



UNITED STATES DEPARTMENT OF THE INTERIOR
TRUST TERRITORY OF THE PACIFIC ISLANDS
OFFICE OF THE HIGH COMMISSIONER
P. O. BOX 542
AGANA, GUAM, M. I.

COMMERCIAL
CABLE ADDRESS
HICOTT

In reply refer to:

March 29, 1962

Mr. Richard F. Taitano, Director
Office of Territories
Department of the Interior
Washington 25, D.C.

Dear Mr. Taitano:

The United States has full administrative, judicial and legislative authority over the area known as the Trust Territory of the Pacific Islands. The Secretary of the Interior is responsible for meeting our obligations to promote the political, economic, social and educational advancement of the inhabitants. Since our authority is "complete" and our obligations are "positive" it is essential that our responsibilities be discharged in such a manner as to produce real benefit to the inhabitants of the area and to reflect honor and credit to the United States. Their living standards must be raised to levels which are understood and acceptable to our citizens. While the United States does not own this area, known as Micronesia, it has the same degree of responsibility as it has for the people in areas such as Guam, Samoa and the Virgin Islands. Justice and equity are not served by lesser treatment of the people under our Trust administration.

Programs and facilities in the Trust Territory should be improved and accelerated at a great rate. The present level is entirely too low to permit desirable and proper development of the area. Much larger expenditure of funds plus an all-out effort are needed immediately if we are to meet and adequately discharge our true obligations to the people of this area.

It is impossible to do all things needed at the same time. Priorities must be established, but even more so, the need

254

to know what is to be done and when it will be tackled is of prime importance. The precise details of "how it will be done" can be developed as we move into the various programs for betterment of conditions in the area.

In order to give an overall picture of needs and possible costs there is enclosed as Schedule I a summary by major activities of the various requirements as established by the staff of this office working in conjunction with Mr. D. H. Nucker, Chief, Division of Insular Affairs, Office of Territories. In order to present the data succinctly as a comprehensive whole and because time has not permitted the assembly of detailed supporting statistics, the figures given are admittedly rough. They represent, however, the best thinking of men with years of actual experience in Micronesia. Even conceding the outside possibility of a 20% error in calculation there is no question but that the problem is one in the magnitude of \$57,000,000 for needed facilities. Only in the light of this figure and with an understanding of the total picture can specific priorities be set for the achievement of program goals.

The construction items listed are necessary to a reasonable and orderly development of the Territory. Nothing has been included for Headquarters. While the amount may seem high it is in reality a modest figure in terms of capital investments in small communities in the States or in our other Territories. Considering the fact that the construction is divided among six districts (thus necessitating duplication) and will serve a population of about 80,000 it becomes evident that there are no frills or luxury items and that estimates have been on the conservative side. All buildings to be functional, not elaborate - solid but not over-built.

The operation amount of \$19,000,000 reflects the maximum thought necessary to:

1. Maintain and operate facilities.

2. Provide health and education programs which by normal standards would be acceptable.
3. Generate a sustained economic development effort which would utilize available resources and lead to much greater degree of self-sufficiency.
4. Prepare inhabitants for full participation in political and social life of the Territory looking toward their eventual self-government.
5. Insure that Micronesians are trained so that they can and will replace United States personnel at the earliest possible time.

Upon completion of construction and the training of Micronesians, the annual cost of operation should fall below a \$10,000,000 per year level.

Since a start must be made and since, without question, education should be given first priority, there is enclosed as Schedule II a detailed breakdown of needs and costs to develop an acceptable standard of education at the elementary and secondary levels within the Trust Territory. Much careful thought has been given to the requirements for and location of schools throughout the area, and the estimates herein contained are reasonably precise. It is believed that these figures represent the minimum expenditure necessary for the establishment of an educational system capable of supporting the total development required.

While the costs reflected in the enclosed schedules may seem high, they represent a basic "capitalization" from which future development can be generated. We must accept the fact that the people of the Trust Territory are the responsibility of the United States. Not only should this responsibility be discharged with a wholeheartedness

that is truly American but in a manner calculated to win us respect from an international viewpoint. It is certainly hoped that favorable consideration will be given to this presentation and that through recognition of our real obligations to the Micronesians, the long delayed development of these small, resource-poor islands with their rapidly increasing population can be effected positively to the credit of the United States.

