIA.

Isc

### Salii...

- con't from page 8

pointed out, would contemplate a continuing relationship which is close and lasting. It would, because of its intimacy, seriously restrict the ability of Micronesia to attract investment from other countries and the creation of profitable trade relationships. are prepared now, as we have been in the past, to go ahead with the negotiations of a Compact thus structured. We must repeat for the record, what we have however. asserted to you in our informal discussions. cannot go ahead with the negotiations of a Compact structured around these concepts unless the United States delegation is willing at this point to meet us at least half way in our financial request. It is our understanding that you are not prepared at this point to make any such financial proposals. Under these circumstances, completion of negotiations of a Compact designed to bring about a continued and close association would be fruitless.

'The Joint Committee thus proposes that you consideration these alternative approaches. If you desire now to negotiate on the assumption of a lower the level of financial support, more consonant with your proposals than with ours, we are prepared to do so immediately would only do so on the mutual recognition the status to be developed would be one of far looser association than that which we have thus far envisioned. If you do not desire to proceed with the negotiations on basis, we would then request that you take the action necessary to permit the continuance of our negotiations on the basis of our previous assumption. In the latter

event, the Committee will stand ready to resume these negotiation at such time as you can present to us a proposal which would be consistent with adoption of a compact under which the United States and Micronesia would become closely associated. We are not prepared to conclude a Compact under which we would grant rights of the character set forth in the Drafts of Titles II and III in return for a level of support such as has been proposed. In our view, we would be giving too much for too little return.

"As you know, the next session of the Congress of Micronesia will begin the second Monday of January of next year. At that time, it will be the responsibility of the Joint Committee to report to the Congress on the negotiating situation and the prospects for their It is my hope success. that you will be able to present a proposal for us prior to that time which will permit the resumption hopefully, the and, successful conclusion of these negotiations. the absence of some proposal from you which affords such promise it will be the responsibility of the Committee to advise the Congress that the talks on Free Association have proven to be unproductive and that some other course should now be considered."



# Williams Closing Statement

"As I look up and down your side of the table I note that most of the members of the Joint Committee present here this afternoon have been directly involved in these negotiations longer than I. Some of you can trace your participation back to the very first days of the old Political Status Commission. A few of you may remember the words of admonition contained the Political Status Commission's final report to the effect that the negotiations and the actions leading to a termination of the Trusteeship and the emergence of a self-governing Micronesia would be long, difficult and very complex, and that a great

deal of patience, trust and understanding would be required on the part of both parties.

"This afternoon we bring to an early close the Seventh Round. Many of you I am sure share with us a sense of disappointment that our expectations have not been realized. We, like you had hoped that November 1973 might have been the completion of the task which we began in July 1972 - the joint effort to translate into Compact language the preliminary agreements reached in prior rounds.

"I am certain that this failure was not due to a lack of desire or goodwill on either side but rather con't on page 10



# Williams Statement...

con't from page 9 to honest conceptual differences and, in terms of expectations, wide differences with respect to future financial arrange-I regret that these differences seem to have been so great in your mind that you found it necessary to put off completing the Draft Compact until your finance conditions were met. The U.S. delegation had hoped, of course, that we could have reached agreement not only on Title IV but also on remaining Titles of the Compact so that the Congress of Micronesia and the people of Micronesia would have been able to see a complete outline of the whole structural framework of a potential Free Association agreement.

"But be that as it may, I still believe that the past week has seen further advancement down the long road toward Micronesian self-government. It began with a discussion of the new American policy on public land announced on November 1 some two weeks in advance of the opening of these talks. This decision by the U.S. government has been hailed as a significant step toward greater internal self-goverrment and the fulfillment of an American promise.

"Washington during the past week has also been the scene of hearings which could lead to the funding of a Micronesian Constitutional Convention. Again this action indicates the desire on the part of my government to encourage Micronesian self-government. The next move will be up to the Congress of Micronesia.

"During the past week here in this conference room, meetings of the joint Drafting Committee, exchanges of drafts and informal discussions have also produced some further tentative understandings

on the Compact itself limited to be sure and also tentative, but progress nonetheless.

