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TELEGRAM

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ACTION INT-05

INFO OCT-01 PM-04 PA-02 L-03 EA-09 IO-11 /035 W
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P 031020Z MAR 76 ZNZ-1
FM HICOMTERPACIS SAIPAN MARIANAS ISLANDS
TO ALDISTADS TERPACIS
FM LNO GUAM MARIANAS ISLANDS
FM LNO KWAJALEIN MARSHALL ISLANDS
COMNAV MARIANAS GUAM MARIANAS ISLANDS
CINCIACREP GUAM/TTPI GUAM MARIANAS ISLANDS
CINCPAC HONOLULU HI
INTELLIGENCE CENTER PACIFIC (IPAC)
NAVINSERVO GUAM MARIANAS 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
CGFMFPAC CAMP H M SMITH HI
COMCBPAC PEARL HARBOR HI
NAVFACENGCONHQ ALEXANDRIA VA
CCGDFOURTEEN HONOLULU HI

1. Major Bills Approved or Postponed
2. Three More Bills Become Laws
3. Manpower Study in TT Underway
4. Status Sup Economic Progress Up to Micronesia Alone.
5. Mass Progs for Micronesia

PACNAVFACENGCOM PEARL HARBOR HI
SAMTEC VANDENBERG AFB CA
PCDNA-LGA KIRTLAND AFB NM
CDRUSAGO MAKIMINATO JAPAN//TTPI-LNO//
AMEMB CANBERRA ACT AS
RUEHKO /AMEMB TOKYO JA
CDRBMUSCOM HUNTSVILLE AL//BMD SC-RO//
COMCOGARD MARSEC GUAM

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SECSTATE PASS TO DEPT INT/SEC INTERIOR/DOIA OSN
AMEMBASSY CANBERRA FOR PAC. ISL. MONTHLY
NOTE TO EDITORS AND NEWS DIRECTORS: SEVERAL BILLS
APPROVED BY ONE HOUSE MET THEIR FATE IN THE OTHER, SOME
OF THEM ENCOUNTERED BITTER DEBATES. THE STORY BELOW IS
ABOUT SOME OF THEM WHICH WERE EITHER DEFEATED OR POSTPONED
UNTIL THE SPECIAL SESSION).
(MAJOR BILLS APPROVED OR POSTPONED)

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SAIPAN, MAR 3 (MNS)---THERE WERE BOTH ACCOMPLISHMENTS
AND DISAPPOINTMENTS IN THE 1976 CONGRESS OF MICRONESIA
SESSION WHICH ENDED THIS WEEK ON SAIPAN, THESE WERE
REFLECTED IN THE NUMBER OF MAJOR BILLS PASSED AND SENT
TO THE HIGH COMMISSIONER AND IN THE NUMBER POSTPONED.

ACCORDING TO THE UNOFFICIAL TALLY OF THE MICRONESIAN
NEWS SERVICE, A TOTAL OF 51 BILLS WERE APPROVED AND SENT
TO THE HIGH COMMISSIONER DURING THIS SESSION FOR HIS
ACTION 32 OF THEM ON THE FINAL DAY. OF THESE, SIX HAVE
BEEN SIGNED INTO LAW.

ON THE FINAL DAY (MONDAY, MARCH 1), A BILL DESIGNATING
PONAPE DISTRICT AS THE SITE OF THE FUTURE MICRONESIAN
CAPITAL WAS POSTPONED UNTIL THE SPECIAL SESSION, IF ONE IS
TO BE CALLED. THE SENATE VOTED TO REJECT THE HOUSE
AMENDMENTS ON THIS PARTICULAR BILL. THE HOUSE AMENDMENTS
WOULD EXCLUDE PALAU DISTRICT FROM MICRONESIA AND EARMARK
\$50,000 TO PERFORM FEASIBILITY STUDIES FOR THE CAPITAL
OF PALAU. A CONFERENCE COMMITTEE CONSISTING OF MEMBERS
FROM BOTH HOUSES WORKED OUT A COMPROMISE.

