

Reproduced at the Ronald Reagan Library

513258
6248-51051
FG006-12

NATIONAL SECURITY COUNCIL
WASHINGTON, D.C. 20506

August 25, 1987

MEMORANDUM FOR JOYCE ZAGORA
Senator Baker's Office
FROM: GRANT S. GREEN, *GS*
SUBJECT: Information on the Northern Marianas

Per your request of Jim Kelly, attached is some information on the Commonwealth of the Northern Mariana Islands (NMI). If more or more specific information is needed, we would be pleased to obtain it. Our information does not cover the Territory of Guam, which is separately governed, but is geographically a part of the same island chain, the Marianas.

NMI's governor is Pete Tenorio, a Republican. Both NMI and Guam affairs are handled by Interior's Bureau of Territorial and Insular Affairs.

Attachment

Tab A Information on Northern Mariana Islands

Telecopied to
Doris Lovett
8/25 5:20pm



Reproduced at the Ronald Reagan Library

6248

NATIONAL SECURITY COUNCIL
WASHINGTON, D.C. 20506

August 25, 1987

MEMORANDUM FOR JOYCE ZAGORA
Senator Baker's Office

FROM: GRANT S. GREEN, *GR.*

SUBJECT: Information on the Northern Marianas

Per your request of Jim Kelly, attached is some information on the Commonwealth of the Northern Mariana Islands (NMI). If more or more specific information is needed, we would be pleased to obtain it. Our information does not cover the Territory of Guam, which is separately governed, but is geographically a part of the same island chain, the Marianas.

NMI's governor is Pete Tenorio, a Republican. Both NMI and Guam affairs are handled by Interior's Bureau of Territorial and Insular Affairs.

Attachment

Tab A Information on Northern Mariana Islands



Reproduced at the Ronald Reagan Library

T
A
B

A



Reproduced at the Ronald Reagan Library

August 25, 1987

FOR DORIS LOVETT

FROM JOHN TUCK

Attached is the first information we have received on the Northern Mariana Islands. A map of the Islands is forthcoming.

NORTHERN MARIANA ISLANDS

Introductory Survey

Location, Climate, Language, Religion, Flag, Capital

The Commonwealth of the Northern Mariana Islands comprises 16 islands (all the Marianas except Guam) in the western Pacific Ocean, about 5,300 km (3,300 miles) west of Honolulu (Hawaii). The temperature normally ranges between 24°C and 30°C in June–November, but is generally cooler and drier from December to May. The average annual rainfall is about 2,000 mm. English is the official language. The population is predominantly Christian, mainly Roman Catholic. The national flag of the United States of America (q.v.) is used by the Northern Mariana Islands. Six islands, including the three largest (Saipan, Tinian and Rota), are inhabited; the principal settlement and the administrative centre are on Saipan.

Recent History

The islands which comprise the Northern Mariana Islands were first sighted by Europeans during the 1520s, and were claimed for Spain in 1565. They were sold to Germany in 1898, but control was transferred to Japan, which had taken the islands from Germany in 1914, by the League of Nations in 1921. The USA captured Saipan and Tinian from the Japanese after fierce fighting in 1944, and the Northern Mariana Islands became a part of the US Trust Territory of the Pacific Islands (q.v.) in 1947.

In June 1975 the Northern Mariana Islands voted for separate status as a US commonwealth territory, and in March 1976 President Ford signed the Northern Marianas Commonwealth Covenant. In October 1977 President Carter approved the constitution of the Northern Mariana Islands, which provides that, from January 1978, the former Marianas District is internally self-governing. In December 1977 elections were held for a bicameral legislature, a governor and a lieutenant-governor. In July 1984 it was reported that US President Reagan had signed a proclamation giving residents of the Northern Mariana Islands a broad range of civil and political rights in the USA, including equal employment opportunities within the federal government, civil service and armed forces. Negotiations with landowners on Tinian were taking place in 1984 over the terms of use by the US Government of land for military purposes. In November 1986 a proclamation issued by President Reagan conferred US citizenship on the residents of the islands.

Government

Legislative authority is vested in the Northern Marianas Commonwealth Legislature, a bicameral body consisting of a Senate and a House of Representatives. There are nine senators elected for four-year terms and 14 members of the House of Representatives elected for two-year terms. Executive authority is vested in the Governor, who is elected by popular vote.

