

Perhaps the most important aspect of the operation of the proposed corporation relates to its financial position. There is obviously a substantial cost associated with administering the large amount of public land of the Marianas. At least initially, the corporation would require an outside source of funds to finance its organization and first operations. We are unable to predict whether or not the corporation can thereafter be self-sustaining. It may be that the revenues from the existing leases alone would be sufficient to sustain the operations of the corporation. Or the revenues of the corporation may depend primarily upon the amount of additional land it is permitted and determines to sell or lease. In any case, if the corporation is unable to meet its continuing costs from its operating revenues, additional funds must be made available from some other source.

A more pleasant problem would arise if the operating revenues exceed expenditures. As discussed above, we do not believe that profits derived in this manner should be routinely distributed to the members. Some or all of the funds could be simply accumulated for the benefit of the people of the Marianas, to be turned over to the post-Trusteeship government when established. The remaining funds, or perhaps all funds not needed to establish prudent reserves, could be expended to supplement economic or social development programs normally provided by governmental institutions: constructing transportation, communications or similar public facilities;

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