

Department of State

TELEGRAM

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FM HICOMTERPACTS SAIPAN MARIANA ISLANDS  
TO AIDISTADS TERPACIS  
TT LNO GUAM MARIANA ISLANDS  
TT LNO KWATALETN MARSHALL ISLANDS  
COMNAVMARIANAS GUAM MARIANA ISLANDS  
CINCPACREP GUAM/TIPI GUAM MARIANA ISLANDS  
CINCPAC HONOLULU HI  
INTELLIGENCE CENTER PACIFIC (IPAC)  
NAVINSERVO GUAM MARIANA ISLANDS  
COMTWELVE SAN FRANCISCO CA  
RUEHKO /SESTATE WASHINGTON DC  
SEPOFF WASHINGTON DC  
JCS WASHINGTON DC  
CNO WASHINGTON DC  
CINCPACFLT MAKALAPA HI  
CINCPACAF HICKAM AFB HI  
COMNAVPAC CAMP W M SMITH HI  
COMCRPAC PEARL HARBOR HI  
NAVFACENGCOMHQ ALEXANDRIA VA  
COMFOURTEEN HONOLULU HI

1. *Speaker Henry*  
*Outlines Major*  
*Issues*

2. *Speaker Henry*  
*Outlines Goal For*  
*Congress*

3. *Palau Legislature*  
*Adjourns*

4. *Dr. Kluge Seriously*  
*Injured in a Fall*

5. *Last Week At the*  
*COM*

COMNAVFACENGCOM PEARL HARBOR HI  
COMNAVFACVANDENBERG AFB CA  
COMNAFLGA KIRTLAND AFB NM  
COMUSARGO MAKYMINATO JAPAN//TTPT-LNO//  
AMEMB CANBERRA AS  
RUEHKO /AMEMB TOKYO JA  
COMRMDSCOM HUNTSVILLE AL//RMD SC-RO//  
COMCORGARD MARSEC GUAM MARIANA ISLANDS

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SECTION 01 OF 04

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Department of State **TELEGRAM**

UNCLASSIFIED

PAGE 02 271700Z

SECSTATE PASS TO DEPT INT/SEC INTERIOR/DOIA OSN  
AMEMBASSY CANBERRA FOR PAC. YSL. MONTHLY  
CALL USES: PLEASE CREDIT CONGRESS OF MICRONESIA)  
SPEAKER HENRY OUTLINES MAJOR ISSUES)

SAIPAN, JAN. 26 (CONGRESS RELEASE)--HOUSE OF  
REPRESENTATIVES SPEAKER REYHWEI HENRY CALLED ON THE CONGRESS  
OF MICRONESIA MONDAY TO "FACE THE CHALLENGES" CONFRONTING  
THE TRUST TERRITORY TODAY.

PAGE 03 RUMGSA02060 UNCLAS

FOREMOST OF THESE, HE SAID, ARE MICRONESIA'S POLITICAL  
DEVELOPMENT, SOCIAL AND ECONOMIC PROBLEMS.

OF POLITICALLY RELATED ISSUES, THE HOUSE SPEAKER  
LISTED BETTER USE OF U.S. GRANT FUNDS, INCREASING LOCAL  
REVENUES, MICRONIZATION OF HIGH LEVEL GOVERNMENT POSITIONS,  
THE MICRONESIAN CONSTITUTIONAL CONVENTION AND ITS EFFECTS,  
FUTURE POLITICAL STATUS, SELF-GOVERNMENT AND UNITY FOR  
MICRONESIA OF MAJOR CONCERN. BUT HE ADDED PROGRESS IN  
THESE AREAS WOULD BE "HOLLOW" IF ECONOMIC PROGRESS CANNOT  
BE MADE. TO DO THIS, HE SAID, "WE MUST LOOK WITHIN TO SEE  
WHAT WE CAN DO OURSELVES."

HENRY NOTED THAT U.S. FEDERAL GRANTS DO NOT "CUSHION"  
MICRONESIA AGAINST RISING COSTS AND INFLATION. THEREFORE,  
HE SAID: "WE MUST DIRECT OUR EFFORTS TO GAINING MORE  
PRODUCTIVITY FROM OUR LAND AND SEA AND INCREASING EXPORTS."

HENRY POINTED OUT THAT IN RECENT YEARS MICRONESIA'S  
TAX RATES HAVE NOT CHANGED. AT THE SAME TIME, HE SAID,  
ATTEMPTS HAVE BEEN MADE TO GIVE MORE FUNDS TO THE DISTRICTS  
FOR THEIR DEVELOPMENT.

IF OUR FUTURE GOVERNMENT IS EVER TO BE SUPPORTED BY

PAGE 04 RUMGSA02060 UNCLAS

OUR OWN REVENUES, THEN WE MUST INCREASE THEM NOW TO GENERATE  
DEVELOPMENT WHICH WILL PROVIDE MORE FUNDS FOR OUR  
GOVERNMENT," HE SAID. HENRY NOTED THAT MICRONESIA NOW HAS  
ONE OF THE WORLD'S LOWEST TAX RATES WHILE ALSO HAVING ONE  
OF THE HIGHEST PER PERSON GRANT PROGRAMS IN THE WORLD.

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Department of State **TELEGRAM**

UNCLASSIFIED

PAGE 03 271746Z

✓ CONCERNING TAXES ON NON-ESSENTIAL AND LUXURY ITEMS, HE SAID, "WE MUST TAKE A HARD LOOK AT THE NEED TO ENACT A HIGHER AND GRADUATED INCOME TAX....WE SIMPLY MUST FACE UP TO THIS ISSUE."

