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TELEGRAM

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INFO OCT-01 PA-04 PM-07 EA-11 INR-10 L-03 IO-14 /058 W
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P 220830Z APR 74 ZNZ1
FM HICOMTERPACIS SAIPAN MARIANAS ISLANDS
TO ALDISTADS TERPACIS
TT LNO GUAM MARIANAS ISLANDS
TT LNO KWAJALEIN MARSHALL ISLANDS
COMNAV MARIANAS GUAM MARIANAS ISLANDS
CINCPAC REP GUAM/TTPI GUAM MARIANAS ISLANDS
CINCPAC HONOLULU HI
NAVINSERVO GUAM MARIANAS ISLANDS
COMTWELVE SAN FRANCISCO CA
RUFHC /SECSTATE WASHINGTON DC

SECDEF WASHINGTON DC
JCS WASHINGTON DC
CNO WASHINGTON DC
CINCPACFLT MAKALAPA HI
CINCPACAF HIKKAM AFB HI
CGFMFPAC PEARL HARBOR HI
COMCBPAC PEARL HARBOR HI
COMNAVFACENGCOM ALEXANDRIA VA
PACNAVFACENGCOM PEARL HARBOR HI
TT LNO HONOLULU HI

BAMTEC VANDENBERG AFB CA
PCDNA-GA KIRTLAND AFB NM
CDRUSARBCO MACHINATO JAPAN//TTPI-LNO//

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SECTION 01 OF 02
COMTWELVE PASS INFO FOR AMB WILLIAMS
SECSTATE PASS TM DEPT INT/SEC INTERPOR/DOA OSN
RTTPI NO.272

(JOHNSTON SPEAKS TO BUSINESS GROUP)

SAIPAN, APRIL 22 (MNS) --- TRUST TERRITORY HIGH COMMISSIONER

1- Johnston speaks to business group
2- ESG task force meets on truck
3- Washington's attitude on Marshall Act
4- Personnel Management Course

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EDWARD E. JOHNSTON TOLD THE JAPAN-HAWAII ECONOMIC COUNCIL IN HAWAII RECENTLY THAT A NEW POLICY HAS OPENED UP MICRONESIA TO FOREIGN INVESTMENTS, BUT MICRONESIANS ARE GOING TO BE VERY SELECTIVE ABOUT THE KIND OF INVESTMENTS THAT ARE MADE IN THE AREA. THE HIGH COMMISSIONER SPOKE TO THE GROUP DURING A BRIEF STOP-OVER IN HAWAII ON HIS WAY BACK TO SAIPAN FROM WASHINGTON. JOHNSTON TOLD THE COUNCIL THAT FOREIGN INVESTMENT IN

MICRONESIA BY NATIONS OTHER THAN THE UNITED STATES BECAME POSSIBLE APRIL 1 WITH THE LIFTING OF THE "MOST FAVORED NATION

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CLAUSE" BY INTERIOR SECRETARY ROGERS C.B. MORTON. BEFORE THEN, THE U.S. GOVERNMENT HAD LIMITED EQUITY CAPITAL INVESTMENT FOR MICRONESIANS AND U.S. CITIZENS, WITH ONE EXCEPTION, ASMINOR HOTEL INVESTMENT BY THE REPUBLIC OF NAURU, WHICH IS NOT A MEMBER OF THE UNITED NATIONS.

THE POLICY CHANGE WILL MAKE POSSIBLE INVESTMENTS BY COUNTRIES WHICH HAVE EXPRESSED INCREASING INTEREST IN THE AREA, INCLUDING JAPAN, KOREA AND THE PHILIPPINES. HOWEVER, JOHNSTON NOTED, "SHORTLY AFTER SECRETARY MORTON'S RECENT ANNOUNCEMENT OF THE NEW FOREIGN INVESTMENT POLICY THE CONGRESS OF MICRONESIA, THEN IN SESSION, TOOK TWO IMPORTANT ACTIONS.

"ONE," THE HICOM EXPLAINED, "THEY PASSED A RESOLUTION URGING THE HIGH COMMISSIONER AND EACH OF THE SIX DISTRICT ECONOMIC DEVELOPMENT BOARDS TO USE EXTREME CAUTION IN THE GRANTING OF ANY FOREIGN INVESTMENT PERMITS; AND SECONDLY, THEY PASSED LEGISLATION STRENGTHENING THE ECONOMIC DEVELOPMENT BOARDS AND PROVIDING THAT ALL MEMBERS OF EACH BOARD MUST BE MICRONESIAN CITIZENS."