Sincerely yours,



M. W. Goding
High Commissioner

Enclosures

*Time schedule of
capital investment of
Obrist's etc etc
and.*

Trust Territory of the Pacific Islands
March 29, 1962

*These costs
would presumably
exhaust shortly to
- these amounts*

SCHEDULE I
PROGRAM CONSTRUCTION AND OPERATION ESTIMATES

	CONSTRUCTION			OPTIMUM OPERATION COSTS		
	BUILDINGS & EQUIPMENT	SHIPS	SALARIES	MATERIALS	SUPPLIES & ALL OTHERS	SCHOLARSHIPS
Education	\$ 10,044,200	-0-	\$ 3,180,000	\$ 3,395,800 ?	\$ 200,000	
Health	6,750,000 (3)900,000		1,440,000	1,051,000	35,000	
Economic, Agriculture and Fisheries Development	4,307,000	-0-	1,395,000	770,000	130,000	
Economic Development Fund	750,000	-0-	-0-	-0-	-0-	
Political Development	800,000	-0-	75,000	50,000	49,000	
Public Safety	1,922,000	-0-	164,000	190,000	-0-	
Land and Claims	28,000	-0-	165,000	62,000	-0-	
Judiciary	650,000	-0-	124,000	18,000	-0-	
Sea Transportation	-0-	-0-	-0-	1,500,000	-0-	
Air Transportation	-0-	-0-	-0-	500,000	-0-	
Communication and Radio	2,500,000	-0-	115,000	60,000	-0-	
Public Works & Utilities	22,150,000	-0-	1,165,000	1,089,000	-0-	
General Administration	6,000,000 (2)600,000		1,350,000	900,000	-0-	
	\$ 55,901,200	\$ 1,500,000	\$ 9,173,000	\$ 9,585,800	\$ 411,000	

TOTAL CONSTRUCTION: \$ 57,401,200

TOTAL OPERATING COSTS: \$ 19,172,900

Trust Territory of the Pacific Islands
March 29, 1962

SCHEDULE II
PUBLIC ELEMENTARY EDUCATION ESTIMATES (FIRST THROUGH SIXTH GRADES)

DISTRICT	ENROLLMENT	NO.	CONSTRUCTION		TEACHER HOUSING	TEACHERS	ANNUAL SUPP
			CLASSROOM	EQUIPMENT			
Palau	1,350	50	\$ 260,000	\$ 130,000	\$ 392,000	40	\$ 280,000
Yap	950	40	52,000	104,000	294,000	30	210,000
Truk	3,200	108	561,600	280,800	784,000	80	560,000
Ponape	1,900	70	344,000	182,000	516,000	55	385,000
Marshalls	2,800	101	525,200	262,600	742,000	75	525,000
Marianas	1,600	40	208,000	104,000	280,000	35	215,000
Total	11,600	409	\$ 2,126,800	\$ 1,063,400	\$ 2,038,000	315	\$ 2,205,000

Proposed Enrollment: These figures represent approximately 80% of the present elementary school-age population.

Classrooms: Estimated at \$5,200 per classroom (includes materials, labor and transportation).

Equipment: Estimated at \$2,600 per classroom (includes chairs, desks, cabinets, equipment, etc.).

Teachers' Housing: The number of houses needed is based upon 70% of the teachers required because, in some cases will be husband and wife teams teaching, and some doubling up of single men or women. Estimated \$14,000 each, including furnishings, equipment and electric generators where needed.

Teachers' Salaries: American: Estimated at \$7,000 per year (GS-7 including TPD and over-seas allowance).

Support: Estimated at \$4,000 per U.S. teacher (covers recruiting, transportation, utilities, local transportation, communications and medical services).

Supplies: Estimated at \$800 per classroom (includes teaching materials; papers, pencils, books, maps, etc.)

Lunch: Estimated at \$1,000 per year per 30 students.