"A clear advance was made in arriving at mutually acceptable language in the financial provisions of the Compact even though there was no agreement on the dollar amounts to fill in the blanks. However, we are now closer together on the essential elements and terms of future financial relationship than we were a week ago.

"Likewise, progress was made informally on revising the language of Title V on the applicability of laws, which seemed to meet your concerns and reservations. Similarly, an exchange of drafts on a termination Title resulted in our acceptance of much of your language.

"These signs of willingness on the part of both parties to reach accommodations gave promise that further tentative understandings would be reached in many if not all of the remaining Titles of the Compact. In order to expedite this effort we presented to you our draft of all the remaining titles which I asked be made a part of the official records of this round. We did so with the clear understanding that frank exchanges and give and take would undoubtedly modify the language we were proposing. We were prepared to listen to your views. We were prepared to negotiate. We, with the hope that upon completion of the draft compact we would then turn to the final item on the agenda - transition - the gradual assumption of greater responsibilities for selfgovernment and finally transition from trusteeship status to a new status.

"But yesterday it became clear that we had run into a roadblock. We thought we were still in midstream in our exchange on finance, that there was still room for discussions not only

on finance but on other remaining substantive issues. Your view was a different one and of course, as is your right, you stated clearly that you were not prepared to go forward with the talks on finance or any other subject until your conditions and financial requirements as set forth in your Saturday proposal were met by the U.S. side.

"In your position which you have just re-stated you have given us two alternatives as a way of proceeding, alternative preconditions that must be accepted if we are to continue the task of completing a draft compact. We regret that we simply cannot proceed per your suggestion on the basis of our accepting in advance positions you insist must be met as a precondition for continuing the negotiations. As you said this afternoon "our positions are very wide apart". This does not surprise us. At Koror I said "our views on the future level and categories of U.S. financial support are far apart". They still are.

"I hope that it will be possible for our views to come closer together and at the suggestion of your chairman and in the interest of clearing up any misunderstanding I would like to briefly summarize the U.S. position on finance.

"Let me begin my speaking of the conceptual approach we have followed. In considering the level of future U.S. financial support for Micronesia in the post-trusteeship period we have approached it on "a need basis". How much would the future government of Micronesia and the district governments need to function effectively and to provide the people of Micronesia with adequate programs and services. We asked the Joint Committee a long series of serious questions in this regard. We also asked about anticipated revenues and the prospects of third

country or international assistance as supplements to the U.S. contribution. We had hoped for a cooperative approach to determining the general terms and the general levels of reasonable dollar needs of the future government of Micronesia. We did not receive any answers and it became clear that your conceptual approach was different.

"We proceeded to make our own estimates of needs based on current data, projections and upon the sentiments and statements expressed from time to time by members of this Committee and other Micronesian leaders. I asked that a summary of these estimates as presented to the drafting committee also be inserted in the records of this round. Our figures were in part based on these statements and these assumptions:

1. Your stated goal was to work toward economic self-sufficiency.

2. Your statement that economic development was to be gradual taking into account the need to preserve Micronesian traditions and culture.

3. Your statement that your future government would be less costly - would be simpler in structure - and would be decentralized.

4. Your statement that your dependence on expatriates would be over.

5. Your future government would embrace five districts and not six since the Marianas were seeking (as you all know)

con't on page 11



# Williams . . .

con't from page 10

a separate status.

"Given these assumptions and in particular the strength of sentiments expressed by the leaders of Micronesia that in the future it must become less dependent on outside assistance and that it should think in terms of living within its means, the U.S. initially thought that the level of continuing U.S. support in the post-trusteeship years would be lower than during the high level of the last years of the trusteeship.

