Sunday News



Budget Jump In T.T.

Let us hope that the Micronesian leaders, and the officials of the Department of the Interior, the Department of State, and members of the U.S. Congress have given a great deal of thought to the implications behind their "five year" plan on their T.T. budget, which could see the T.T. budget raised 66 per cent above the present levels by 1980---from a base of \$60 million to \$100 million a year.

March 24, 1974

Editori

There are two basic, conflicting philosophies involved here. We doubt that they have been resolved.

One is that the U.S. has ignored the Micronesians in terms of development, and the second is that the Micronesians don't want to have such a money oriented economy, especially in view of the fact is that they are going to have self-rule, perhaps by the time that five-year plan is up.

Some of the Micronesians complain that the U.S. has refused to develop the economy because they want to keep them in subjugation. Marshalls Congressman Ekpap Silk, in the closing days of the recent session of the Micronesian Congress, said: "The United States knew from the beginning that a highly developed Micronesian economy means a politically independent Micronesia." He went on to say: "Economic dependency has made us pawns in the hands of our administering authority and now we are at odds as to how to divide up what little revenues we have."

For years experts have suggested tourism as a potential source of income for the Micronesians. Some Micronesians rejected that idea, saying that they "don't want a lot of foreigners tracking through their villages." Other Micronesians, particularly those in Yap, have opposed the use of foreign capital to build hotels. Other Micronesians, particularly those on Palau, have rejected fervently the idea of the U.S. military as a source of economic development. Fishing, agriculture, and some handicrafts are the other possible sources of income for the Micronesians, and none have shown much strength recently. In fact, income from

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agriculture (copra mostly) and fishing were both down last year.

Most of the increased money won't go into economic development at any rate. A good part of it will merely be used to off-set the spiraling costs of inflation. Through 1980 it is seen as adding a total of \$20 million to operating costs.

But the biggest share of the money will go into capital improvements, which could be interpreted as a reaction to recent criticism of how well the United States is building up Micronesia in preparation for greater self-government. In that we find no fault at all.

It would be tremendous, and we think, a credit to the United States if that by 1980, when self-government should be realized, that every district would have a modern jet airport, an improved dock, a paved road system, expanded water, sewer and power systems on all major islands, a new or expanded hospital, enough classrooms to send all pupils through high school, plus fishing docks, boats, reefers and irrigation systems for agriculture and fishing development. At least this is the plan.

The difficulty would be in the Micronesians trying to sustain the cconomy at anywhere near that level after they achieve seif-government. Still, if the U.S. can leave the Micronesians with

still, if the U.S. can teave the information of a "sound physical plant" at the termination of their trusteeship, along with giving their young people a solid education, then we wouldn't have done too badly during our caretakership of the islands. Economic development, as we've pointed out, still lies in that nebulous area, in which the Micronesians are going to have to decide for themselves.

All and all, if the new budget wins Congressio approval, it should be a very exciting five (or years for Micronesia. It begins to look like V_{O_1} becoming more and more of a target self-government as well. It would be a rif a U.S. presidential announcement or was made, so that everybody something to shoot for. JCM.

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