Economic Affairs

Vegetables, beef and pork are the principal commodities exported by the Northern Mariana Islands. Agriculture is concentrated in smallholdings, important crops being coconuts, breadfruit, tomatoes and melons. Cattle-ranching was established on Tinian during the 1960s. Small-scale industry includes handicrafts and the processing of fish and copra. Tourism is an important industry, employing about 10% of the work-force. The islands were to receive US \$14m. in direct aid for each of the seven years after 1978, and additional income comes from US federal welfare and development programmes. A new aid programme, amounting to US \$228m., was under consideration in 1986. In 1986 a commission was established to examine the possibility of transferring selected government operations to the private sector, in an attempt to reduce government expenditure and increase efficiency.

Transport and Communications

Saipan, Tinian and Rota are well served by roads. There is an international airport on Saipan, and Tinian, Rota and Pagan each has an airstrip. The Territory's principal seaport is on Saipan.

Social Welfare

Information on social welfare in the Northern Mariana Islands is included in that applying to the Trust Territory of the Pacific Islands (see p. 3053).

Education

Information on education in the Northern Mariana Islands is included in that applying to the Trust Territory of the Pacific Islands (see p. 3053).

Tourism

Tourism is an important industry in the Northern Mariana Islands. A new resort was to be constructed at Lalau Beach, Saipan, in 1986, at a cost of US \$115m. Most of the islands' hotels are Japanese-owned, and 80% of tourists come from Japan. The islands received some 163,000 visitors in 1986.

Public Holidays

1987: 1 January (New Year's Day), 16 February (for George Washington's Birthday), 25 May (Memorial Day), 4 July (US Independence Day), 7 September (Labor Day), 26 November (Thanksgiving Day), 25 December (Christmas Day).

1988: 1 January (New Year's Day), 15 February (for George Washington's Birthday), 23 May (Memorial Day), 4 July (US Independence Day), 5 September (Labor Day), 24 November (Thanksgiving Day), 25 December (Christmas Day).

Weights and Measures

With certain exceptions, the imperial system is in force. One US billion equals 1,000 million; one US cwt equals 100 lb; one long ton equals 2,240 lb; one short ton equals 2,000 lb. A policy of gradual voluntary conversion to the metric system is being encouraged by the federal government.

Currency and Exchange Rate

United States currency: 100 cents = 1 US dollar.

Exchange rate (31 December 1986):

£1 sterling = US \$1.4825.

Statistical Survey

AREA AND POPULATION

Area: 471 sq km (Saipan 122 sq km, Tinian 101 sq km, Rota 83 sq km).

Population (1985): 19,635 (Saipan 17,182, Tinian 928, Rota 1,407, Northern islands 118).

FINANCE

Currency and Exchange Rates: 100 cents = 1 United States dollar (US \$). Coins: 1, 5, 10, 25 and 50 cents; 1 dollar. Notes: 1, 2, 5, 10, 20, 50 and 100 dollars. Sterling Equivalent (31 December 1986): £1 sterling = US \$ 1.4825; US \$100 = £67.45.

Budget (1987, US \$ million): Expenditure 70.6.

EXTERNAL TRADE

1984: Exports: vegetables 125,844 lb; beef and pork 313,822 lb.

TOURISM

Visitors (1986): 163,000.

(For other figures, see the chapter on the Trust Territory of the Pacific Islands.)

Directory

The Government

(May 1986)

Governor: PEDRO P. TENORIO.

Lieutenant-Governor: PEDRO A. TENORIO.

GOVERNMENT OFFICES

All Government offices are on Saipan.

Reproduced at the Ronald Reagan Library

UNITED STATES EXTERNAL TERRITORIES

Northern Mariana Islands

Legislature

Legislative authority is vested in the Northern Marianas Commonwealth Legislature, a bicameral body consisting of a Senate and a House of Representatives. There are nine senators, elected for two-year terms, and 15 members of the House of Representatives, elected for two-year terms.

Senate President: JULIEN S. CALVO.

Speaker of the House: JOSÉ R. LAFOI FOI.

Political Organizations

Republican Democratic Party: Saipan; Leader PEDRO P. TENORIO.
Territorial Party: Saipan.

Religion

The population is predominantly Christian, mainly Roman Catholic.

CHRISTIANITY

The Roman Catholic Church

Bishop of Chalan Kanoa: Mgr TOMAS AGUON CAMACHO, Bishop's House, POB 745, Chalan Kanoa, Saipan, CM 96950; tel. (70) 234-8888.

The Press

The Commonwealth Examiner: POB 1074, Saipan, CM 96950; 1979; weekly; English and Chamorro; independent.

Marianas Variety News and Views: POB 231, Saipan, CM 96950; tel. (670) 234-6341; weekly; English and Chamorro; independent; Mans ABED and PAZ YOUNIS; circ. 2,000.