✓ THE HOUSE SPEAKER ALSO NOTED THAT A STUDY OF ALL SECTORS OF MICRONESIA'S ECONOMY AND GOVERNMENT IS NOW UNDERWAY TO SHOW "WHERE AND HOW WE CAN EXPAND OUR RESOURCES IN MICRONESIA." HE SAID WORK HAS BEGUN ON A DEVELOPMENT PROGRAM AND BY APRIL OF THIS YEAR, A "NATIONAL INDICATIVE PLAN" WILL BE PRESENTED TO THE CONGRESS OF MICRONESIA FOR REVIEW. HE SAID IF THE PLAN IS APPROVED, THE UNITED NATIONS DEVELOPMENT PROGRAM WILL BEGIN THE NECESSARY ANALYSIS TO IMPLEMENT THE PLAN.

HENRY SAID THE STUDY WILL SHOW IF MONEY INVESTED SO FAR IN EQUIPMENT, TRAINING AND PROGRAMS FOR AGRICULTURE,

PAGE 05 PUMGSA42960 UNCLAS

✓ FOR EXAMPLE, CAN BE BETTER USED TO IMPROVE PRODUCTION. IN AREA OF MARINE RESOURCES, HENRY SAID THERE HAS NEVER BEEN A "REAL ANALYSIS" TO SEE IF MONEY IS BEING SPENT WISELY. HE SAID THE NEW DEVELOPMENTAL PLAN, WHICH IS BEING DRAWN UP WITH THE CONSULTATION AND GUIDANCE OF EACH DISTRICT, WILL SHOW THE CONGRESS HOW TO DEVELOP AGRICULTURE, FISHERIES AND SO ON, TO SUBSTITUTE LOCAL PRODUCTS FOR IMPORTS AND INCREASE EXPORTS FROM MICRONESIA TO OTHER PARTS OF THE WORLD.

SPEAKER HENRY SAID AFTER THE NEW PLAN IS DEVELOPED, IT WILL SERVE TO HELP REORIENT MICRONESIA'S BUDGET PRIORITIES. HE SUGGESTED THAT WITH DIRECTION FROM THE DISTRICT LEGISLATURES AND DISTRICT ADMINISTRATIONS IN THE NEW DEVELOPMENTAL PLAN, IT CAN BE USED IN DRAWING UP THE '78 BUDGET BEGINNING IN FISCAL YEAR 1978, AND ASSIST THE TRUST TERRITORY IN ACHIEVING ITS GOAL OF GREATER CONTROL OVER U.S. GRANT FUNDS.

THE HOUSE SPEAKER INDICATED THAT THE PLANNED SEPARATION OF THE MARIANA ISLANDS DISTRICT WILL ALSO AFFECT MICRONESIA'S FUTURE ECONOMIC DEVELOPMENT. HE SAID A JOINT COMMITTEE

UNCLASSIFIED

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Department of State **TELEGRAM**

UNCLASSIFIED

PAGE 04 271726Z

PAGE 06 RUMGSAA2060 UNCLAS  
OF THE CONGRESS IS WORKING WITH MARIANAS REPRESENTATIVES  
TO GUARANTEE THAT THE INTERESTS OF BOTH PARTIES ARE  
PROTECTED WHEN THE SEPARATION PLAN GOES INTO EFFECT.

HENRY DESCRIBED THE ISSUE OF RELOCATING THE CAPITAL  
OF MICRONESIA "OF CRITICAL IMPORTANCE," AND URGED THE  
CONGRESS TO CHOOSE A FINAL SITE DURING THE CURRENT SESSION.  
NOTING THAT REPRESENTATIVES OF THE U.S. GOVERNMENT HAVE  
COMMITTED THE U.S. EXECUTIVE BRANCH TO PARTICIPATE IN  
THE COSTS OF PLANNING AND BUILDING A NEW CAPITAL, HENRY  
SAID PLANNING CANNOT GO FORWARD UNTIL A NEW SITE IS  
SELECTED.

HE ALSO ASKED CONGRESS MEMBERS TO CONSIDER WAYS BY  
WHICH MICRONESIA CAN CONTINUE TO COOPERATE AND WORK WITH  
THE MARIANAS ON ECONOMIC AND SOCIAL MATTERS.

CONCERNING A RECENT DEPARTMENT OF INTERIOR REPORT  
CHARGING MISMANAGEMENT OF GRANT FUNDS IN MICRONESIA, HENRY  
SAID IT CONTAINED MANY IMPLICATIONS BOTH FOR THE  
IMMEDIATE FUTURE AND LATER ON WHEN MICRONESIA BECOMES  
SELF-GOVERNING. HE SAID THE CONGRESS COULD ASSIST  
IMPROVEMENTS THROUGH LEGISLATIVE ACTION. ONE SUCH EXAMPLE,

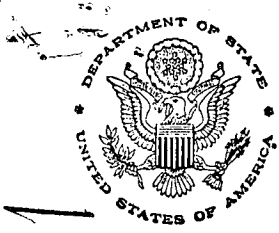
PAGE 07 RUMGSAA2060 UNCLAS

HE SAID, WAS A PROPOSAL TO RAPIDLY DECENTRALIZE GOVERNMENT  
AUTHORITY. HENRY NOTED THIS WAS A PROPOSAL BY THE CONGRESS  
OF MICRONESIA AS EARLY AS 1969, AND THAT THE NEWLY  
DRAFTED MICRONESIAN CONSTITUTION, WHICH ALSO REFLECTS THIS  
PLAN, COULD BE PARTIALLY IMPLEMENTED AS EARLY AS 1977 TO  
HELP ACHIEVE THIS GOAL.