"THE ISSUE IS COMPLEX," THE COMMITTEE REPORTED, "AND

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MANY FACTORS MUST BE TAKEN INTO CONSIDERATION BEFORE ANY
FINAL DECISION CAN BE MADE. WE CANNOT AFFORD TO MAKE
A MISTAKE IN SELECTING THE SITE..." THE COMMITTEE
RECOMMENDED THAT MEMBERS OF THE CONGRESS SHOULD CONSIDER
THIS ISSUE BETWEEN NOW AND THE SPECIAL SESSION.

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THE HOUSE OF REPRESENTATIVES ALSO POSTPONED ACTION ON A BILL TO INCREASE THE TAX ON WAGES AND SALARIES FROM TWO PERCENT TO SIX PERCENT, (SB 6-287). THE SENATE APPROVED THE BILL LAST WEEK BUT NOT WITHOUT SOME OPPOSITION.

ON THE FINAL DAY, THE BILL MET STRONG OPPOSITION FROM THE MARIANAS, MARSHALLS AND PALAU DELEGATIONS. LED BY REP. OSCAR C. RASA, THE MARIANAS DELEGATION STRONGLY OBJECTED TO THE BILL BECAUSE THERE ARE MARIANAS CITIZENS STILL WORKING AT TRUST TERRITORY HEADQUARTERS THAT WILL BE AFFECTED IF THE MARIANAS IS SEPARATED ADMINISTRATIVELY FROM THE REST OF MICRONESIA. "ONCE AGAIN HISTORY HAS REPEATED ITSELF, TAXATION WITHOUT REPRESENTATION. IT IS NOT ONLY IMPROPER BUT IT QUESTIONS THE INTEGRITY OF THIS CONGRESS," RASA SAID.

PALAU REP. KUNIWO NAKAMURA SAID: "THE TAX SYSTEM

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AS PROPOSED UNDER THIS BILL IS A REGRESSIVE ONE, IN THAT THE LOWER INCOME BRACKET PEOPLE WILL BE TAXED MUCH MORE THAN THE HIGHER WAGE EARNERS."

REP. HERMAN T. PALACIOS SIMPLY PUT IT: "ANY IMPOSITION IN FURTHER TAXATION IS VERY IMPROPER."

REP. ISIDORO RUDIMCH STATED: "WE HAVE TO MAKE SURE THAT THE BILL IS NOT CATASTROPHIC IN NATURE OR WE'LL BE CALLED IRRESPONSIBLE..." HE ADDED: "IF WE WERE TO PASS THIS BILL, WE WOULD BE TAXING THE PEOPLE VERY UNFAIRLY."

WAYS AND MEANS CHAIRMAN RESIO MOSES OF PONAPE DEFENDED HIS COMMITTEE'S POSITION ON THE BILL. IN EXPLAINING THE IMPACT OF THE \$2,000 EXEMPTION PROPOSED UNDER THE BILL, MOSES SAID UNDER THE EXISTING LAW, AN EMPLOYEE OF THE GOVERNMENT OR PRIVATE SECTOR WHO DRAWS A SALARY OF \$5,000 OR MORE IS NOT SUBJECTED TO ANY DEDUCTION. FOR THOSE MAKING LESS THAN \$5,000, THE FIRST \$2,000 IS TAX FREE. "THE PROPOSED RATE OF TAXATION WOULD THEN BE ASSESSED ON THE ADDITIONAL AMOUNT BEYOND THE \$2,000," MOSES EXPLAINED.

AFTER SEVERAL MORE SPEAKERS BOTH PRO AND CON WERE

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HEARD, A MOVE WAS MADE TO POSTPONE ACTION UNTIL THE SPECIAL SESSION. THAT MOTION WAS APPROVED.