Asiática: POB 2143, Saipan, CM 96950; monthly; Editor MIKE ALONE.

Radio and Television

There were an estimated 10,100 radio receivers in use in 1984 and an estimated 4,100 television receivers in use in 1985.

RADIO

Station KCNM-AM: POB 914, San José, Saipan, CM 96950; tel. (70) 234-7239; f. 1984; commercial station owned by Inter-Island Communications Inc.; Gen. Man. JIM E. CAREY.

Station KFBS: POB 209, Saipan, CM 96950; tel. (670) 322-9088; tel. 686; non-commercial station owned by Far East Broadcasting Co.; Dir D. CAMPBELL.

Station KSAI: POB 209, Saipan, CM 96950; tel. (670) 234-6521; tel. 686; f. 1978; non-commercial station owned by Far East Broadcasting Co.; Man. D. CAMPBELL.

TELEVISION

Saipan Cable TV System: POB 1015, Saipan, CM 96950; tel. (70) 234-6629; telex 644; 15-channel commercial station broadcasting 24 hours a day; US programmes and local and international news; 3,000 subscribers; Gen. Man. DAN A. JONES.

Finance

BANKING

Bank of Guam (USA): POB 678, Saipan, CM 96950; tel. (670) 234-6801; Man. EDWARD B. PALACIOS; brs on Tinian and Rota.

Bank of Hawaii (USA): POB 566, Nauru Bldg, Saipan, CM 96950.

Bank of Saipan: Saipan.

California First Bank (USA): Saipan, CM 96950.

First Savings and Loan Asscn of America (USA): POB 324, Beach Rd, Chalan Kanoa, Saipan, CM 96950.

INSURANCE

Micronesian Insurance Underwriters: POB 206, Saipan, CM 96950; telex 724253.

The New Zealand Insurance Co Ltd (Microl Corporation): POB 267, Saipan, CM 96950; tel. (670) 234-5913; telex 613; general agents.

ToKio Marine and Fire Insurance Co: POB 168, Saipan, CM 96950; telex 724253.

Trade and Industry

CO-OPERATIVES

The Mariana Islands Co-operative Association, Rota Producers and Tinian Producers Association operate in the islands.

Transport

SHIPPING

Saipan Shipping Co: POB 8, Saipan, CM, 96950; weekly service from Guam to Saipan and Tinian, and service to Micronesia and the Far East.

Nauru Pacific Line operates a regular container service from Melbourne (Australia) to Saipan and the Trust Territory, Micronesia Transport Line operates a service to Saipan from Sydney (Australia), Palau, Yap and Guam, en route to Truk and Pohnpei, and Kyowa Line vessels call at Saipan en route from Hong Kong, Taiwan, the Republic of Korea, Japan and Guam to the Trust Territory. Additional cargo services are provided by Daiwa Line vessels and the Philippines, Micronesia and Orient Navigation Co.