TURNING TO RECENT ACTIONS BY THE UNITED STATES TO  
EXEMPT U.S. MILITARY ACTIVITIES IN MICRONESIA FROM THE  
CONGRESS'S NEW SURTAX LAW, HENRY SAID:

"WE IN THE CONGRESS SHOULD NOT CONSENT WILLINGLY TO  
THE EROSION OF LEGISLATIVE AUTHORITY JUST TO ACCOMMODATE  
THE CONVENIENCE OF THE UNITED STATES... THIS ACT IS CLEARLY  
OBJECTIONABLE, INsofar AS IT TENDS TO NULLIFY INTERNAL  
MICRONESIAN DECISIONS TO SHARE WITH DISTRICTS THE REVENUES  
GENERATED FROM ACTIVITIES WITHIN THE DISTRICTS OF

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*Department of State* **TELEGRAM**

UNCLASSIFIED

PAGE 05 271746Z

MICRONESIA. WE MUST MAKE OUR OBJECTIONS KNOWN," HE  
DECLARED.

RELATED TO ACTIONS OF THE U.S. GOVERNMENT, SPEAKER  
HENRY NOTED THAT A NEW SECRETARY OF INTERIOR HAS RECENTLY  
BEEN APPOINTED. HE QUESTIONED IF THE NEW SECRETARY

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Department of State

TELEGRAM

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PAGE 01 271708Z

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ACTION INT-05

INFO OCT-01 PA-00 IO-11 L-03 PM-04 PA-02 /085 W  
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FM HICOMTERPACTS SAIPAN MARIANA ISLANDS  
TO ALOISTADS TERPACIS  
TT LNO GUAM MARIANA ISLANDS  
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NAVINSERVO GUAM MARIANA ISLANDS  
COMTWELVE SAN FRANCISCO CA  
RUEHC /SECSTATE WASHINGTON DC  
SECDEF WASHINGTON DC  
JCS WASHINGTON DC  
CNO WASHINGTON DC  
CINCPACFLT MAKALAPA HI  
CINCPACAF HICKAM AFB HI  
CGEMEPAC CAMP H M SMITH HI  
COMCRPAC PEARL HARBOR HI  
NAVFACENCOMHQ ALEXANDRIA VA  
CCGDFOURTEEN HONOLULU HI

PACNAVFACENCOM PEARL HARBOR HI  
SAMTEC VANDENBERG AFB CA  
FCOEA-LGA KIRTLAND AFB NM  
CORUSAGO MAKYMNATO JAPAN//TTPY-LNO//  
AMEMB CANBERRA AS  
RUEHKO /AMEMB TOKYO JA  
CORBMDSCOM HUNTSVILLE AL//BMD SC-RC//  
COMCOGARD MARSEC GUAM MARIANA ISLANDS

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SECTION 02 OF 04  
SUPPORTS THE POLICY STATEMENTS CONCERNING MICRONESIA OF

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Department of State **TELEGRAM**

UNCLASSIFIED

PAGE 02 271708Z

FORMER SECRETARIES. HENRY SAID IN THE PAST 10 YEARS, NOT ALL THE CONGRESS'S REQUESTS HAVE BEEN MET AND OCCASIONALLY POLICIES HAVE BEEN ISSUED DESPITE THE CONGRESS'S OBJECTIONS.

"NEVERTHELESS," SAID HENRY, "WE STAND READY TO PROVIDE GUIDANCE AND INPUT FOR SUCH POLICIES, AND LOOK FORWARD TO HEARING OF ANY NEW INITIATIVES AND DIRECTIONS THE SECRETARY BRINGS WITH HIM TO ADVANCE OUR ECONOMIC, SOCIAL AND POLITICAL

PAGE 03 RUHGSAA2061 UNCLAS  
PROGRESS ACCORDING TO THE DESIRES OF MICRONESIANS."  
(SPEAKER HENRY OUTLINES GOALS FOR CONGRESS)

SAIPAN, JAN. 26 (MNS)---HOUSE SPEAKER BETHWEL HENRY OF PONAPE TOOK THE FLOOR OF THE HOUSE OF REPRESENTATIVES OF THE CONGRESS OF MICRONESIA MONDAY MORNING (JAN. 26) TO OUTLINE IMPORTANT GOALS THAT SHOULD BE CONSIDERED BY THE CONGRESS OF MICRONESIA IN THIS CURRENT SESSION. (SEE PRECEDING STORY).

IN OTHER BUSINESS, A RESOLUTION REQUESTING THE U.S. CONGRESS TO EXTEND FEDERAL ASSISTANCE PROGRAMS ON FISHERIES TO THE TRUST TERRITORY (HJR 6-71) WAS ADOPTED. THE RESOLUTION WILL NOW GO TO THE SENATE FOR FURTHER ACTION.

MARIANAS CONGRESSMAN HERMAN R. GUERRERO THEN ASKED THE SPEAKER TO CLARIFY THE MEANING OF "LEADERSHIP OF THE CONGRESS." GUERRERO TOLD MNS AFTER THE MEETING THAT MANY TIMES, THE CONGRESS LEADERSHIP, CONSISTING OF THE PRESIDING OFFICERS OF BOTH HOUSES AND THE FLOOR LEADERS, MEET AND DISCUSS MANY IMPORTANT ISSUES AFFECTING MICRONESIA INCLUDING THE MARIANAS AND THAT THERE IS NO PARTICIPATION FROM THE MARIANAS DELEGATION.

PAGE 04 RUHGSAA2061 UNCLAS

CITING AS AN EXAMPLE, GUERRERO SAID WHEN FOUR U.S. SENATORS VISITED SAIPAN RECENTLY, NONE OF THE MARIANAS DELEGATION MEMBERS WERE INVITED TO ATTEND THE LEADERSHIP MEETING WITH THE SENATORS BUT HE AND SEN. TENORIO ATTENDED ANYWAY.