EARLIER IN THE SESSION, A BILL TO CREATE A COMMITTEE ON POLITICAL EDUCATION PROGRAMS AND APPROPRIATE \$45,000 FOR ITS FUNCTIONS (SB 6-287) WAS DEFEATED IN THE LOWER CHAMBER. SOME MEMBERS CONTENDED THAT THE PUBLIC AFFAIRS DEPARTMENT IS PRESENTLY CARRYING OUT THE PROPOSED FUNCTIONS OF THE COMMITTEE AND CREATION OF SUCH A COMMITTEE WOULD "DUPLICATE" WORK.

A BILL TO PROVIDE FOR THE PAYMENT OF EXPENSES OF JURY TRIAL WITHIN THE TRUST TERRITORY (SB 6-232) WAS ALSO PUT OFF UNTIL THE SPECIAL SESSION.

THE SENATORS APPROVED A BILL TO PERMIT MICRONESIA TO REGISTER FOREIGN SHIPS UNDER A "FLAG OF CONVENIENCE" IN ORDER TO ENCOURAGE AND FOSTER ECONOMIC GROWTH AND DEVELOPMENT OF THE FOREIGN AND DOMESTIC COMMERCE IN MICRONESIA, (HB 6-304).

THE HOUSE APPROVED THE BILL LAST WEEK. THE SENATE COMMITTEE ON RESOURCES AND DEVELOPMENT HEADED BY SEN. AMATA KABUA OF THE MARSHALLS, STRONGLY RECOMMENDED APPROVAL,

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HE SAID APPROVAL OF THE BILL "WOULD RESULT IN A SIGNIFICANT AMOUNT OF REVENUE TO MICRONESIA BY ALLOWING FOREIGN SHIPS TO REGISTER THEMSELVES UNDER THE MICRONESIAN FLAG."

"MOREOVER," KABUA'S COMMITTEE STATED IN ITS REPORT, "IT WOULD PROVIDE MICRONESIA WITH A COMPREHENSIVE, VIABLE TRANSPORTATION SYSTEM WHICH IS LONG OVERDUE."

THE ATTORNEY GENERAL'S OFFICE WHICH TESTIFIED AGAINST THE BILL, STATED THAT THE CONGRESS "CANNOT LEGISLATE ON MATTERS DEALING WITH TRANSPORTATION WITHIN MICRONESIA."

"THIS ARGUMENT IS UNSUBSTANTIATED AND BEARS NO BASIS IN REALITY," "...THERE ARE NO INCONSISTENT FEDERAL LAWS, TREATIES, EXECUTIVE ORDERS, OR SECRETARIAL ORDERS WHICH WOULD RENDER (THE BILL) INVALID, NOR DOES THIS BILL INVOLVE THE ISSUANCE OF FRANCHISES, THE AUTHORITY FOR WHICH IS VESTED IN THE SECRETARY OF THE INTERIOR."

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THE BILL HAS A HISTORY OF TWO VETOES BY THE HIGH COMMISSIONER. THIS IS THE THIRD TIME LEGISLATION DEALING WITH ADMIRALTY AND MARITIME AFFAIRS HAS BEEN SENT TO THE HIGH COMMISSIONER.

A MEASURE TO REAPPORTION THE HOUSE OF REPRESENTATIVES

END

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CDRUSAGO MAKIMINATO JAPAN//TTPI-LND//
AMEMB CANBERRA ACT AS
RUEHKO /AMEMB TOKYO JA
CDRBMDSCOM HUNTSVILLE AL//BMD SC-RD//
COMCOGARD MARSEC GUAM

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WAS APPROVED ON THE LAST DAY BUT NOT WITHOUT STIFF

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OPPOSITION FROM SOME MEMBERS.

THE BILL PASSED WITH SEVERAL MEMBERS CASTING DISSENTING VOTES.