CIVIL AVIATION

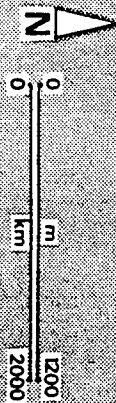
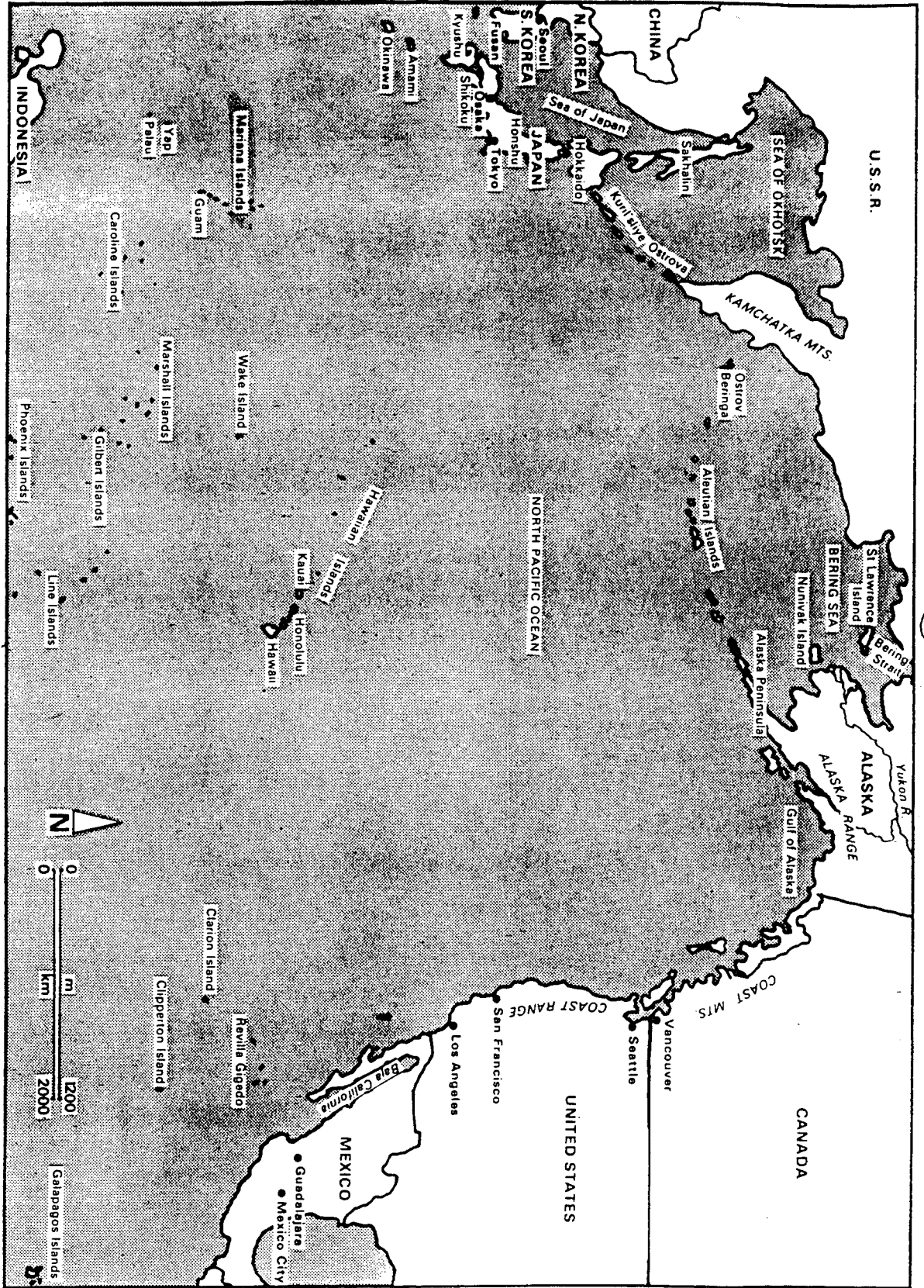
Air Micronesia Inc: POB 298, Saipan, CM 96950; tel. (670) 234-6491; telex 0674402; f. 1966; owned by United Micronesia Development Association, Continental Airlines and Aloha Airlines; provides internal and some external services; Pres. GEORGE A. WARDE; Chair. CARLTON SKINNER; Gen. Man. DANIEL H. PURSE; fleet of 2 Boeing 727-200, 2 Boeing 727-100C and 1 727-100.

Tourism

Marianas Visitors Bureau: POB 861, Saipan, CM 96950; tel. (670) 234-8327; telex 676; f. 1976; responsible for co-ordinating the development of tourism in the Northern Mariana Islands; Man. Dir J. M. GUERRERO.

Reproduced at the Ronald Reagan Library

NORTHERN PACIFIC



Reproduced at the Ronald Reagan Library

Commonwealth of the Northern Mariana Islands

The Mariana Islands, which include Guam, are ethnically and culturally separate from the rest of Micronesia. This factor has been responsible for the long-standing desire of the Mariana Islanders to establish a close relationship with Guam and the United States. The Northern Mariana Islands chose commonwealth status through its right to free choice and according to constitutional processes of the island group and the United States. A constitution for the commonwealth was adopted in March 1977 upon approval by 93 percent of the voters. It was formally approved by the United States in October 1977 and became effective on January 9, 1978, when the former Mariana Islands District inaugurated its commonwealth government under a governor and a bicameral legislature that had been elected in December 1977.

Physical Environment

The Northern Mariana Islands is a chain of 15 island units with a combined land area of 471 square kilometers (see fig. 12). Associated with the great Mariana Trench, which reaches a depth of more than 9,000 meters, the Mariana Islands chain is composed of high volcanic, coral, and limestone outcroppings. It is often discussed in terms of a southern section and a northern section.

The southern section contains six islands—Saipan, Tinian, Rota, Aguigan, Farallon de Medinilla, and Managaha—which together form a land area twice as large as that of the northern section. Saipan has a land area of 120 square kilometers and is the largest island in the chain. Saipan, Tinian, and Rota together accounted for nearly all of the commonwealth's inhabitants, economic activity, and energy supply and demand. Guam is only 96 kilometers away from the southernmost island of Rota.