"THE REASON THAT WE WANT TO ATTEND THE LEADERSHIP

UNCLASSIFIED



Department of State **TELEGRAM**

UNCLASSIFIED

PAGE 03 271708Z

MEETING IS BECAUSE THERE ARE MANY MATTERS THAT ARE BEING DISCUSSED CONCERNING MICRONESIA'S POLITICAL DEVELOPMENT WHICH INCLUDES THE MARIANAS," GUERRERO SAID.

GUERRERO SAID HE WOULD RECOMMEND THAT WHENEVER AN IMPORTANT ISSUE RELATING TO THE MARIANAS IS ON THE AGENDA A MEMBER FROM THE MARIANAS DELEGATION SHOULD BE INVITED TO ATTEND. ALONG THE SAME LINE, IF THERE ARE IMPORTANT MATTERS CONCERNING OTHER DISTRICTS, A MEMBER FROM THOSE DISTRICTS DELEGATIONS SHOULD BE INVITED TO ATTEND, GUERRERO PROPOSED.

THE MARIANAS CONGRESSMAN WAS TO HAVE MET WITH THE SPEAKER TO DISCUSS THE ISSUE MONDAY MORNING.

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IN THE SENATE A RESOLUTION (HJR6-114, HD1, SD1, ) EXPRESSING THE OPPOSITION OF THE CONGRESS OF MICRONESIA TO THE PROPOSED GUAM AIRPORT DEPARTING TRAVELER'S FEE OF \$3.00 WAS ADOPTED. THE COMMITTEE ON JUDICIARY AND GOVERNMENTAL

PAGE 05 RUMGSAA2261 UNCLAS

OPERATIONS WHICH THE RESOLUTION WAS ASSIGNED REPORTED THAT SINCE A CONSIDERABLE PROPORTION OF TRAFFIC DEPARTING FROM GUAM INTERNATIONAL AIR TERMINAL IS DESTINED FOR POINTS IN THE TRUST TERRITORY, IT CAN BE ASSUMED THAT CONSIDERABLE PORTION OF THE \$900,000 WHICH IS ANTICIPATED TO BE REALIZED ANNUALLY WILL FALL AS A BURDEN UPON TRUST TERRITORY CITIZENS AND THE TRUST TERRITORY GOVERNMENT. THE COMMITTEE ALSO OBJECTED THAT THE GUAM BILL WILL NOT PROVIDE ANY EXEMPTION FOR TRUST TERRITORY CITIZENS WHO ARE REQUIRED TO GO TO GUAM FOR EDUCATION, HEALTH CARE, AND OTHER NEEDS WHICH CAN NOT BE SATISFIED IN THE TRUST TERRITORY.

THE FOLLOWING APPROPRIATION BILLS WERE INTRODUCED IN THE HOUSE: \$85,000 TO PURCHASE EQUIPMENT AND TRANSPORT TO TRUK DISTRICT ONE FISHING VESSEL FOR USE BY THE PEOPLE OF PATA, POLLE AND WONEI, (HB 6-432); \$183,600 TO DEFRAY ADMINISTRATIVE COSTS AND CONTINGENT EXPENSES OF THE DISTRICT HOUSING AUTHORITIES, (HB 6-433); AND \$1,026,150 FOR VARIOUS PUBLIC PROJECTS IN THE MARINAS DISTRICT, (HB 6-434).

THE OTHER MEASURES WOULD: ESTABLISH A COMMISSION ON FUTURE POLITICAL STATUS AND TRANSITION AND APPROPRIATE

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Department of State **TELEGRAM**

UNCLASSIFIED

PAGE 04 271708Z

PAGE 06 RUMGSAA2061 UNCLAS  
\$500,000 TO CARRY OUT THE PROVISIONS OF THIS ACT, (HR 6-430);  
AUTHORIZE THE SOCIAL SECURITY BOARD TO INVEST FUNDS IN  
THE MICRONESIA DEVELOPMENT BANK, (HR 6-431); AND REPEAL  
CERTAIN SECTIONS OF PUBLIC LAW 5-37 RELATIVE TO INTEREST  
RATES ON LOANS MADE FROM FUNDS BORROWED BY THE TERRITORIAL  
HOUSING COMMISSION AND DISTRICT HOUSING AUTHORITIES FROM  
COMMERCIAL FINANCIAL INSTITUTIONS OR FROM INTERNATIONAL,  
FEDERAL OR TERRITORIAL SOURCE, AND PROVIDE THAT THE  
TERRITORIAL HOUSING COMMISSION AND DISTRICT HOUSING  
AUTHORITIES MAY GUARANTEE LOANS, (HR 6-435).

THE FOLLOWING APPROPRIATION BILLS WERE INTRODUCED AT  
THE SENATE: \$90,000 TO PURCHASE RECREATIONAL EQUIPMENT  
AND IMPROVE RECREATIONAL FACILITIES WITHIN THE MARIANA  
ISLANDS DISTRICT (SB 6-272); \$120,000 AS GRANT-IN-AID TO  
THE SEVERAL MUNICIPALITIES OF THE MARIANA ISLAND DISTRICT  
(SR 6-273); \$87,350 FOR THE EXTENSION AND IMPROVEMENT OF  
WATER AND ELECTRICAL POWER FACILITIES IN THE MARIANA ISLANDS  
DISTRICT (SB 6-274); \$125,000 FOR THE DEVELOPMENT OF  
AGRICULTURE PRODUCTION IN THE MARIANA ISLANDS DISTRICT  
(SR 6-275); \$120,000 FOR SCHOLARSHIPS FOR THE MARIANAS

