

On My Mind

5/20/05

With no public announcement from his office - unlike previous years where the event was much publicized - the governor gave his state of the Commonwealth speech yesterday. Much has been made of the governor's contradictory message - his assessment that the state of the CNMI was "pretty darn good" despite his declaration of a state of emergency regarding the crisis at CUC being only the most blatant - so I see no need to address it here. The full text of his speech appears in today's Saipan Tribune.</P>

What has not been mentioned in the press coverage is the amount of attention he paid to environmental concerns. In listing actions yet to be finished, the Governor said, "Perhaps most important for our tourism economy, we have to finish [as though it could ever be "finished"!] the job of protecting our environment.....The environment is the basis for all life and for economic development." The Division of Environmental Quality, in fact, was the only government agency singled out for special recognition.</P>

The speech by Washington Representative Pedro A. Tenorio - seemingly wiser and gentler than heretofore - focused on broader issues, noting that chances for passage by the U.S. Congress of a bill giving the CNMI non-voting delegate status looks better than ever, that the CNMI should address the concerns of the Dekata group because, while perhaps deserving of differences in treatment the Covenant offers no basis for a change of status, and that the CNMI also needs to address the "brain drain" currently being experienced as its college graduates fail to return.</P>

Tenorio was also far more forthright. He frankly admitted the problems posed by the decline of the garment industry, saying that "The continuing long term presence of dislocated and dismissed workers in our islands, if nothing substantive is done in the form of immediate repatriation, will eventually create massive socio-economic problems which will impact on our limited government resources."</P>

In a noticeable - and welcome - change from past addresses, both the governor and the Washington Rep mentioned the good relations between the two offices and the support each had given the other, particularly in relation to the non-voting delegate issue.</P>

<P align=center>***</P>

The Department of Interior's 2005 Business Opportunities Mission was on island for a brief two days this past week. In a Pacific Daily News article about the group's Guam visit, Assistant Secretary of the Interior for Insular Affairs David Cohen was reported as acknowledging that the Mission consisted of large mainland companies and firms. He reportedly went on to say that while that "may spur fear in the minds of smaller businesses," the intent was to create win-win situations, by bringing in companies looking for local partnerships that would benefit both the local and off-island partners, as well as the local economy.</P>

As economist Bill Stewart so cogently noted in an article in the Saipan Tribune earlier this week, however, "It's the smaller projects where the local people have the financial capacity to participate as joint venture partners."</P>

Among the many good ideas presented in that article, Stewart wrote that in order to persuade investors to come to the CNMI, it would be helpful if the CNMI offered them what he called "paper personalities" or investment prospectuses. These, he explained, describe specific business opportunities, and can include everything from capital investment requirements to estimates of income and expenses and identification of specific properties. Perhaps L&L Financial Holdings or Bridgecreek Development International, both part of the Mission, could provide some examples, some assistance, to local businessmen in what such paper personalities look like, and how to prepare them?</P>

Prime candidates for the preparation of such "paper personalities" are the island's garment factory and barracks sites being vacated as the garment industry cools off - and, of course, La Fiesta mall. One or more local real estate agents could identify and draw up lists of such properties - be they on public or private land - pulling together details of land lease expiration dates, applicable zoning restrictions, availability of power and water, name of owner or present leaseholder, etc., for prospective investors to choose from.</P>

What with the Chamber of Commerce's Marianas Roundtable Economic Summit also scheduled for this week, maybe May, in addition to all its other designations, should also be designated the month of hope for economic revival?</P>

<P align=center>***</P>

In light of the recent spate of power outages, I called the office of the Director of the Commonwealth Utilities Corporation to ask how many of Saipan's hotels were on their own power, and how many were on-line to CUC. I've not yet gotten an answer. So I am, as it were, talking off the top of my head. But assuming that there are some hotels that have acceded to CUC's demand that they hook up to CUC despite the fact that they have generators of their own, it would seem only sensible if those hotels were now asked to please use their own generators again. If CUC is short of power - which it apparently is - wouldn't it make sense to take the hotels off-line?</P>

And if the hotels have let their generators deteriorate because they were now on-line, it would probably be cost-effective if CUC helped pay to bring those generators back into operating condition. And what about the larger stores, such as Payless and JoeTen and Townhouse? They too have generators they use when CUC goes off-line. Couldn't they be asked to use their generators on a schedule, perhaps, to off-set CUC power problems?</P>

If engines need to be taken down for maintenance, as seems to be the case - are there enough generators out there to take up some of the slack while that engine is down - so that endless lengthy power outages wouldn't be needed?</P>

Saipan once got its power from a power barge, anchored at the dock. From the dire accounts of the condition of the power-generating engines at CUC, it sounds very much like Saipan may be reduced to getting its power from a power barge again. Which wouldn't help at all in encouraging new investments in the CNMI - at least not for the island of Saipan!</P>

<P align=center>***</P>

Perhaps here too what is needed is the establishment of a task force? The water task force seems to be making great progress toward resolving Saipan's water woes. Would a power task force be

able to do the same for Saipan's power problems? Maybe this would be where American Samoa's Abe Malae would be most effective?</P>

That former CUC directors Tim Villagomez and Ray Guerrero object to bringing Malae here to help CUC on the grounds that "we can do it ourselves - we don't need outsiders" is disgraceful, ridiculous. If that were true, then Saipan wouldn't be in trouble. That's what CUC has had all along - of which they themselves are proof - and look where CUC is now!</P>

Appointment of a power task force - if it could be done in a way to guarantee its survival regardless of the outcome of the next election - would, in this case, probably go a long way towards solution of the power problem. But that would take legislation. Would legislators be willing to vote against House vice-speaker and Covenant candidate for lieutenant governor Tim Villagomez????</P>

As Father Hezel said in his good government presentation at NMC last month, good government will come when people learn to put the good of society in general before the good of individuals and their families. Are we learning yet?</P>

<P align=center>***</P>

Short takes:

- How interesting that Andrew S. Salas is willing to give up his position as Secretary of Commerce to run, again, for senator. Would it be fair to say that apparently being a senator is more lucrative, has more perks, than being an agency head?

Another agency official, CUC Board Chairman Francisco Q. Guerrero is also seeking a seat in the legislature. The same question applies.</P>

- Governor Babauta's instruction to the Marianas Public Land Authority to lift the moratorium on homesteads may get him some votes come November, but in the long term, will only hurt the CNMI. There isn't that much public land left, to begin with. That public land constitutes, moreover, a major economic resource. It might better be used for further economic development. Or as habitat set-asides, to help preserve Saipan's natural beauty.

The homestead program must end at some point in any case. With 6,000 applications pending as it is, and available land already at a premium, lifting the moratorium is fool-hardy, but an empty gesture. There simply isn't room - unless one opens the Northern Islands, or allows intra-island claims, or institutes multi-family units.</P>

- The story of how Guam almost gained Commonwealth status similar to that of the CNMI is told in Howard Willen's new book, "The Secret Guam Study," co-authored with University of Guam professor Dirk Ballendorf. The book is now available from the Historical Preservation Office for \$10/copy. Call 664-2120-5 for details.</P>

- Last but by no means least, did anyone notice that the break-out of the Commonwealth Telecommunications Commission's 2006 budget, as carried in a Marianas Variety story on Tuesday of this past week, provides for only three commission members? The Commission's enabling legislation calls for a five-member board. Continuing to leave that much power in the

hands of just three people is a dangerous precedent that should not be tolerated.</P>