The islands in the southern section of the chain are generally lower than those in the northern section. One peak on Rota rises to 459 meters, but for the most part the land is gently rolling rather than mountainous. Although the southern islands are volcanic in origin, there has been no such activity for a long time, and the islands' volcanic cores are largely covered with limestone terraces. The erosion of this limestone has produced a covering of excellent topsoil, and the well-watered islands have a good growth of vegetation.

The northern section, except for the Maug Islands, a cluster of three minuscule islets connected by a common base beneath the water, is composed of single islands that rise precipitously as mountain peaks of rocky, volcanic materials. All are quite high,

and Agrihan's peak of 959 meters is the highest in the entire trust territory. Some of the peaks are active volcanoes; in the twentieth century eruptions have occurred on Farallon de Pajaros (Uracas), Asuncion, Pagan, and Guguan islands. An eruption on Pagan in May 1981 forced the evacuation of the island's small population. The rugged terrain, lack of easily eroded materials to provide soil cover, and insufficient rain make the northern section dry, barren, and generally unsuitable for habitation, although Alamagan, Agrihan, and Anatahan had very small settlements.

Historical Setting

Little is known of the people who populated these islands before the discovery of Guam and its adjacent islands by Magellan in 1521. For over 300 years thereafter, the islands were ruled by Spain, which used Guam as the administrative, commercial, and religious center for the area until the termination of Spanish presence in the closing years of the nineteenth century. In 1898 Spain relinquished Guam to the United States and the next year sold the rest of the Marianas to Germany. The Marianas were ruled by Germany during the 1898-1914 period and by Japan during the 1914-44 period. The United States wrested control of the Marianas from Japan during World War II. Since 1947 these islands have been included in the Trust Territory of the Pacific Islands.

The historical background of the Marianas is virtually synonymous with that of Guam, at least until the turn of the twentieth century (see Guam, this ch.). In ancient times the indigenous people—the Chamorros—lived in small villages, usually located near the beaches. Social organization was based on matrilineal clans and families in which children became part of the mother's clan, and inheritance was established through the female line. Marriage was monogamous, but concubines were permitted, as was divorce. The Chamorros had a fairly rigid class system, taboos governing the occupations of nobles, commoners, and outcasts.

Under the Spaniards, however, the old life patterns changed gradually. The natives became Christianized, the dominant Roman Catholic church replacing the indigenous system of beliefs centered on ancestral spirit worship. The Chamorro language itself changed, absorbing many words of Spanish origin. As Carl Heine comments, "in the Mariana Islands, the impact of Spanish life and culture was so great that it almost wiped out the original culture of the Chamorro people." This impact was also



evident in the disappearance of the original Chamorros by the early decades of the nineteenth century—the victims of ruthless Spanish colonization and diseases brought by Europeans. In their place came “a new race of Chamorro hybrids,” as author Robert Wenkam called it, “the product of Chamorro intermarriage with the Spanish, Mexican, and Filipino soldiers and colonists that came to the islands as the Chamorros were dying out.”

The German and Japanese occupation together lasted less than half a century. The German presence was too brief to be economically rewarding but nevertheless left a lasting imprint of sorts by transplanting to Saipan a number of Caroline Islanders from Truk in order to make up for a shortage of workers.

The Japanese built harbors and roads, expanded schools, improved health and sanitation, and developed sugar as the dominant industry. They brought a measure of prosperity never before attained. In contrast, Chamorros and other Micronesians were treated as second-class citizens who were useful mainly as common workers for Japanese enterprises and were denied opportunities to advance educationally and economically. The Japanese colonization, stepped up after 1931, also included an increasing acquisition of land; this action became a source of major opposition during the Japanese occupation. The acquisition was designed to relieve population pressures in Japan and resulted in a rapid influx of Japanese settlers. By 1935 Japanese nationals, including Okinawans and Koreans, had outnumbered the 24,345 natives. Two years later there were more than 42,000 Japanese settlers and residents. After World War II these settlers were repatriated to Japan and elsewhere.

The Social System

Between 1970 and 1950 the population increased by an average of 2.5 percent annually, growing to 16,862 in 1981. Over 99 percent lived in the three southern islands of Saipan, Rota, and Tinian—Saipan alone accounting for 86 percent of the islanders. In addition, there were 2,000 alien residents and workers—mainly Filipinos and Koreans engaged in the service and construction industries—as well as several hundred American citizens. The people of the Northern Mariana Islands were scheduled to become citizens of the United States upon termination of the trusteeship, possibly as early as 1985. In the meantime, for purposes of entry to the United States, the inhabitants of the islands were treated administratively as though they were American citizens and were allowed unrestricted entry into schools,

businesses, and other institutions. For international travel, the people of the islands would continue to use a trust territory passport until the trusteeship was abolished.