PAGE 07 RUMGSAA2061 UNCLAS  
DISTRICT (SB 6-276); \$200,000 FOR PERFORMING THE ARCHITECTURAL  
AND ENGINEERING WORK NECESSARY FOR THE PERMANENT CAPITAL  
OF MICRONESIA (SR 6-277); \$250,000 FOR CERTAIN PUBLIC  
IMPROVEMENT PROJECTS IN PONAPE DISTRICT (SB 6-78); \$15,000  
FOR AID TO NON-PUBLIC SCHOOLS IN THE MARIANA ISLANDS DISTRICT  
(SR 6-280); \$175,000 FOR THE PAVING OF AS PERDIDO ROAD FROM  
CHALAN PYAO TO SAIPAN INTERNATIONAL AIRPORT (SB 6-281); \$204,300  
FOR MEDICAL CARE IN THE MARIANA ISLANDS DISTRICT, (SR 6-282); AND  
\$50,000 FOR THE SURVEYING OF PUBLIC LANDS WITHIN THE MARIANA  
ISLANDS DISTRICT (SB 6-271).

THE OTHERS WOULD: INCREASE IMPORT DUTIES UPON ALCOHOLIC  
BEVERAGES AND TOBACCO, (SB 6-270); AUTHORIZE DISTRICT  
ADMINISTRATORS TO GRANT PERMISSION TO HOMESTEAD LANDS  
WITHOUT THE ISSUANCE OF A HOMESTEAD PERMIT IN CERTAIN CASES  
(SR 6-283); AUTHORIZE AND DIRECT THE HIGH COMMISSIONER TO

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*Department of State*

**TELEGRAM**

UNCLASSIFIED

PAGE 05 271708Z

ISSUE A QUIT CLAIM DEED TO DR. JOSE L. CHONG,  
OF SAIPAN, MARIANA ISLANDS DISTRICT (SB 6-284); A MEASURE  
RELATING TO THE ISSUANCE OF IDENTIFICATION CARD (SB 6-285);  
AND A BILL TO ESTABLISH A FARMERS REVOLVING FUND IN THE  
MARSHALLS ISLANDS DISTRICT (SB 6-279).

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Department of State

TELEGRAM

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PAGE 01 271707Z

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SECDEF WASHINGTON DC  
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CINCPACFLT MAKALAPA HI  
CINCPACAF HICKAM AFB HI  
CGFMFPAC CAMP H M SMITH HI  
COMCRPAC PEARL HARBOR HI  
NAVFACENGCMMHQ ALEXANDRIA VA  
CCGDFOURTEEN HONOLULU HI

PACNAVFACENGCMM PEARL HARBOR HI  
SAMTEC VANDENBERG AFB CA  
PCONA-LGA KIRTLAND AFB NM  
CDRUSAGO MAKIMTNATO JAPAN//TTPT-LNO//  
AMFMB CANBERRA AS  
RUFHKO /AMFMB TOKYO JA  
CDRBMDS COM HUNTSVILLE AL//BMD SC-RO//  
COMCOGARD MARSEC GUAM MARIANA ISLANDS

UNCLAS  
SECTION 03 OF 04

A RESOLUTION REQUESTING THE UNITED STATES GOVERNMENT

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Department of State **TELEGRAM**

UNCLASSIFIED

PAGE 02 271707Z

TO TRAIN MICRONESIANS TO PATROL TERRITORIAL WATERS (SJR 6-76) WAS ALSO INTRODUCED IN THE SENATE.

FOUR JOINT RESOLUTION WERE OFFERED IN THE HOUSE. THEY WERE: EXPRESSING SORROW AND EXTENDING DEEPEST SYMPATHY AND CONDOLENCES TO THE FAMILY AND PARISHIONERS OF THE LATE FATHER WILLIAM J. WALTER, S.J., (HJR 6-136); REQUESTING THE U.S. CONGRESS TO AMEND CERTAIN LAWS TO ALLOW IT CITIZENS TO ENLIST IN ANY BRANCH OF THE U.S. ARMED FORCES, (HJR 6-138);

PAGE 03 RUHGSAA2062 UNCLAS

REQUESTING THAT THE HIGH COMMISSIONER APPOINT ADDITIONAL JUDGES AND JUDICIAL BRANCH PERSONNEL TO TRUK DISTRICT IN ORDER TO EXPEDITE THE RENDERING OF DECISIONS ON COURT CASES, (HJR 6-139); REQUESTING THE HICOM TO IMPROVE THE SYSTEM OF RADIO COMMUNICATIONS BETWEEN THE OUTER ISLANDS OF YAP DISTRICT AND THE DISTRICT CENTERS, (HJR 6-140); AND REQUESTING THE HIGH COMMISSIONER TO RELOCATE THE TRUK AIRPORT TO POLLE ISLANDS, (HJR 6-137).

THE ONLY HOUSE RESOLUTION OFFERED WAS THE ONE AUTHORIZING THE SPEAKER OF THE HOUSE TO APPOINT A SELECT COMMITTEE ON CONSTITUTIONAL IMPLEMENTATION TO CONSIDER ALL MEASURES RELATING TO IMPLEMENTATION OF THE DRAFT CONSTITUTION OF THE FEDERATED STATES OF MICRONESIA, (HR 6-25).

(PALAU LEGISLATURE ADJOURNS)

KOROR, JAN. 26 (MNS)---THE SPECIAL SESSION OF THE PALAU LEGISLATURE ADJOURNED SUNDAY (JAN. 25) WITHOUT TAKING ACTION ON A NUMBER OF IMPORTANT MEASURES.

AMONG THE MEASURES NOW SUSPENDED IN THE ATRIUM WAS A RESOLUTION WHICH WOULD EXPRESS THE PALAU LEGISLATURE'S DISAPPROVAL OF THE RECENTLY DRAFTED CONSTITUTION FOR THE

PAGE 04 RUHGSAA2062 UNCLAS  
FEDERATED STATES OF MICRONESIA.

