

# Prof: TT Has More Than Japan

By Harriet Diaz  
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A viable economy for Micronesia must be composed of a great number of small, locally owned enterprises utilizing the many natural resources of the land and sea, believes Dr. William V. Vitarelli, vice president in charge of research and development at the University of Guam.

"I'm a great believer in initiative, the do-it-yourself self-reliance," said Dr. Vitarelli. Outsiders are always reminding Micronesians that they are poor. Perhaps they are — but only compared to the richest country in the world. For per capita population, the Micronesians have more resources than the Japanese will ever have, yet Japan is the third richest nation in the world. People are not poor if they use their imagination to develop their resources.

"I've been preaching development in the Trust Territory for 23 years, balanced development," said Dr. Vitarelli, who has held various positions in the TT government for as

long. "I'm interested in a grass roots type of a development through community development methods. Not big government sponsored projects which people don't understand. I'm for many small enterprises, capitalized through cooperative efforts, rather than outside capital.

"Controls in the human body are decentralized, assisting in keeping growth and development balanced," Dr. Vitarelli said. "When nearly all enterprise is in the hands of a few, they tend not to care about the waste, or people, but are centered around money.

"There is a big difference between growth and development. Growth is quantitative numbers, statistics. Development is qualitative growth, balanced growth. You don't get too many cars for too few roads, or too much sewage with no means to dispose of it, for instance.

"Selling your raw materials is the worst thing economically a country can do," said Dr. Vitarelli. "Don't sell your land, lumber, copra or trochus shells.

Rather, your skills and education should be developed so that you transform your raw materials into salable products. This takes longer than accepting millions from outsiders, but is the surer way of becoming self-sufficient.

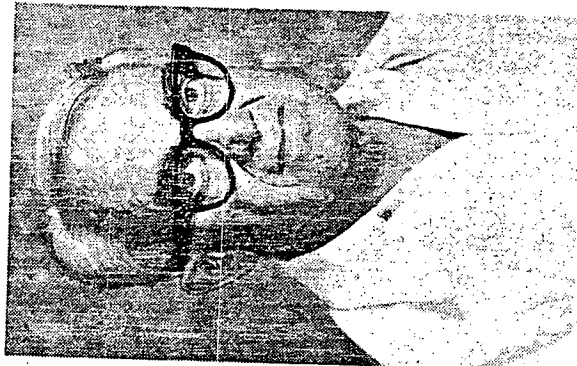
"An example can be taken from Palau where the pooling of the capital of one family bought a press to make oil from their coconuts, rather than selling them as copra for next to nothing. The oil was boiled with Palau's most fragrant herb, along with a little beeswax to make a creme, and bottled in ceramic jars made in a kiln.

"Or take the man who is very successfully producing honey, his bees feeding in the mangrove and coconut blossoms, which have never been utilized as a resource before," Dr. Vitarelli said.

"If you analyze ownership on Guam, you can see that in the long run very few Chamorros will be the big owners. Most are poor, and the poor will get poorer as the rich get richer.

"In tourist development, there are three distinct levels, whether you are talking about

Miami, Waikiki or Guam. On top are the entrepreneurial owners, those who have exerted



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the most initiative to make money.

In the middle are the consumers, the tourists, with a spill off of local people.

The bottom consists of the

workers who serve the tourists and very seldom enjoy the benefits. It seems to me that the Guamanian should have some choice in what level he wants to be in. In a small enterprise, he would be the owner.

"In Ponape," Dr. Vitarelli said, "there is a local man whose family had a little cash to start with — and some land. With some technical help from a Peace Corps architect, they built a few native cabins, completely from local materials, called the Ponape Inn. This small hotel charges a nominal fee and is always filled. He makes more money in a year than any local resident employed by Continental Hotels, in other districts.

"The Guam Economic Development Authority and the Trust Territory Development Office should be teaching people how to be good local entrepreneurs in keeping with the American ideals of free enterprise and self sufficiency," said Dr. Vitarelli.

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