THE MICRONESIANS ARE NOT JUST INTERESTED IN INVESTMENTS WHICH WILL CREATE A LARGE NUMBER OF JOBS OR AUGMENT THEIR

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SMALL TAX BASE," HE SAID. "TO DATE THEY HAVE BEEN VERY INSISTENT THAT EVERY MAJOR BUSINESS VENTURE HAVE A SUBSTANTIAL PERCENTAGE OF MICRONESIAN OWNERSHIP AND PARTICIPATION IN MANAGEMENT."

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HE SAID PROGRESS HAD BEEN MADE TOWARD MAKING THE AREA MORE SELF-SUFFICIENT IN FOOD PRODUCTION, WITH SOME VEGETABLES AND FRUITS AVAILABLE FOR EXPORTS. HE INDICATED THAT TWO DISTRICTS HAVE NOW BECOME TOTALLY SELF-SUFFICIENT IN EGG PRODUCTION, AND "WITHIN THE NEXT FEW YEARS," THE TRUST TERRITORY WILL BE PRODUCING ALL ITS OWN CHICKENS AND EGGS.

IN THE AREA OF TOURISM, JOHNSTON SAID: "TOURISM IS ALREADY DEVELOPING RAPIDLY. BY THE END OF THE YEAR WE WILL HAVE MORE THAN 1100 HOTEL ROOMS IN ALL DISTRICTS." CONTINENTAL AIRLINES OPENED 84 ROOMS OF A NEW HOTEL IN SAIPAN LAST MONTH AND PLANS TO OPEN ANOTHER 100 ROOMS IN JUNE OR JULY. ANOTHER 200 ROOM HOTEL IS ALSO UNDER CONSTRUCTION IN SAIPAN BY INTER-CONTINENTAL HOTELS. THE HICOM ESTIMATED SOME 60,000 VISITORS IN 1974.

THE OTHER ECONOMIC AREA THAT THE HIGH COMMISSIONER SPOKE OF IS MARINE RESOURCES. "THERE IS CERTAINLY ROOM FOR MAJOR INVESTMENT TO TAP THE VAST FISHERIES RESOURCES IN OUR THREE MILLION SQUARE MILES OF OCEAN, AND MANY MAJOR COMPANIES BOTH IN

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THE UNITED STATES AND JAPAN HAVE SHOWN AN INTEREST IN THIS AREA," THE HICOM SAID. THE PACIFIC ISLANDS DEVELOPMENT COMMISSION, WHICH CONSISTS OF CHIEF EXECUTIVES OF HAWAII, GUAM, AMERICAN SAMOA AND THE TRUST TERRITORY, IS NOW MAKING A MAJOR EFFORT TO SECURE U.S. FEDERAL FUNDS OF UP TO \$3 MILLION FOR YUNA RESEARCH, HE STATED.

(ESG TASK FORCE MEETING IN TRUK)

TRUK, APRIL 22 (MNS)---COORDINATION OF DISTRICT AND HEADQUARTERS EFFORTS IN THE EDUCATION FOR SELF-GOVERNMENT PROGRAM AND PREPARATION OF TRUK DISTRICT VOTERS FOR THE UP-COMING ELECTION OF DELEGATES TO THE MICRONESIAN CONSTITUTIONAL CONVENTION WERE THE SUBJECTS OF A TWO-DAY MEETING HELD IN TRUK LAST WEEK, ACCORDING TO INFORMATION OFFICER NOHA RUBEN.

DISCUSSIONS INVOLVED MEMBERS OF THE HEADQUARTERS AND TRUK TASK FORCES AND REPRESENTATIVES OF THE TRUK DISTRICT DEPARTMENT OF EDUCATION.

L CHAIRMAN OF THE HEADQUARTERS TASK FORCE STRIK YUMA AND SEVERAL MEMBERS OF THE TASK FORCE DISCUSSED, AMONG OTHER THINGS, THE PRESENT NEGOTIATIONS GOING ON BETWEEN THE UNITED STATES AND MICRONESIA AND THE CONSTITUTIONAL CONVENTION WHICH WILL BE HELD

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TO DRAFT A CONSTITUTION FOR THE INTERNAL GOVERNMENT OF MICRONESIA.

