

COMMITTEE ON INTERIOR AND INSULAR AFFAIRS
U.S. HOUSE OF REPRESENTATIVES
WASHINGTON, D.C. 20515

January 29, 1980

MEMO TO: The Honorable Antonio B. Won Pat
Chairman, Subcommittee on Pacific Affairs

FROM: Tom Dunmire *sd*

SUBJECT: REFLECTIONS UPON THE SUBCOMMITTEE TRIP --
JANUARY 4-13, 1980

1. THE MARSHALLS:

The Kwajalein Testing Facility continues to be crucial in the maintenance of America's strategic ballistic missile deterrent. In this regard, the Department of Defense appears too complacent about internal security, preferring to rely exclusively upon the current Marshallese Government to prevent disruption of base operations by the local citizenry. Considering that almost 40 percent of the Marshallese oppose the Amata Kabua regime (i.e., "The Voice of the Marshalls") and that the opposition will likely heightened with the death of Legellan Kabua -- the traditional Marshallese leader, now of old age and uncertain health -- the base's vulnerability to civil demonstrations of political and economic unrest should be confronted realistically. Denied participation in the political status negotiations, Kabua's opponents have vowed to gain world recognition through defeat of the Compact both at the polls and in the U.S. Congress. Kwajalein offers a good target to emphasize political and social differences -- especially landowner discontent over the recent DOD land-use agreement -- and contingency plans should be quickly drawn to insure that the MX and Trident testing schedules are not jeopardized.

On the other hand, DOD should be commended for improving relations with the Marshallese on Ebeye and other islands within the Atoll. This trend should be intensified, cementing the economic interests of the Marshallese to the continued operation of the Kwajalein base. Although Ebeye represents a major social problem, the root of the matter resides in the cultural mores of the Marshallese and cannot be resolved by economic measures alone. If some relocation is to be effected -- e.g., the High Commissioner's plan to move one-third of Ebeye's population to Gugegue -- such transfer must be made during the transition period and not left to the Kabua regime, which prefers to hold Ebeye hostage before the American conscience and checkbook.

Although disaster relief efforts in Majuro are impressive, I fear that long-term rehabilitation will lack the requisite coordination. Unless FEMA funds are supplemented with other federal programs, a danger exists that previous community shortcomings will be merely replicated. The proposal to relocate some families to other islands -- e.g. Laura -- is laudable; but care should be exercised to insure that land-owners -- namely the Kabua family -- do not reap a windfall at U.S. taxpayers' expense. Similarly, the Army Civic Action Team -- soon to be introduced into the Marshalls -- could prove of tremendous assistance in rehabilitation; however, their construction efforts should be scrupulously monitored to assure that prominent Marshallese families are not the principal benefactors. The smell of local corruption is particularly pungent, both in Majuro and Ebeye; and the U.S. should be particularly cautious in not creating and backing a petty dictatorship in the Pacific.

2. PONAPE:

Neither the FSM nor the Ponapean state government has attained sufficient political maturity to define appropriate social goals. For example, the proposed \$40 million capital complex, including residences for the president, vice-president and the speaker, apparently enjoys a higher priority than warranted in light of a blatant need for paved roads, sewers and other public facilities. Moreover, the construction of a new college campus is called for even though basic education goals throughout Micronesia have yet to be articulated or publically debated.

Tension between officials of the FSM and Ponapean governments are also apparent. Many Ponapeans regard the FSM as an unwanted tenant, jealously expressing concern over the amount of public funds earmarked for the federated government. Although such growing pains are not surprising, U.S. negotiators, nevertheless, relentlessly press the FSM to render a quick decision upon the terms of the Compact, even though political consensus has yet to be achieved.

3. TRUK:

Fragmentation within the FSM is most evident in Truk with both the Speaker of the Legislature and the Lieutenant Governor attesting to a growing separatist movement. Criticism is levied upon the FSM Constitution, which is deemed merely a device to assure the retention of power by the present incumbents. The USDA "needy family feeding program" is still a topic of heated debate with both sides obscuring the real issues in order to gain political advantage.

PALAU:

Throughout Micronesia, only Palau exhibits the exuberance and initiative requisite of democratic self-government. The young Turks, who were successful in ousting the Tmetuchl forces, are anxious to remold their government. Many expressed a desire to form a closer relationship with the United States -- similar to that of the Northern Marianas -- than the present Compact of Free Association permits. Regrettably, with the initiating of the Compact by the Marshallese, this option will most likely be denied -- the course and parameters of all negotiating sessions being the prerogative of the USG.

The Acting District Administrator of Palau -- a mainland appointee by the High Commissioner -- deserves commendation. In six years, I have not seen a district government operating more efficiently, testifying to the efficacy of the "city manager" approach in the conduct of Micronesian administration.

5. YAP:

Perhaps, the absence of leading Yapese officials contributed to the impression that Yap suffers from too many second-rate ex-patriots operating within the government. Progress at best can be described as disjointed with development schemes shrouded in an aura of unreality -- e.g., reliance on CTEC to alleviate Yap's power problems. Practicality, in many cases, gives way to piecemeal idealism, affecting an abundance of plans and few results. A general lack of initiative, including the harassment of contractors, has prevailed since my last visit four years ago with little to show for the only major development.