(THREE MORE BILLS BECOME LAWS)

SAIPAN, MARCH 3 (MNS)---HIGH COMMISSIONER EDWARD E. JOHNSTON HAS SIGNED INTO LAW TWO MORE BILLS AND LET ANOTHER BECOME LAW WITHOUT HIS SIGNATURE. JOHNSTON APPROVED THE BILLS FEBRUARY 24TH. THEY WERE:

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--TO APPROPRIATE \$25,000 OUT OF THE CONGRESS GENERAL FUND TO UPDATE THE VOTER REGISTRATION LISTS IN ALL DISTRICTS, (HB 6-281), NOW PUBLIC LAW 6-77;

2. --TO ENABLE CONTINENTAL AIRLINES TO TRANSFER AN AIRPLANE TO AIR MICRONESIA WITHOUT PAYING ANY TAX ON THE TRANSFER, (HB 6-182), NOW PUBLIC LAW 6-75;

3. --TO APPROPRIATE \$177,180 TO FUND THE OPERATING EXPENSES OF THE SOCIAL SECURITY SYSTEM FOR CONGRESSIONAL FISCAL YEAR 1977, FIFTY PERCENT FROM THE GENERAL FUND OF THE CONGRESS AND FIFTY PERCENT FROM THE SOCIAL SECURITY RETIREMENT FUND, (HB 6-335), NOW PUBLIC LAW 6-76.

THE LATTER BILL BECAME LAW WITHOUT THE HIGH COMMISSIONER'S SIGNATURE. IN A LETTER TO THE CONGRESS OF MICRONESIA PRESIDING OFFICERS, NEIMAN CRALEY, THE HIGH COMMISSIONER'S SPECIAL ASSISTANT FOR LEGISLATIVE AFFAIRS, SAID THAT WHILE THE MICOM SUPPORTED THE INTENT OF THIS LEGISLATION, HE FELT THAT CONDITIONS "HAD NOT CHANGED" UNDER THE PRESENT LAW (PL 6-49) BUT THAT IN ORDER TO BE CONSISTENT WITH THE POSITION TAKEN ON PUBLIC LAW 6-49, HE WOULD PERMIT THE BILL TO BECOME LAW WITHOUT HIS APPROVAL.

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CRALEY ALSO SAID SIX MORE BILLS HAVE BEEN RECEIVED BY THE OFFICE OF THE HIGH COMMISSIONER. ACTION ON THEM IS STILL PENDING.

(MANPOWER STUDY IN THE IT UNDERWAY)

SAIPAN, MAR. 3 (MNS)---THE NUMBER OF YOUNG PEOPLE IN

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DISTRICT CENTERS WHO ARE NOT EMPLOYED AND NOT LOOKING FOR JOBS IS QUIET "ALARMING" ACCORDING TO WILLIAM KNOWLES, INTERNATIONAL LABOR ORGANIZATION SPECIALIST. KNOWLES IS PRESENTLY DOING A STUDY ON MANPOWER IN MICRONESIA FOR THE COMPREHENSIVE AND BALANCED DEVELOPMENT PLAN FOR MICRONESIA.

HE SAID IF THIS TREND CONTINUES INTO THE FUTURE, THERE MAY BE SERIOUS PROBLEMS IN THE SOCIAL AND ECONOMIC SITUATION IN MICRONESIA.

A UNIVERSITY PROFESSOR OF LABOR ECONOMICS FOR 25 YEARS AND, MOST RECENTLY, AN ECONOMIC ADVISOR FOR THE ASIAN REGIONAL OFFICE OF THE INTERNATIONAL LABOR ORGANIZATION, KNOWLES HAS BEEN SPENDING MOST OF HIS TIME IN THE TRUST TERRITORY COLLECTING INFORMATION, MEETING OFFICIALS AND UN SPECIALISTS IN ORDER TO BETTER UNDERSTAND THE ECONOMY OF MICRONESIA.

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IN MAKING THIS STUDY, KNOWLES SAID HE COULD NOT MAKE ACCURATE PREDICTIONS ABOUT THE MEMBERS OF CERTAIN PROFESSIONS, LIKE CARPENTERS, NEEDED IN THE FUTURE, BUT BECAUSE THE POPULATION IS KNOWN, THE NUMBER OF TEACHERS AND DOCTORS COULD BE FAIRLY WELL PREDICTED.