In contrast to traditional times, the present-day Chamorros are patrilineally organized in extended families that are composed of all those who are related by birth, marriage, or adoption. The families operate as a single, tightly knit social and economic unit. The extended family collectively owns its ancestral land, allotting the use thereof to all members on the basis of common agreement. The senior male member is the family's headman; he directs the group's internal social and economic activities and represents the family in councils and in relations with other families. Generally, the social class structure is open, exhibiting no residue of the traditional pattern of nobles, commoners, and outcasts. Within the Saipan area, the Carolinian communities still retain a more typically Micronesian matrilineal social organization.

Reflecting the centuries-long Spanish influence, about 90 percent of the people are Catholic. Saipan had seven Roman Catholic churches and one Protestant mission in the early 1980s. The Catholic missions were within the Diocese of Agaña, Guam. Traditional religious beliefs persisted, however, and a devout Christian could still cling firmly to beliefs in ghosts and in the spirits of the dead.

The basic structure of elementary and secondary schools was patterned after that of the United States. Instructional materials and courses offered were also modeled after those in the United States but were modified to meet the unique needs and characteristics of the islands. In the early 1980s education was improving steadily. Total school enrollment in kindergarten through grade seven was 5,502, increasing by an annual average of slightly over 2 percent in the 1973–82 period. About 18 percent were enrolled in private schools, and females constituted about 48 percent of the total enrollment. In 1982 there was one teacher for every 24 students.

As of mid-1981 about 510 students were known to be studying abroad in postsecondary institutions and colleges; half were enrolled in the University of Guam and the remainder in various institutions in Hawaii or the continental United States. Over 90 percent of the students were receiving some form of federal student aid, in addition to grants from the government of the Northern Mariana Islands; these ranged from US\$100 to US\$5,000.

Teacher education was provided by the Northern Mariana College, established in August 1976 as a two-year institution. In 1980 the college had its first graduation; 22 teachers received

their degrees, which were offered through the University of Guam, in elementary, secondary, and special education. In-service teacher education was offered by the Northern Mariana Department of Education in conjunction with the University of Guam, San Jose State University, the University of Hawaii, and the Community College of Micronesia.

Bilingual and cultural programs have been in place since the early 1970s in an effort to preserve and restore the long-ignored Chamorro and Carolinian languages and cultural heritages. Both Chamorro/English and Carolinian/English programs were available in grades one through seven, depending on the needs of the students and desires of their parents. When entering first grade, most students did not speak any English, which was taught as a second language until ninth grade. English was the medium of instruction in all secondary schools.

Literacy was relatively high. Freedom of information was strictly upheld. In the early 1980s one English-language daily newspaper and two weeklies, published in English and Chamorro, were circulated. There were two private radio stations, broadcasting in Chamorro and Carolinian. One commercial television station in Saipan had about 2,300 subscribers. Programming was primarily from the United States commercial networks, but one of the 12 channels was reserved for local programming.

The standard of health and sanitation has been upgraded since 1978. Despite the government policy of encouraging private medical practice whenever it became economically feasible, health care was primarily a public responsibility. The commonwealth government maintained offices dealing with hospital, public health and community services, medical and professional services, dental health, vocational rehabilitation, Medicaid assistance, and nursing services. In addition, there were three medical field service programs for the islands of Tinian, Rota, and the northern islands. The bulk of patient care was provided at an antiquated and understaffed 84-bed hospital in Saipan. This hospital had adequate facilities for primary care but was inadequate for specialty treatment at the secondary level. As a result, patients were referred to off-island medical care providers for further evaluation, diagnosis, and treatment.

The commonwealth benefited from a variety of federally and locally funded services and programs designed to meet the needs of youths, veterans, the elderly, and the handicapped under a social security act passed in 1978. The Northern Mariana Social Security System was administered by the United States Social Secu-

city Administration.

The Economy

Traditionally, agriculture consisted mainly of subsistence gardening adjacent to settlements and homes and was the mainstay of economic life. Most families lived on their own land as self-sustaining economic units, producing taro, corn, sweet potatoes, and other staple crops, as well as sugarcane, breadfruit, bananas, cacao, mangoes, and coffee. In the Japanese period agriculture was intensified and greatly improved, and there was a considerable increase in livestock and poultry production. By 1937 over one-third (approximately 15,000 hectares) of total land area was under cultivation. During World War II, however, the formerly productive areas were virtually destroyed by bombing and shelling, the cutting of trees for airfields, and the ravages of insect pests. In the early 1980s fewer than 250 hectares were under cultivation; about 9,100 hectares were used for grazing.