IT WAS AGREED DURING THE MEETING THAT THE DISTRICT TASK FORCE SHOULD TAKE MORE INITIATIVE IN DEVELOPING PROGRAMS DEVISED TO ITS OWN NEEDS. YOMA TOLD THE TRUK TASK FORCE THAT EACH DISTRICT HAS ITS OWN UNIQUE SITUATION, AND THAT THE MOST IMPORTANT SERVICE THE LOCAL TASK FORCE CAN DO IS TO GO OUT AND MEET WITH THE PEOPLE AND EXPLAIN TO THEM WHAT IS GOING ON CONCERNING VARIOUS ASPECTS OF EDUCATION FOR SELF-GOVERNMENT.

YOMA ALSO TOLD THE LOCAL TASK FORCE THAT THE HEADQUARTERS ESG TASK FORCE WILL HELP BY PROVIDING MATERIALS DEALING WITH THE OVER-ALL PROGRAM OF EDUCATION FOR SELF-GOVERNMENT FOR THE WHOLE TERRITORY AND THAT EACH DISTRICT TASK FORCE CAN UTILIZE THE INFORMATION TO BUILD ITS PROGRAM.

YOMA ALSO SUGGESTED THAT THE LOCAL TASK FORCES MIGHT CONSIDER INVITING A MEMBER OF THE CONGRESS OF MICRONESIA OR A REPRESENTATIVE FROM AMBASSADOR WILLIAMS OFFICE TO ACCOMPANY THE LOCAL TASK FORCE REPRESENTATIVES IN FIELD WORK DEALING DIRECTLY WITH THE PEOPLE.

THE HEADQUARTERS ESG TASK FORCE WENT ON TO BRIEF THE LOCAL TASK FORCE IN TRUK ON PLANS FOR FUTURE PROJECTS. ON HAND WAS JIM KLEIST, MASS MEDIA SPECIALIST, WHO DISCUSSED PLANS FOR

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FILMING PARTS OF THE UPCOMING CONSTITUTIONAL CONVENTION AND MAKING THE FILMS AVAILABLE FOR THE LOCAL MOVIE HOUSES AND THE GENERAL MICRONESIAN PUBLIC. KLEIST ALSO DISCUSSED PLANS TO PURCHASE PORTABLE EQUIPMENT TO SHOW SLIDES AND TAPE RECORDERS THAT LOCAL TASK FORCES COULD CARRY MEETINGS TO ASSIST IN DISCUSSIONS.

ANOTHER MEMBER OF THE HEADQUARTERS TASK FORCE, SAM McPHERSON, TOLD THE TRUK TASK FORCE THAT TWO BOOKLETS ON ECONOMICS ARE BEING PREPARED AND WILL BE DISTRIBUTED TO THE DISTRICT FOR THEIR USE. HE SAID THE BOOKLETS CONTAIN INFORMATION THAT WILL HELP THE PEOPLE TO HAVE A BETTER UNDERSTANDING OF THE ECONOMIC SITUATION IN MICRONESIA AND HOW THEY MIGHT STAND UNDER DIFFERENT FORMS OF GOVERNMENT.

IN A SIMILAR MEETING WITH SCHOOL TEACHERS, OTHER EDUCATIONAL

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ADMINISTRATORS AND EDUCATION STAFF MEMBERS, THE ESG GROUP EXPRESSED THE DESIRE TO STIMULATE THE PRODUCTION OF APPROPRIATE SOCIAL STUDY MATERIALS AND TO STIMULATE STUDENT GOVERNMENT SYSTEMS IN THE HIGH SCHOOLS, SO THAT STUDENTS WILL UNDERSTAND THE PROCESS OF GOVERNMENT THROUGH PERSONAL EXPERIENCE. THE HEADQUARTERS TASK FORCE EXPLAINED THAT THEY HAD A GOAL NOT ONLY TO PREPARE THE PEOPLE TO VOTE IN A FLEBISCITE, BUT ALSO TO HELP MICRONESIANS BECOME

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TT LNO KWAJALEIN MARSHAWL ISLANDS
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CINCPACFLT MAKALAPA HI
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CGFMFPAC PEARL HARBOR HI
COMCBPAC PEARL HARBOR HI
COMNAVFACENGCOM ALEXANDRIA VA
PACNAVFACENGCOM PEARL HARBOR HI
TT LNO HONOLULU HI

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PCDNA-CA KIRTLAND AFB NM
CDRUSARBCO MACHINATO JAPAN//TTVI-LNO//

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PARTICIPATING CITIZENS.