ASKED WHAT WOULD HAPPEN IF THE LABOR FORCE IN MICRONESIA IS NOT LARGE ENOUGH FOR CERTAIN DEVELOPMENT, KNOWLES SAID THERE ARE TWO ALTERNATIVES: ONE, TO IMPORT ALIEN LABOR, AND SECOND, CHOOSE A FORM OF ECONOMIC DEVELOPMENT THAT DOES NOT REQUIRE NUMBERS OF PEOPLE.

QUESTIONED ABOUT THE DIFFERENCES BETWEEN A SOCIALIST ECONOMY AND A CAPITALIST ONE IN THE MANPOWER AREA, THE INTERNATIONAL LABOR ORGANIZATION SPECIALIST SAID THAT IN SOCIALIST COUNTRIES, PRICES ARE FIXED BY THE GOVERNMENT. PROFESSIONS ARE NOT OFTEN CHOSEN BY THE PEOPLE THEMSELVES BUT BY THE GOVERNMENT. "ONE ADVANTAGE OF THIS," HE SAID, "WAS THAT UNDER SOCIALISM, THERE WOULD NOT BE THE LARGE NUMBERS OF PEOPLE MOVING FROM THE OUTER ISLANDS TO THE DISTRICT CENTERS. THE GOVERNMENT COULD JUST TELL THEM TO STAY WHERE THEY ARE."

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IN CONCLUDING, KNOWLES SAID MICRONESIA WOULD HAVE TO MAKE AN IMPORTANT DECISION CONCERNING ITS EDUCATION SYSTEM, IF AGRICULTURE AND FISHING ARE TO BE CONSIDERED PRIORITIES, THEN THE GOAL OF HAVING 80 PERCENT OF THE HIGH SCHOOL AGE CHILDREN GETTING A SECONDARY EDUCATION SHOULD BE CAREFULLY EXAMINED. SUCH A GOAL MIGHT OVERTRAIN PEOPLE FOR PROFESSIONS IN FARMING AND FISHING WHERE A HIGH LEVEL OF EDUCATION IS NOT NEEDED, AND IT MIGHT JUST TURN YOUNG PEOPLE AWAY FROM THESE PROFESSIONS.

THE MANPOWER STUDY WILL BE PART OF THE OVERALL INDICATIVE DEVELOPMENT PLAN WHICH THE UNITED NATIONS DEVELOPMENT PROGRAM IS PRODUCING FOR THE CONGRESS OF MICRONESIA AND IS TO BE COMPLETED AND TURNED OVER TO THE CONGRESS BY APRIL OF THIS YEAR.

(HARUO SAYS ECONOMIC PROGRESS UP TO MICRONESIANS ALONE)
SAIPAN, MARCH 3 (COM)---TRUK CONGRESSMAN SASAUO HARUO SAID MONDAY (MARCH 1) THE RECENT ADMISSION OF THE UNITED STATES THAT IT WILL NOT SUPPORT FULL MICRONESIAN CONTROL OVER ITS OCEAN RESOURCES WOULD MAKE MICRONESIA "AN ECONOMIC COLONY" MORE DEPENDENT UPON U.S. "HANDOUTS."

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IN REMARKS (BEFORE THE HOUSE), HARUO SAID HE CONSIDERS SUCH A MOVE AS "INTERFERENCE" IN MICRONESIA'S INTERNAL AFFAIRS AS DEFINED BY ITS "HISTORIC RIGHTS, CUSTOMS AND THE DRAFT CONSTITUTION OF THE FEDERATED STATES OF MICRONESIA."

HARUO SAID PRESENT UNITED STATES FOREIGN POLICY AS IT APPLIES TO MICRONESIA "IS INTENTIONALLY DESIGNED TO BLOCK AND FRUSTRATE" MICRONESIAN EFFORTS TO CONTROL ITS RESOURCES.

HE CITED RECENT EFFORTS BY MICRONESIANS TO CONTACT FOREIGN GOVERNMENTS ABROAD WHICH WERE "CONTINUALLY BLOCKED BY ALL AMERICAN EMBASSIES..." HE DECLARED:

"IT IS QUITE CLEAR THAT THE UNITED STATES DOES NOT WANT MICRONESIA TO DEVELOP STRONG RELATIONS WITH OTHER NATIONS IN THE ASIAN AND PACIFIC REGION" SO TI COULD GET

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FOREIGN AID.