Subsistence farming has become a thing of the past, and the economy was essentially a cash economy in which there were two key components—the government and tourism. In 1978 the government accounted for 43 percent of the total work force of 7,317 (including 1,912 non-Mariana workers). More important, the public sector accounted for 59 percent of the US\$28.6 million total wage earnings. This was a slight decrease from the 1977 level of 62 percent.

In 1977 (the latest year for which information was available) employment in the private sector, by business, was in general merchandising, 21 percent; hotels and entertainment, 20 percent; construction, 20 percent; transportation and stevedoring, 9 percent; banks, insurance, financial, and professional services, 5 percent; manufacturing, processing, and handicrafts, 2 percent; private schools, 2 percent; and other miscellaneous businesses, the remaining 21 percent. Agriculture and fisheries employed only five persons. In terms of private sector wage earnings, construction accounted for 25 percent of the US\$9.7 million; general merchandising, 21 percent; hotels and entertainment, 13 percent; private schools, 2 percent; and manufacturing, processing, and handicrafts, 2 percent. Agriculture and fisheries claimed 0.2 percent, and miscellaneous business accounted for the balance.

In 1978 incomes of public and private sector employees showed considerable disparity. On a per capita basis the public sector workers—including some United States military personnel—were paid an average of US\$5,353; the average private sec-

their degrees, which were offered through the University of Guam, in elementary, secondary, and special education. In-service teacher education was offered by the Northern Mariana Department of Education in conjunction with the University of Guam, San Jose State University, the University of Hawaii, and the Community College of Micronesia.

Bilingual and cultural programs have been in place since the early 1970s in an effort to preserve and restore the long-ignored Chamorro and Carolinian languages and cultural heritages. Both Chamorro/English and Carolinian/English programs were available in grades one through seven, depending on the needs of the students and desires of their parents. When entering first grade, most students did not speak any English, which was taught as a second language until ninth grade. English was the medium of instruction in all secondary schools.

Literacy was relatively high. Freedom of information was strictly upheld. In the early 1980s one English-language daily newspaper and two weeklies, published in English and Chamorro, were circulated. There were two private radio stations, broadcasting in Chamorro and Carolinian. One commercial television station in Saipan had about 2,300 subscribers. Programming was primarily from the United States commercial networks, but one of the 12 channels was reserved for local programming.

The standard of health and sanitation has been upgraded since 1978. Despite the government policy of encouraging private medical practice whenever it became economically feasible, health care was primarily a public responsibility. The commonwealth government maintained offices dealing with hospital, public health and community services, medical and professional services, dental health, vocational rehabilitation, medicare assistance, and nursing services. In addition, there were three medical field service programs for the islands of Timian, Rota, and the northern islands. The bulk of patient care was provided at an antiquated and understaffed 84-bed hospital in Saipan. This hospital had adequate facilities for primary care but was inadequate for specialty treatment at the secondary level. As a result, patients were referred to off-island medical care providers for further evaluation, diagnosis, and treatment.

The commonwealth benefited from a variety of federally and locally funded services and programs designed to meet the needs of youths, veterans, the elderly, and the handicapped under a social security act passed in 1978. The Northern Mariana Social Security System was administered by the United States Social Secu-

city Administration.

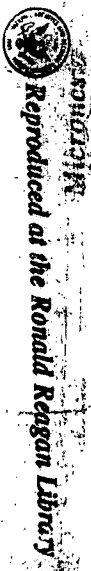
The Economy

Traditionally, agriculture consisted mainly of subsistence gardening adjacent to settlements and homes and was the mainstay of economic life. Most families lived on their own land as self-sustaining economic units, producing taro, corn, sweet potatoes, and other staple crops, as well as sugarcane, breadfruit, bananas, cacao, mangoes, and coffee. In the Japanese period agriculture was intensified and greatly improved, and there was a considerable increase in livestock and poultry production. By 1937 over one-third (approximately 15,000 hectares) of total land area was under cultivation. During World War II, however, the formerly productive areas were virtually destroyed by bombing and shelling, the cutting of trees for airfields, and the ravages of insect pests. In the early 1980s fewer than 250 hectares were under cultivation; about 9,100 hectares were used for grazing.

Subsistence farming has become a thing of the past, and the economy was essentially a cash economy in which there were two key components—the government and tourism. In 1978 the government accounted for 43 percent of the total work force of 7,317 (including 1,912 non-Mariana workers). More important, the public sector accounted for 59 percent of the US\$28.6 million total wage earnings. This was a slight decrease from the 1977 level of 62 percent.