THE LATTER PART OF THE MEETING WAS SPENT IN DISCUSSING THE
VARIOUS POLITICAL ALTERNATIVES FOR MICRONESIA AS WELL AS THE UP-
COMING CONSTITUTIONAL CONVENTION AND HOW THE ESG TASK FORCES CAN
COPE WITH THE PROBLEMS FACING THEM IN THE PROCESS OF DEVELOPING
EDUCATION PROGRAMS FOR MICRONESIA.

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THE HEADQUARTERS GROUP LATER SPLIT INTO TWO GROUPS--ONE GROUP VISITED DUBLGNH JUNIOR HIGH SCHOOL, THE OTHER FAICHUK JUNIOR HIGH SCHOOL ON TOL. A SPOKESMAN FOR THE HEADQUARTERS TASK FORCE INDICATED THAT THE "LEVEL OF UNDERSTANDING OF THE STATUS ISSUES AND THE CONSTITUTIONAL CONVENTION WAS FAIRLY LOW AMONG THE STUDENTS OF BOTH HIGH SCHOOLS." HOWEVER, THE INTEREST THEY EXPRESSED IN THE PROGRAM IS HIGH AS WAS INDICATED BY THE PENETRATING QUESTIONS THE STUDENTS ASKED. IN DUBLON, THE STUDENTS

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SAID THEY WOULD LIKE TO LEARN MORE THROUGH PERSON-TO-PERSON MEETINGS, BOOKS AND MOVIES. IT WAS REPORTED THAT "THERE SEEMED TO BE MORE AWARENESS OF AND INTEREST IN STATUS CHOICES THAN IN THE CONSTITUTIONAL

CONVENTION AT BOTH SCHOOLS, AND CONFUSION EXISTS REGARDING THE RELATIONSHIP OF THE TWO. ACCORDING TO THE SPOKESMAN, BOTH MEETINGS ARE JUDGED TO HAVE BEEN VALUABLE AND PRODUCTIVE.

THE TRUK VISITATION CONCLUDED WITH A LUNCHEON INVOLVING REPRESENTATIVES OF BOTH THE HEADQUARTERS AND TRUK DISTRICT TASK FORCES, THE DISTRICT ADMINISTRATOR, THE SPEAKER OF THE DISTRICT LEGISLATURE AND SEVERAL OTHER OFFICIALS OF THE TRUK DISTRICT ADMINISTRATION.

VISITS TO PALAU AND YAP ARE PLANNED FOR APRIL 24 TO MAY 1ST, AND AN ALL-DAY MEETING WITH THE MARIANAS DISTRICT TASK FORCE ON MAY 3RD WILL COMPLETE THE FIRST ROUND OF VISITATIONS THROUGH WHICH THE HEADQUARTERS TASK FORCE HOPES TO BUILD A BETTER COORDINATED PROGRAM OF EDUCATION FOR SELF-GOVERNMENT THROUGHOUT THE TRUST TERRITORY.

(WASHINGTON'S ATTITUDE ON MARSHALLS ACTS)

WASHINGTON, APRIL 22 (GANNET NEWS SERVICE)--THE MARSHALL ISLANDS THREAT TO STAY HOME FROM THE MICRONESIAN CONSTITUTIONAL

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CONVENTION AND POSSIBLE PULL OUT OF THE CONGRESS FROM MICRONESIA WILL HAVE LITTLE EFFECT ON U.S. POLICIES TOWARD THE TRUST TERRITORY, OFFICIALS AT THE DEPARTMENTS OF STATE AND INTERIOR SAID IN WASHINGTON LAST WEEK. THE U.S. REACTION ON THE RECENT MARSHALLS

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DEVELOPMENTS WAS CARRIED IN SATURDAY'S EDITION OF GUAM'S PACIFIC DAILY NEWS.

*Respectful
Info
such as
background*

BARRY BALLOW, A SPOKESMAN FOR THE OFFICE OF THE MICRONESIAN STATUS NEGOTIATIONS, SAID ANY INTENTIONS OF THE MARSHALL ISLANDERS AT THIS POINT DO NOT CHANGE THE UNITED STATES' BASIC POSITION THAT NEGOTIATIONS SHOULD PROCEED WITH A UNITED TRUST TERRITORY. U.S. AMBASSADOR FOR MICRONESIAN STATUS NEGOTIATIONS FRANKLIN MAYON WILLIAMS ENUNCIATED THIS POSITION LAST YEAR IN MAY AT MAJURO, BALLOW NOTED, AND TO REMAINS THE COUNTRY'S POLICY.