Trust Territory of the Pacific Islands
March 29, 1962

SCHEDULE II
PUBLIC SECONDARY EDUCATION ESTIMATES (JR. & SR. HIGH SCHOOL & VOC. ED.)

cont'd

DISTRICT	ENROLLMENT	CONSTRUCTION				TEACHERS & SALARIES	ANNUAL OPERATING COSTS					
		NO.	DORMITORIES	NO. CLASSROOM	EQUIPMENT		NO.	SALARIES	SUPPORT	SUPPLIES	FOOD	
Palau	475	230,000	12	76,800	42,000	7	98,000	12	96,000	42,000	18,000	42,800
Yap	335	160,000	8	51,200	28,000	5	70,000	8	64,000	28,000	12,000	30,200
Truk	1,120	550,000	28	179,200	98,000	16	224,000	28	224,000	98,000	42,000	100,800
Ponape	665	330,000	16	102,400	56,000	10	140,000	16	128,000	56,000	24,000	59,600
Marshalls	980	480,000	24	153,600	84,000	14	196,000	24	192,000	84,000	36,000	88,200
Marianas	500	250,000	12	76,800	42,000	7	98,000	12	96,000	42,000	18,000	45,000
Total	4,075	2,000,000	100	640,000	350,000	59	826,000	100	800,000	350,000	150,000	366,600

Enrollment: These figures represent 35% of present elementary school enrollment (refer to remarks).

Dormitories: Estimated at \$1,000.00 per boarding student. (Includes wash rooms, galley and equipment).

Needed Classrooms: Based on 25 students per room at a cost of \$6,400 per room.

Equipment: Estimated at \$3,500 per room (includes chairs, desks, cabinets, equipment, etc.).

Teachers' Housing: Estimated at \$14,000 per unit.

Teachers' Salaries: Estimated at \$8,000 per teacher.

Support: Estimated at \$3,500 per teacher.

Supplies: Estimated at \$1,500 per classroom.

Food: This estimate provides for three meals a day per year per student @ 20¢ (cents) per meal. Approximately 50% of the secondary school students will be boarding students.

Remarks: Only 10% of the pupils now attending elementary school have the opportunity to proceed beyond the 6th grade. The above estimate provides for approx 35% (currently 4000 pupils) going on to secondary schools. Percentage-wise this would still be only 1/2 of U. S. enrollment, however in Micronesia it must be borne in mind that early marriage, the need for extra hands at home, the reluctance of parents to send their sons and especially their daughters away to school, and, in some areas a lack of appreciation for academic learning will for several years limit student numbers. Nevertheless with swelling elementary enrollments, additional educational facilities will be required again in at least five years to cope with this target population of only 35%, and to meet the increased demand for more schooling.

Trust Territory of the Pacific Islands
March 29, 1962

SCHEDULE II

cont'd

ESTIMATED ADMINISTRATIVE AND SPECIAL PROGRAM COSTS

	<u>NO.</u>	<u>SALARIES</u>	<u>SUPPORT</u>	<u>SUPPLIES</u>	<u>TOTAL</u>
		\$	\$	\$	\$
(1) Administration	25	175,000	75,000	25,000	275,000
(2) Micronesian Teacher (Special training and certification program)			500,000		500,000
(3) Scholarships			200,000		200,000
Total	25	\$ 175,000	\$ 775,000	\$ 25,000	\$ 975,000

- (1) Covers salaries of 11 Headquarters and 12 District supervisory and supporting staff.
- (2) Covers salaries of present Micronesian teachers and costs for proposed in-service training, summer school and institute sessions, sending some to the College of Guam for refresher courses, providing full two year College training for others and in general that effort necessary for accreditation which will permit replacement of Americans.
- (3) Covers the cost of sending 25 to 30 high school graduates (or equivalent) per year for higher education at the College of Guam, University of Hawaii or recognized institutions in the Philippines and the United States.

SUMMARY

	<u>CONSTRUCTION</u>	<u>OPERATION</u>	<u>TOTAL</u>
	\$	\$	\$
Elementary	6,228,200	4,134,200	10,362,400
Secondary	3,816,000	1,666,600	5,482,600
Administrative	-0-	975,000	975,000
Total	\$ 10,044,200	\$ 6,775,800	\$ 16,820,000