CONGRESSMAN HARUD NOTED ANOTHER AREA WHERE WASHINGTON EXERCISES "TIGHT CONTROL" -- MICRONESIA'S AIR AND SEA TRANSPORTATION. HE POINTED OUT THAT PRESENT POLICY TO THIS EFFECT IS "EXTREMELY RIGID...AND EVEN OUTDATED."

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RUEHKO /AMEMB TOKYO JA
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HE INDICATED THAT THE POLICY WAS ISSUED WHEN ONLY THE TT

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GOVERNMENT-OWNED AIR AND SEA TRANSPORTATION SERVICES WERE AVAILABLE IN MICRONESIA. THIS IS NOT THE CASE TODAY AND THEREFORE THEY MUST BE IMPROVED OR RELAXED BEFORE THE END OF THE TRUSTEESHIP, HARUO SAID.

THE TRUK CONGRESSMAN MENTIONED DIRECTOR OF TERRITORIAL AFFAIRS ~~FRED ZEDER'S "NOW-FAMOUS" CRASH DECENTRALIZATION PLAN OF THE GOVERNMENT.~~ HE SAID THE THE BIGGEST BENEFIT OF SUCH A PLAN IS THE U.S. GOVERNMENT SINCE IT WOULD NOT

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HAVE FINANCER THE CONSTRUCTION OF A NEW CAPITAL COMPLEX. ESSENTIALLY, THE PLAN WOULD DECENTRALIZE MICRONESIA "OVERNIGHT" TO THE POINT WHERE IT WOULD BE "DANGEROUS, OR MAYBE EVEN CEASE TO EXIST." HE DECLARED:

"NOWHERE IN THE WORLD HAS AN UNDEVELOPED COUNTRY MANAGED TO BUILD AN ECONOMY IN THE ABSENCE OF A CENTRALIZED FORCE OR CENTRALIZED DIRECTION TO MOBILIZE THE ECONOMY."

HARUO POINTED OUT THAT MICRONESIA'S COMPREHENSIVE DEVELOPMENT PLAN NOW BEING PUT TOGETHER WITH HELP FROM UNITED NATIONS EXPERTS WILL TIE-UP EVERYTHING UNDER A SINGLE PLAN. AND ZEDER'S "EXTREME DECENTRALIZATION" PLAN RUNS CONTRARY TO MICRONESIA'S PLAN. HE SAID WHATEVER PLANS THE NEW DOTA MAY HAVE, THEY "MUST BE CONSISTENT WITH THE CONSTITUTION OF THE FUTURE FEDERATED STATES OF MICRONESIA AND WITH THE WISHES" OF THE CONGRESS OF MICRONESIA.

"WHEN OR HOW ECONOMIC PROGRESS WILL BE ACHIEVED IS UP TO US AND NOBODY ELSE," HARUO SAID. PROGRESS IN MAJOR AREAS OF FISHERIES, AGRICULTURE AND OTHERS WILL NOT COME AS A RESULT OF "ILL-AFFORDED MECHANIZATION, NOR WILL IT COME AUTOMATICALLY FROM A DEVELOPMENT PLAN..."

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"THE REAL BREAK-THROUGH," HARUO CONTINUED, "WILL ONLY COME FROM EACH INDIVIDUAL MICRONESIAN WORKER IN THE RICE FIELDS OF PONAPE, THE FARMERS AND FISHERMEN IN THE VILLAGES OF YAP, TRUK, PONAPE, PALAU AND THE MARSHALLS,"

HARUO SAID QUOTAS AND GOALS MUST BE SET. AGRICULTURISTS

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AND OTHER EXPERTS IN THE DISTRICTS INCLUDING DEPARTMENT DIRECTORS "MUST LOCK THE DOORS OF THEIR AIR-CONDITIONED OFFICES AND GET INTO FIELD AND SET AN EXAMPLE." HE DECLARED:

"IF THEY CANNOT DO THIS, AND IF OUR GOALS CANNOT BE REACHED, THEN I FEEL IT IS TIME SOME OF THESE INDIVIDUALS MUST BE REPLACED."