LATE LAST WEEK, THE LEGISLATURE VOTED ELEVEN TO ELEVEN ON A MEASURE WHICH WOULD AMEND THE CHARTER TO GIVE THE TRADITIONAL LEADERS VOTING POWERS IN THE LEGISLATURE. A THREE FOURTHS VOTE OF THE TWENTY-EIGHT-MEMBER LEGISLATURE IS REQUIRED TO AMEND THE

UNCLASSIFIED



Department of State **TELEGRAM**

UNCLASSIFIED

PAGE 03 271707Z

CHARTER. THE CHIEFS, ANGERED AT THE VOTE TURN-OUT, WALKED OUT OF THE CHAMBER FRIDAY AFTERNOON TAKING WITH THEM CLOSE TO ONE HALF OF THE VOTING MEMBERS. WITHOUT A QUORUM, THE LEGISLATURE WAS UNABLE TO CONDUCT BUSINESS AND THE MEASURE EXPRESSING DISAPPROVAL OF THE CONSTITUTION FOR THE FEDERATED STATES OF MICRONESIA WAS, FOR ALL PRACTICAL PURPOSE, TABLED.  
(DR. KLUGE SERIOUSLY INJURED IN A FALL)

PONAPE, JANUARY 26 (MNS)--- DR. FRED KLUGE, FORMER DIRECTOR OF PUBLIC INFORMATION FOR THE MICRONESIAN CONSTITUTIONAL CONVENTION, WAS SERIOUSLY INJURED IN A FALL FROM A 100-FOOT WATERFALL IN AWAK, UH MUNICIPALITY IN PONAPE DISTRICT LAST WEEK AND WAS EVACUATED TO STRAUB CLINIC IN HONOLULU FOR MEDICAL TREATMENT, ACCORDING TO HALVERSON JOHNNY, PONAPE BROADCAST STATION MANIA.

DR. KLUGE WAS ACCOMPANIED BY TWO COMPANION WHEN THE

PAGE 05 RUHGSA02062 UNCLAS

ACCIDENT OCCURED. HE FELL WHEN THEY WERE ABOUT 15 FEET FROM THE TOP OF THE WATERFALL, JOHNNY REPORTED.

JOE CIGANEG, AN AMERICAN, SAID KLUGE SLIPPED AND SLID 60 FEET DOWN THE ROUGH EDGE OF THE WATERFALL AND LANDED ON HIS LEFT ARM.

CIGANEG AND HIS OTHER COMPANION RUSHED KLUGE TO KOLONIA HOSPITAL WHERE HE WAS HOSPITALIZED FOR TWO DAYS BEFORE BEING REFERRED TO THE HONOLULU STRAUB CLINIC.

DR. F.O. IRWIN, A PHYSICIAN AT KOLONIA HOSPITAL WHO EXAMINED KLUGE SAID HE (KLUGE) WILL OBTAIN ORTHOPEDIC CONSULTATION AT STRAUB CLINIC ILOVDEC TO RECEIVE SPECIALIZED TREATMENT FOR HIS BROKEN ARM.

DR. KLUGE AND HIS WIFE, PAMELA, WERE IN PONAPE UNDER CONTRACT WITH THE HEADQUARTERS DEPARTMENT OF RESOURCES AND DEVELOPMENT DOING RESEARCH ON TOURIST ATTRACTION SITE. THEY WERE IN MAURO WORKING ON THE SAME SUBJECT BEFORE GOING TO PONAPE.

(THE FOLLOWING IS A SUMMARY OF THE CONGRESS OF MICRONESIA FOR THE WEEK OF JANUARY 19TH TO THE 23RD, PREPARED BY CONGRESS OF MICRONESIA PUBLIC INFORMATION INTERN JOHN S. DFL ROSARTO)

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Department of State **TELEGRAM**

UNCLASSIFIED

PAGE 04 271707Z

PAGE 06 RUHGSAA2062 UNCLAS

(LAST WEEK AT THE CONGRESS OF MICRONESIA)

SAIPAN, JANUARY 26 (COM)---AS THE 33-LAWMAKERS CONCLUDED THEIR SECOND WEEK OF WORKING SESSION LAST WEEK ON SAIPAN, SEVERAL IMPORTANT MEASURES WERE GIVEN FINAL APPROVE IN BOTH THE SENATE AND THE HOUSE OF REPRESENTATIVE.

IN THE SENATE, A MEASURE TO ESTABLISH A MICRONESIAN WASHINGTON OFFICE IN WASHINGTON D.C., RECEIVED FINAL APPROVAL ON SECOND READING. IT NOW GOES TO THE HOUSE OF REPRESENTATIVES FOR FURTHER CONSIDERATION. THE MICRONESIAN WASHINGTON OFFICE WOULD REPRESENT MICRONESIAN INTEREST BEFORE THE VARIOUS BRANCHES AND AGENCIES OF THE FEDERAL GOVERNMENT AND BEFORE THE U.S. CONGRESS.

AN IMPORTANT MEASURE, ONE WHICH WOULD CREATE A COMMISSION ON FUTURE POLITICAL STATUS AND TRANSITION, WAS INTRODUCED IN THE CONGRESS LAST WEEK. THE MEASURE WOULD HAVE THE COMMISSION CONTINUE AND COMPLETE THE WORK OF THE JOINT COMMITTEE ON FUTURE STATUS IN CONFORMITY WITH THE DRAFT CONSTITUTION OF MICRONESIA... RENEGOTIATE THE EXISTING DRAFT COMPACT TO THE EXTENT NECESSARY TO BRING IT INTO CONFORMITY WITH THE CONSTITUTION... AMONG OTHERS, IT WOULD APPROPRIATE 500,000

PAGE 07 RUHGSAA2062 UNCLAS

TO CARRY OUT THE WORK OF THE COMMISSION.