(Actually not Caroline & Marshall)

JOHN DORRANCE, A STATE DEPARTMENT OFFICIAL, SAID HE WAS WATCHING THE MARSHALLS SITUATION BUT THOUGHT IT WAS TOO EARLY TO DETERMINE HOW SERIOUS THE SEPARATIST THREAT IS. DORRANCE SAID HE SEES NO DANGER AS YET TO CONTINUED PROGRESS.

FRED RADEWURY, ASSISTANT DIRECTOR OF THE INTERIOR DEPARTMENT'S OFFICE OF TERRITORIES, SAID HE AND STANLEY S. CARPENTER, THE DIRECTOR, ARE AWAITING A FULLER REPORT ON THE ACTIONS OF THE MARSHALLS.

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DISTRICT LEGISLATURE, WASHINGTON SAID THE TERRITORIES OFFICE WILL CONTINUE TO ADMINISTER ITS PROGRAMS IN THE MARSHALLS JUST AS IT DOES WITH OTHER TT DISTRICTS.

A CONSENSUS OF OFFICIALS FAMILIAR WITH PACIFIC MATTERS IN WASHINGTON SUGGESTED A "WAIT-AND-SEE" ATTITUDE, AT LEAST UNTIL THE START OF A SPECIAL SESSION OF THE CONGRESS OF MICRONESIA LATER THIS YEAR AND THE SCHEDULED ELECTIONS IN JUNE OF DELEGATES TO THE MICRONESIAN CONSTITUTIONAL CONVENTION. IF THE MARSHALLESE DO NOT GO TO THE CONGRESS AND DO NOT PUT UP ANY CANDIDATES FOR DELEGATES ON THEIR BALLOTS, THEN OFFICIALS IN WASHINGTON WILL TAKE THE SITUATION

MORE SERIOUSLY, THE GANNETT NEWS SERVICE STORY SAID.
(PERSONNEL MANAGEMENT COURSE)

KOLONIA, APRIL 22 (RNS) - A PERSONNEL MANAGEMENT COURSE IS BEING CONDUCTED IN PONAPE DISTRICT THIS WEEK WITH MANAGEMENT REPRESENTATIVES OF ALL DISTRICT DEPARTMENTS ATTENDING. THE COURSE DEALS WITH THE NEW PERSONNEL REGULATIONS WHICH THE TRUST TERRITORY PERSONNEL BOARD AND THE HIGH COMMISSIONER APPROVED RECENTLY, ACCORDING TO PONAPE RADIO STATION MANAGER HALVERSON JOHNNY.

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THE REGULATIONS BECAME EFFECTIVE LAST MONTH AND IT IS REQUIRED

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THAT ALL SUPERVISORS/MANAGERS BE FAMILIAR WITH THEM SO THEY CAN UTILIZE THE REGULATIONS PROPERLY IN THEIR ROLES AS PERSONNEL MANAGERS.

CONDUCTING THE COURSE IS PODIS PEDRUS, TT DEPUTY DIRECTOR OF PERSONNEL. PEDRUS HAS ALSO CONDUCTED SIMILAR TRAINING COURSES ON SAIPAN AND IN THE MARSHALL ISLANDS FOR GOVERNMENT SUPERVISORS AND MANAGERS. HE IS BEING ASSISTED BY PONAPE DISTRICT PERSONNEL DIRECTOR NICK SANTOS. FOLLOWING THE TRAINING IN PONAPE, PEDRUS IS SCHEDULED TO CONDUCT THE COURSE IN TRUK, AYP AND PALAU DURING THE NEXT FEW WEEKS.

IN ADDITION TO FAMILIARIZING THE MANAGEMENT OFFICIALS WITH THE NEW REGULATIONS, A SPECIAL RADIO PROGRAM IS BEING PLANNED TO FAMILIARIZE EMPLOYEES WITH MATTERS RELATING TO THEIR COMPENSATION, BENEFITS, AND RIGHTS UNDER THE NEW REGULATIONS. THIS PROGRAM IS PLANNED TO BEGIN ABOUT THE MIDDLE OF THIS YEAR.

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