CONGRESSMAN HARUD ACKNOWLEDGED THAT SOME OF HIS COLLEAGUES BELIEVE IT IS TIME THAT MICRONESIA OPEN ITSELF FOR POTENTIAL FOREIGN INVESTORS. HE SAID HE DISAGREES WITH SUCH A MOVE. HE SUGGESTED THAT MICRONESIA MUST FIRST INCREASE ITS TAX SYSTEM TO GENERATE MORE REVENUES AND MAKE USE OF FOREIGN AID ALREADY OFFERED BY SOME PACIFIC NATIONS. HE SAID THAT UNTIL ALL OF THESE HAVE BEEN FULLY EXPLORED, ONLY THEN SHOULD MICRONESIA

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SEEK "OUTSIDE PARTNERS AS INVESTORS" TO HELP FINANCE DEVELOPMENT PROJECTS.

THE TRUK CONGRESSMAN ALSO EXPRESSED CONCERN OVER THE LACK OF A "STRICT LENDING POLICY" OF EDLF LOAN FUNDS WHICH HAS RESULTED IN THE HIGH RATE OF DELINQUENT LOANS. HE URGED THAT MEASURES BE TAKEN TO CORRECT THE SITUATION WHERE ACCOUNTS COULD BE MONITORED CLOSELY. HE SUGGESTED THAT BORROWERS BE ASKED TO OBTAIN INSURANCE FOR THEIR LOAN SO THEY AS WELL AS THE FUTURE OF EDLF FUNDS COULD BE PROTECTED.

HARUD ALSO MENTIONED A REPORT FROM THE MICRONESIAN CLAIMS COMMISSION WHICH SAYS IT IS NOW RUNNING A DEFICIT OF ABOUT \$32-MILLION DOLLARS WHICH IT NEEDS TO PAY LONG-OVERDUE CLAIMS TO MICRONESIANS. HE URGED THAT CONGRESS URGE THE UNITED STATES AND JAPAN'S GOVERNMENTS TO COVER THIS DEFICIENCY.

CONGRESSMAN HARUD NOTED THAT MICRONESIANS HAVE ONLY RECEIVED SIXTEEN PERCENT OF THEIR TOTAL CLAIMS FILED AND TO WHICH THEY MUST SIGN A "RELEASE DOCUMENT." HE POINTED OUT AFFIXING SIGNATURES TO SUCH A DOCUMENT, IN EFFECT,

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"RELEASED" THE GOVERNMENTS OF JAPAN AND THE UNITED STATES FROM FURTHER "LIABILITY, OR SIMPLY, FROM THE OTHER EIGHTY-FOUR PERCENT OF THEIR CLAIM." HE DECLARED:

"THIS IS ILLEGAL AND UNJUST. THE PEOPLE OF MICRONESIA ARE ENTITLED TO ONE-HUNDRED PERCENT OF THEIR WAR CLAIMS AND SHOULD NOT BE FORECED TO SIGN DOCUMENTS STATING OTHERWISE..."

HARUO CONCLUDED: "NOTHING BUT HARD WORK CAN...PULL MICRONESIA OUT OF UNDER ITS PRESENT STATE OF DEPENDENCY. WE MUST DEVELOP THE STRENGTH TO DO THINGS ON OUR OWN... THIS IS WHEN WE WILL HAVE A REAL SENSE OF SELF-GOVERNMENT" WHICH SUES NOT REQUIRE NEGOTIATIONS. HE DECLARED THAT THE REAL STRENGTH OF A NATION "DEPENDS ON ITS ABILITY TO DO THINGS ON ITS OWN..."