A MEASURE WHICH WOULD TRANSFER ALL PROPERTY, ASSETS, LIABILITIES, RECORD AND UNSPENT BALANCES OF FUNDS AVAILABLE IN THE PRODUCTION DEVELOPMENT FUND, MARINE RESOURCES DEVELOPMENT FUND, AND AGRICULTURE DEVELOPMENT FUND TO THE MICRONESIAN DEVELOPMENT BANK HAS BEEN INTRODUCED IN THE CONGRESS. IT WOULD ALSO TRANSFER THE FUNCTIONS AND POWERS IN THE ADMINISTRATION OF THESE FUNDS FROM THE MICOM AND THE DIRECTOR OF RESOURCE AND DEVELOPMENT TO THE BANK. A RELATED MEASURE WAS INTRODUCED WHICH WOULD CHANGE THE PRINCIPAL OFFICE OF THE BANK FROM SAIPAN IN THE MARIANAS TO MEON ISLANDS IN TRUK DISTRICT.

ONE OF THE MOST INTERESTING MEASURES INTRODUCED LAST WEEK AT THE CONGRESS OF MICRONESIA WAS A BILL WHICH WOULD CREATE AN OFFICE OF OUTER-ISLAND AFFAIRS. THE OFFICE WOULD BE WITHIN THE OFFICE OF THE DISTRICT ADMINISTRATORS AND WOULD HANDLE MATTERS

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*Department of State* **TELEGRAM**

UNCLASSIFIED

PAGE 05 271707Z

AFFECTING THE OUTER ISLANDS IN EACH OF THE DISTRICTS IN MICRONESIA.  
SO FAR, THREE DISTRICTS PALAU, PONAPE AND YAP HAVE INTRODUCED  
RESOLUTIONS ASKING TO HOST THE PERMANENT CAPITAL OF MICRONESIA  
PALAU'S REQUEST IS SUPPORTED BY A RESOLUTION ADOPTED BY THE  
MICRONESIAN CONSTITUTIONAL CONVENTION ASKING THAT CONGRESS GIVES

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Department of State

TELEGRAM

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PAGE 01 271708Z

43  
ACTION INT-05

INFO OCT-01 TO-11 EA-09 PM-04 PA-02 L-03 /035 W  
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P 260730Z JAN 76  
FM HICOMTERPACTS SAIPAN MARIANA ISLANDS  
TO ALDISTADS TERPACIS  
TT LNO GUAM MARIANA ISLANDS  
TT LNO KWAJALEYN MARSHALL ISLANDS  
COMNAVMARIANAS GUAM MARIANA ISLANDS  
CINCPACREP GUAM/TTPI GUAM MARIANA ISLANDS  
CINCPAC HONOLULU HI  
INTELLIGENCE CENTER PACIFIC (IPAC)  
NAVINSERVO GUAM MARIANA ISLANDS  
COMTWELVE SAN FRANCISCO CA  
RUFHC /SECSTATE WASHINGTON DC  
SECDEF WASHINGTON DC  
JCS WASHINGTON DC  
CNO WASHINGTON DC  
CINCPACFLT MAKALAPA HI  
CINCPACAF HICKAM AFB HI  
CGFMFPAC CAMP W M SMITH HI  
COMCRPAC PEARL HARBOR HI  
NAVFACENGCMMHQ ALEXANDRIA VA  
PCGDFOURTEEN HONOLULU HI

PACNAVFACENGCMM PEARL HARBOR HI  
SAMTEC VANDENBERG AFB CA  
FCDNA-LGA KIRTLAND AFB NM  
CDRUSAGO MAKIMYNATO JAPAN//TTPT-LNO//  
AMEMB CANBERRA AS  
RUFHKO /AMEMB TOKYO JA  
CDRBMDSCOM HUNTSVILLE AL//BMD SC-RO//  
COMCOGARD MARSPC GUAM MARIANA ISLANDS

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FINAL SECTION OF 04  
PALAU DISTRICT (FIRST) CONSIDERATION WHEN IT TAKES UP THE ISSUE

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Department of State **TELEGRAM**

UNCLASSIFIED

PAGE 02 271700Z

OF RELOCATING THE CAPITAL TO ANOTHER DISTRICT. YAP ARGUES THAT SINCE THE FUTURE CAPITAL OF MICRONESIA WILL BE SMALL AND WEAK, THE FUTURE CAPITAL OF MICRONESIA SHOULD BE LOCATED IN A DISTRICT THAT IS SMALL AND WEAK. PONAPE OFFERS ITS LUSH PALIKIR AREA FOR THE PERMANENT SEAT OF MICRONESIA'S FUTURE CAPITAL.

THE 33-LAWMAKERS LAST WEEK SAW THE INTRODUCTION OF A JOINT RESOLUTION WHICH WOULD CREATE A JOINT COMMITTEE ON MICRONESIAN WAR CLAIMS TO ACT ON BEHALF OF THE PEOPLE OF MICRONESIA. ANOTHER

PAGE 03 RUHGSAA2063 UNCLAS

JOINT RESOLUTION WAS INTRODUCED ASKING THE GOVERNMENT OF JAPAN TO PAY MICRONESIANS AND THEIR HEIRS FOR WAGES, INJURIES AND DEATHS RESULTING FROM THEIR SERVICE IN THE JAPANESE MILITARY DURING WORLD WAR II.