6. THE CENTRAL IMPROVEMENT PROGRAM:

By the end of Fiscal Year 1974, approximately \$200 million will have been obligated for the Micronesian CIP. This expenditure will provide each state with a basic infrastructure, including a jet airfield, deepwater port, roads, sewers, power and water. Planning, in some instances, has been faulty, failing to account for Micronesian customs and economic status. For example, new sewer systems in Palau, Truk, Yap and Ponape are either inoperative or operating far less than capacity since individual families cannot afford the plumbing to tie into the main sewer lines. Similarly, facilities have been constructed -- especially those requiring air conditioning -- which fail to account for the rising cost and shortage of petroleum products.

On the other hand, considering the distances involved and the shortage of skilled labor, the Navy OICC is performing competently. One flaw in the entire CIP, however, will arise during the post-trusteeship period, wherein the fledgling states will become solely responsible for operation and maintenance of the system. It is roughly estimated that such costs will amount to \$15-\$20 million annually, moneys which Micronesia can ill-afford even if the technical skills were at hand.

7. ENERGY CRISIS:

No comprehensive evaluation has been made of the energy crisis in Micronesia although rising fuel costs comprise an ever increasing portion of the territorial budget. In this regard, the district governmental practice of subsidizing up to 75 percent of the energy costs must be re-evaluated and greater efforts expended to collect overdue utility bills. Moreover, if the Micronesian economy -- which is currently "diesel-bound" -- is to develop, alternative sources of energy must be found to supplement petroleum allocations. Intuitively, wind (including sail propulsion), solar, hydroelectric and tidal action offer great potential, not only for Micronesia but for Guam, the Northern Marianas and American Samoa as well; however, to date, no comprehensive plan has been developed to exploit these resources. Accordingly, the federal government should institute without delay remedial action. Attached is one approach -- a proposed amendment to the Territorial Omnibus Bill (H.R. 3756), directing DOE to undertake the problem.

8. SIXTY MINUTES' REPORT:

Although there were some errors, CBS's presentation on Micronesia was essentially accurate in so far as the problem was stated. Under U.S. tutelage, the Micronesians have in fact become America's wards, exhibiting an ever diminishing productivity coupled with an ever expanding need. But in filming the sequence, CBS perpetuated the same mistakes as those administrators sent out to rectify the Micronesian dilemma. Under the trusteeeship, alleged Micronesian problems have been first identified through American eyes; and, subsequently, American "know-how" applied in corrective action. Now, CBS employing the same American value system, decides to criticize the result, ignoring as their predecessors, the role of cultural impact.

For over 2,000 years, the Micronesian culture sustained the people in a hostile oceanic environment. But overnight, under the onslaught of Western civilization, the Micronesian social system lost its relevancy. In one fell swoop, American educational techniques, political views, healthcare methods and economic incentives rendered obsolete the Micronesian way of life. And there is no turning back. Even if the Micronesians chose to do so, the swollen population -- four times as great as when the Americans assumed responsibility

and the loss of individual skills preclude reinstitution of subsistence island societies.

Today, in Micronesia, the principal problems are not economic or faulty administration. Rather, the questions are sociological and psychological in nature. How long does it take for a culture to adopt new ways, new values, new concepts? Is this process evolutionary or revolutionary? Who are the casualties and in what form are their wounds manifest? Having destroyed the social order, what is the nature of America's continuing responsibility in Micronesia? These are the real problems that must be addressed.

9. THE NORTHERN MARIANAS:

Considerable progress in infrastructure development has been made within the past year, although a critical need exists for adequate docking facilities, a healthcare system and an extensive renovation of Saipan's water distribution network. The recent election, wherein legalized gambling was repealed and the Territorial Party lost its majority in the House of Representatives, demonstrates that democracy is well entrenched in the new Commonwealth. Saipan is absorbing the large tourist influx from Japan with minimum social disruption, and the local economy is growing dramatically. Also significant improvement in governmental administration is evident.

Attachment

CC: The Honorable Phillip Burton
The Honorable Don Clausen
The Honorable Robert J. Lagomarsino
The Honorable Keith G. Sebelius

NCAT suggested Draft Amendment to FY 1981 Department of Interior Authorization Bill (1-28-80)

The sum of \$1 million dollars is authorized to be appropriated for the fiscal year beginning October 1, 1980 for transfer to the Department of Energy for the preparation of an energy resources action plan for the U.S. Trust Territories, Guam, Somoa and the Northern Marianas. The plan shall be completed no later than March 15th, 1981.

The plan shall include an assessment of present and projected energy demands, and costs of future conventional energy supplies and availability. The plan's major emphasis should focus on the options for design, construction, maintenance and training for renewable energy technologies, and should incorporate the views and needs of the communities and islands for which they are designed. An analysis of each renewable energy option shall include cost estimates, potential funding mechanisms, training requirements and address the question of scale for each project.

An assessment of cultural compatability, social implications, and scale should be addressed and such input should be incorporated into this report directly from the constituency and organizations most familiar and experienced with the technologies and social impacts addressed in the study. Additionally, the study should show what kinds of technology demonstrations could best be set up

through existing government and government sponsored programs which could best further the energy self-sufficiency of the Territory territories. And recommendations for increase or reduction in funding levels for programs already in-place should also be included in this study.