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Editorial Money Men Visit Island...

Look alive, people of Guam the money boys are on the island. And, we say with all sincerity, we cordially and enthusiastically welcome them.

What we're talking about, of course, are the 28 investment executives from the United States, many representing some of the nation's largest firm, here to familiarize themselves with the financial capabilities of GovGuam and particularly with the Guam Power Authority, and the Guam Telephone Authority, both of which will be issuing revenue bonds soon.

The executives will be given the grand tour, hosted by the Guam Power Authority, members of the Legislature, and other government agencies. Meetings, for example, have been planned with officials from Guam Memorial Hospital, Commercial Port, the Guam Economic Development Authority, Guam International Air Terminal, and Guam Housing Corporation.

It is the first time, to our knowledge, that such a group of U.S. business leaders have paid such a visit to the island.

They are going to find out some very strange--and some very exciting things about Guam. We hope that they will return to the mainland with some enthusiastic reports about our island, which in turn could open purse-strings of U.S. private capital, and which then could trigger a continuous flow of capital investment monies to keep Guam moving for years to come.

We wish these American money-men would have been invited out to Guam 20 years ago, or 10 years ago, after the lifting of the Navy Security Clearance restrictions.

We're sure that GovGuam's statistics people will provide all the data necessary to sustain our visitors, so there is no need for us to go into detail on the state of Guam's economy. But even the most jaded of the men of finance would have to become excited over these figures, which possibly represents one of the highest growth rates in the world, one which figures out at better than 20 percent annual growth for the past six years.

Our visitor total was at the 3,000 level in 1966, and this year should approach 250,000. Our construction industry was at the \$8,000,000 annual level as recently as 1965, with it approaching the \$100,000,000 figure this year. Civilian aircraft arrivals have gone up five times in a six year period. Gross business income shows a dramatic increase from \$83 million in 1963, to a startling \$499 million in Fiscal Year 1973, this in itself an 18 percent increase over FY 1972, and a 54 percent jump over FY 1971. No matter what indice is used, they all spell out growth--a growth unequalled in any island in the Western Pacific.

Unfortunately, nobody is going to claim that all of this growth came from our fellow Americans. Largely, Guam has been ignored, or passed over by the big American investors. Much of the capital input into Guam in the recent time period has come from the Japanese, or from Taiwan, and to a lesser degree, from Korea or the Philippines. Still, a large portion of Guam's economy does depend upon Federal spending, especially in the area of defense, and Guam's revitalization came in part from rehabilitation funds through the U.S. Congress.

The financial and business visitors will have an opportunity, as they look around the island, to reflect on the fact that Guam has been virtually leveled twice in a single generation, through World War II, and the nearly equally disastrous Typhoon Karen. Yet, it has come back with strength and eagerness. They might find Guam's growth even more fascinating when they realize that it, has had a civil government for less than 25 years, and until 11 years ago nobody, including businessmen or investors, could even enter the island without receiving Security Clearance from the Navy.

Guam, too, must be unique in the very fact that it is practically debt-free at this point in time. Most communities are mortgaged to the hilt.

True, Guam now is at a stage where a good supply of capital improvement money is desperately needed. Guam Power Authority will need an additional \$17 million in bonds, to be sold on April 30, to finance the completion of Cabras Power Plant Unit 2, transmission lines, and substations. It is estimated that the newly formed Guam Telephone Authority will need as much as \$40 million within the next decade to keep pace with Guam's growth—an average of 22 percent over each of the past several years. Money is still needed for the soon-to-be-built Guam Memorial Hospital. Other funds are needed for highways, public transportation, water, sewers, treatment plants, and schools.

All of us on the island are supremely confident as to the future of Guam. We know that with its unique location, its worth to the military establishment grows more important all the time. We know, as our relationship to China improves, Guam's position as a trade, and communication center will continue to grow. We know that our tourism program, just now underway, will continue to lure hundreds of thousands of people to our beautiful tropical island. All of this, coupled with our political stability, under the American flag, leads us to the conclusion that Guam's star will continue to rise. Of course we have problem areas, in high living costs, in rising crime, in agriculture and in fishing, in traffic congestion—just as many another American community has problems.

Again, a more sincere wish that our financial experts have a most enjoyable, and productive visit to Guam—where America's business begins. JCM.