(MORE PRAYS FOR MICRONESIA)

SALPAN, MARCH 3 (MNS)---REPRESENTATIVE RESIO MOSES OF PONAPE OFFERED A SPECIAL PRAYER FOR ALL THE PEOPLE OF MICRONESIA IN THE FINAL DAY OF ACTIVITIES OF THE CONGRESS OF MICRONESIA, MONDAY (MARCH 1).

"MOST ESPECIALLY BLESS THOSE WHO ARE FOR THE UNITY

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OF MICRONESIA SO THAT THEIR CAUSE WILL NOT FAIL, AND BLESS THOSE WHO ARE NOT FOR UNITY," HE ADDED, "AND SHOW THEM THE WAY AND RENEW WITHIN THEM A RIGHT SPIRIT."

ASKING THAT HIS PRAYER NOT OFFEND ANYONE, THE PONAPE CONGRESSMAN PRAYED THAT THE HIGH COMMISSIONER AND ADMINISTRATION OF THE TRUST TERRITORY BE BLESSED SO THEY MAY APPROVE ALL BILLS PASSED DURING THE SESSION. HE ALSO ASKED THAT THE DEPARTMENT OF INTERIOR'S OFFICE OF TERRITORIAL AFFAIRS BE BLESSED SO THAT "THEY MAY SEE THE LIGHT OF DECENTRALIZATION AND THE COMPREHENSIVE AND BALANCED ECONOMIC DEVELOPMENT PLAN" NOW UNDERWAY BY UNITED NATIONS EXPERTS IN THE TRUST TERRITORY.

MOSES ALSO PRAYED THAT THE MARIANAS PEOPLE AND THEIR REPRESENTATIVES IN THE CONGRESS BE BLESSED.

"DO NOT ALLOW THEM AND THEIR BUDGET REQUESTS TO BE

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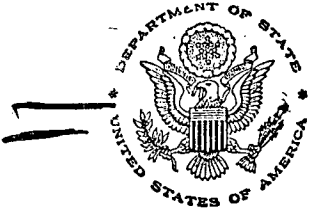
LOST IN THE GREAT SILENT MAJORITY OF THE AMERICAN
POLITICAL FAMILY," HE SAID.

MOSES ALSO ASKED THAT THE MEMBERS OF THE HOUSE OF
REPRESENTATIVES BE BLESSED "IN THIS YEAR OF THE GENERAL
ELECTION...SO THAT THEY WILL DWELL IN THE HOUSE OF

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ACTION INT-05

INFO OCT-01 PA-02 PM-04 L-03 IO-11 EA-09 /035 W
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P 031020Z MAR 76 ZNZ-1
FM HICOMTERPACIS SAIPAN MARIANAS ISLANDS
TO ALDISTADS TERPACIS
FY LNO GUAM MARIANAS ISLANDS
FY LNO KWAJALEIN MARSHALL ISLANDS
COMNAVMARIANAS GUAM MARIANAS ISLANDS
CINCIACREP GUAM/TTPI GUAM MARIANAS ISLANDS
CINCPAC HONOLULU HI
INTELLIGENCE CENTER PACIFIC (IPAC)
NAVINSERVO GUAM MARIANAS 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
CGFMFPAC CAMP H M SMITH HI
COMCBPAC PEARL HARBOR HI
NAVFACENGCONHQ ALEXANDRIA VA
CCGDFOURTEEN HONOLULU HI

PACNAVFACENGCOM PEARL HARBOR HI
SAMTEC VANDENBERG AFB CA
FCDNA-LGA KIPTLAND AFB NM
CDRUSAGO MAKIMINATO JAPAN//TTPI-LNO//
AMEMB CANBERRA ACT AS
RUEHKO /AMEMB TOKYO JA
CDRBMDS COM HUNTSVILLE AL//BMD SC-RO//
COMCOGARD MARSEC GUAM

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FINAL SECTION OF 04
REPRESENTATIVES FOREVER."

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"MUST OF ALL," HE SAID, "BLESS EVERY SOUL IN YOUR KINGDOM OF MICRONESIA, AMEN."

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