"Upon reflection and reconsideration the U.S. proposal was modified upward. It was decided that the U.S. would undertake an obligation to continue its support to Micronesia at substantially the same level as during the closing years of the trusteeship. Promised budgetary support would enable the central and district governments to operate and provide services at the current level. It would also provide for a continuation of CIP expenditures at near the current level plus loan funds for district economic development. Additionally some essential services would be provided without cost and whatever land was used by the U.S. Military purposes would be paid for on a fair market value basis. The proposal which we presented totalled 43 million dollars annually for the initial post-trusteeship period for five districts excluding payments for the use of public land - a figure considerably higher proportionately than the figure of 40-41 million dollars for six districts appearing in your statement today. Also in presenting our proposal the U.S. mentioned that during the transition period before the end of the trusteeship the U.S. would be continuing to provide funds to complete major

CIP projects so that the new government of Micronesia will not be burdened with these expenditures during its start-up period. We noted too that our suggested level did not take into account other real and potential sources of Micronesian income and assistance.

1. Increasing Micronesian tax revenues and other income.

2. U.S. one time grants for transition cost including relocation expenses.

3. Bilateral and multilateral economic and technical assistance.

4. Public and private loans including funds from foreign investment in Micronesia.

"In summary we considered our proposal when viewed against the level of current operations, projected need and potential sources of income, to be fair and reasonable. Our guarantee of continuing basic support at approximately the current level of support plus the prospects of additional income would have, we believe, provided for steady forward progress in government services, and a gradual movement toward greater economic selfsufficiency and economic independence.

"Conversely the latest JCFS proposal still totals by our calculation in the neighborhood of 100 million dollars annually for six districts including federal services, programs and loans. We believe this would lead Micronesia to greater and greater dependency and away from its stated goal of selfsufficiency. We feel that the figures you presented and the justification are unconvincing. Your initial proposal called for doubling the amount now given to Micronesia and even your recently reduced figures are vastly in excess of what the U.S. government is now providing the TTPI. It seems to us, on the face of it, unrealistic to suppose that once a territory sheds its

measures of assistance met". from the former Administering Authority should be greatly in excess of the annual level of support provided during the period of the trusteeship itself.

"As we have said many times in the past, the willingness of the U.S. to commit itself to continuing financial support to a future Micronesia would depend on the nature of the relationship. You yourselves have recognized that what you might expect under alternative forms of future association are very different things indeed. At one end of the scale is Commonwealth or membership in the American family with all its obligations and benefits including the widest range of federal programs and services. At the other end is independence with no U.S. financial obligations. We know that you are aware of these differences and as I have said in the past we respect your resolve that your future status not be dictated by money. We know that you still consider, as the Joint Committee has said previously, that "the legal rights we consider essential to the effective protection of a Micronesian identity cannot be bartered for financial and economic advantages".

"I close as I began by acknowledging again that I am disappointed with our failure to make greater progress - but I do not despair. Problems in the past have been overcome. For a while the question of land stood in the way of agreement. It was resolved. Control of laws and the issue of federal supremacy at one time also impeded progress. This problem too was overcome. Likewise for at least three rounds our respective positions on change of status seemed insurmountable. This hurdle was eventually cleared and a little over a year ago the JCFS said that "our

trustee status that the four principles have been

"Agreement too can be reached on finance. your opening sentence day you stated that we have reached a point where it is necessary for the U.S. to make some key decisions. I would also say that the time is coming for you to make key decisions as well. I know you will be reporting to the Congress of Micronesia and in the process you will be reexamining the progress that has been made and the prospects for final agreement. I too will be reviewing where we stand, the issues that separate us, and where we go from here in my report to my principal. We thank you for your courtesies for your effort to understand our point of view. We also appreciate the sincerity of your position and the motivation that guides your work. I hope that we will keep in touch over the next weeks. Our objectives as I have said will not change. We will continue to seek a proper way to end our trusteeship over the TTPI in a manner consistent with our legal obligations and our moral commitment to the people of Micronesia. Finally, I continue to be optimistic that time, additional study, a continuing exchange of views will in the end result in an agreement that we both accept heartily and with great relief."



# 73 FEBRUITER BOATS



New Arrivals

JOETEN MOTOR GO.

Now Available At JOETEN GENTER

MARIANAS UARIETY DIEWS

P.O.BOX 231 SAIPAN, MARIANA ISLANDS 96950.

FIRST CLASS

LEONARD MASON
5234 KEAKEALANI ST.
HONOLULU, HAWAII 96821