THE HOUSE OF REPRESENTATIVE ADOPTED A JOINT RESOLUTION OPPOSING THE PROPOSED \$3 TRAVELER'S FEE FOR ALL DEPARTING PASSENGERS AT THE GUAM INTERNATIONAL AIRPORT TO POINT IN THE TRUST TERRITORY. THAT RESOLUTION HAS BEEN SENT TO THE SENATE FOR CONSIDERATION. DURING THE DEBATE, MEMBER WHO SUPPORTED THE RESOLUTION SAY THE \$3 DEPARTING FEE WILL BECOME AN ADDITIONAL BURDEN ON MICRONESIANS. OTHERS PUSHED TO CHANGE THE LANGUAGE OF THE RESOLUTION SO IT WOULD EXEMPT MICRONESIANS. STILL OTHERS ARGUE THAT MICRONESIA SHOULD NOT INTERVENE ON THE ACTION OF THE GUAM LEGISLATURE.

EARLIER LAST WEEK, HIGH COMMISSIONER EDWARD E. JOHNSTON WAS SEVERELY CRITICIZED BY TWO MARIANAS CONGRESSMEN. REP. OSCAR C. RASA CRITICIZED THE HICOM'S STATE OF THE TERRITORY ADDRESS INCLUDING "HARASSMENT" OF CRITICS AND HIS MICRONIZATION PROGRAM. REP. HERMAN T. PALACTOS SPECIFICALLY CRITICIZED JOHNSTON ON NEWS ACCOUNTS ABOUT "MISMANAGEMENT" IN THE TRUST TERRITORY GOVERNMENT.

PAGE 04 RUHGSAA2063 UNCLAS

DURING LAST WEEK'S ACTION, TWO MEMBERS OF CONGRESS DELIVERED REMARKS SEEKING CONGRESS OF MICRONESIA SUPPORT ON THE MARIANAS COVENANT NOW BEFORE THE U.S. SENATE FOR CONSIDERATION. REP. POLYCARP BASTIUS OF PALAU SAID IN A SPEECH BEFORE THE HOUSE: "THIS IS WHAT THE PEOPLE OF THE MARIANAS WANT...THERE IS NO LONGER ANY

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Department of State **TELEGRAM**

UNCLASSIFIED

PAGE 03 271708Z

VALID REASONS TO STAND IN THEIR WAY. SENATOR OLYMPIO T. BORJA OF THE MARIANAS ECHOED THE SAME SENTIMENTS IN A SPEECH BEFORE THE SENATE.

PERHAPS ONE OF THE MOST CRITICAL RESOLUTIONS INTRODUCED IN CONGRESS LAST WEEK DEALS WITH THE SURTAX LAW ENACTED BY THE CONGRESS. THE SURTAX LAW PROVIDED FOR REVENUE SHARING AND INCREASED REVENUES FOR DISTRICT LEGISLATURES.

THE RESOLUTION, AUTHORED BY REP. CARMEN BIGLER CONDEMNS MANY PRACTICAL ATTEMPTS BY THE U.S. TO THWART MICRONESIANS ECONOMIC AND POLITICAL DEVELOPMENT. IT ALSO URGES THE SECRETARY OF DEFENSE IN THE STRONGEST POSSIBLE TERMS TO ASK THE INTERIOR SECRETARY TO REScind HIS AMENDMENT TO DEPARTMENT ORDER 2918 WHICH LIMITS THE THREE PERCENT TAX ON U.S. MILITARY ACTIVITIES IN MICRONESIA.

IN BRIEF REMARKS INTRODUCING HER RESOLUTION, REP. BIGLER

PAGE 05 RUHGSAA2063 UNCLAS

SAID SHE HAD INTENDED TO DELIVER A LENGTHY ADDRESS FULL OF FIRE AND DETERMINATION OUTLINING ABUSES LEVELED ON MICRONESIA AND PARTICULARLY ON WATAJEIN ATOLL IN THE MARSHALLS. BIGLER SAID: I AM TIRED AND DISILLUSIONED... I CAME TO CONGRESS WITH A SENSE OF MISSION AND A FEELING THAT I HAD ACHIEVED A POSITION WHERE I COULD INFLUENCE THE AFFAIRS OF MY GOVERNMENT. BUT THE REALITY IS THAT I CANNOT--NOR CAN ANY OF THE REST OF YOU.

REPRESENTATIVE KUNIO NAKAMURA OF PALAU INTRODUCED A RESOLUTION CALLING FOR AN AUDIT OF THE CONGRESS OF MICRONESIA BY AN INDEPENDENT ACCOUNTING FIRM. IN BRIEF REMARKS INTRODUCING HIS RESOLUTION, NAKAMURA SAID HE WISH TO SUSTAIN THE INTEGRITY AND FINANCIAL EFFICIENCY OF THE CONGRESS.

LAST WEEK AT THE CONGRESS OF MICRONESIA, VARIOUS COMMITTEES STARTED HOLDING PUBLIC HEARING AND IMPORTANT MEASURES ASSIGNED TO IT. THE HOUSE APPROPRIATIONS COMMITTEE WAS THE FIRST TO BEGIN IT WORK. THE HOUSE COMMITTEE ON RESOURCE AND DEVELOPMENT AND THE JUDICIARY AND GOVERNMENTAL RELATIONS COMMITTEE ALSO BEGAN HOLDING PUBLIC HEARINGS. OTHER COMMITTEES OF THE CONGRESS WILL BEGIN CONDUCTING PUBLIC HEARING THIS WEEK. SOME COMMITTEES MAY CONDUCT PUBLIC HEARING THROUGHOUT THE COURSE OF THE CURRENT

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PAGE 04 27170RZ

PAGE 08 RUMGSA2063 UNCLAS  
50-DAY SESSION.

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