In 1977 (the latest year for which information was available) employment in the private sector, by business, was in general merchandising, 21 percent; hotels and entertainment, 20 percent; construction, 20 percent; transportation and stevedoring, 9 percent; banks, insurance, financial, and professional services, 5 percent; manufacturing, processing, and handicrafts, 2 percent; private schools, 2 percent; and other miscellaneous businesses, the remaining 21 percent. Agriculture and fisheries employed only five persons. In terms of private sector wage earnings, construction accounted for 25 percent of the US\$9.7 million; general merchandising, 21 percent; hotels and entertainment, 13 percent; private schools, 2 percent; and manufacturing, processing, and handicrafts, 2 percent. Agriculture and fisheries claimed 0.2 percent, and miscellaneous business accounted for the balance.

In 1978 incomes of public and private sector employees showed considerable disparity. On a per capita basis the public sector workers—including some United States military personnel—were paid an average of US\$5,353; the average private sec-



tor salary was US\$2,834. In the private sector the Mariana workers earned an average of US\$2,363 and the non-Mariana workers, US\$3,672. The contrast was much more striking in the public sector, where the non-Mariana workers on average earned three times the wages of the islanders—US\$13,871 to US\$4,054. As of 1979 the minimum wage in the Northern Marianas was US\$1.35 an hour.

In the 1961–77 period tourist-related industries grew by 9.3 percent annually. Tourism was for years the largest private sector industry; in 1980 there were 110,370 visitors, who were estimated to have spent a total of US\$60.9 million. In 1982 the tourist arrivals totaled over 120,000, some 68 percent of them from Japan and 29 percent from the United States. There were 802 hotel rooms, 710 of which were on Saipan.

The commonwealth continued to depend on United States grants-in-aid for government operations, capital improvements, and economic development. The grant funding was obligated under an agreement between the United States and the Northern Marianas and equaled the sum of US\$14 million annually based on 1975 constant dollars. The agreement also made available all federal programs that were extended to the 50 states of the United States; these programs came to an additional US\$10.6 million and were administered directly by the sponsoring federal agencies. For fiscal year 1982 nearly 62 percent of budgetary appropriations came from the United States grants, a decrease of 5 percent from the previous fiscal year. As of 1979 personal income and business gross receipts taxes generated 35 percent of the total internal financial resources; cash reimbursements for job orders, 31 percent; excise taxes, 22 percent; and miscellaneous sources, the remainder.

The commonwealth's external trade consisted almost entirely of imports, which in FY 1981 amounted to US\$25 million. Among the key import items were foodstuffs, petroleum and oil products, construction materials and equipment, passenger vehicles, and alcoholic beverages. The Northern Marianas' only export market was Guam, where the military facilities and retail stores sold milk and meat produced on Tinian. Its annual exports totaled US\$650,000.

The Political System and Security

The political framework for the Northern Mariana Islands and for its relationship with the United States is set forth in the Covenant signed in February 1975 and enacted by the United

States Congress in March 1976 as Public Law 94–241. Upon the termination of the UN trusteeship, the Covenant would become fully effective. It establishes a self-governing commonwealth “within the American political system” under the sovereignty of the United States. The document, together with those provisions of the United States Constitution and treaties and laws of the United States applicable to the Northern Marianas, is mentioned as “the supreme law of the Northern Mariana Islands.” The Covenant gave the Northern Marianas the mandate to enact a constitution and also required its submission to the United States to ensure consistency with the laws of the United States.

The Covenant stipulates that “The [Northern Mariana Islands] Constitution will provide for a republican form of government with separate executive, legislative, and judicial branches, and will contain a bill of rights.” The right of local self-government is vested in the Northern Mariana Islands with respect to all internal matters, and the United States will have full responsibility and authority over foreign affairs and defense.

The Covenant defines matters affecting citizenship and nationality, judicial authority, the applicability of federal laws with respect to federal services and financial assistance programs and banking, coastal shipments, the conditions of employment, and revenue and taxation. Of particular interest to the Northern Mariana Islands are provisions dealing with United States financial assistance for local government operations, capital improvement programs, and economic development. The initial period of the multiyear financial support will be seven fiscal years. At the end of guaranteed annual direct grant assistance, the yearly level of payments is to continue “until Congress appropriates a different amount or otherwise provides by law.” Additionally, the United States is committed to provide “the full range of federal programs and services” available to its territories or possessions, such as the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, Guam, and American Samoa.

Under the Covenant the Northern Mariana Islands agree to lease a total of 18,182 acres on Tinian, Saipan, and Farallon de Medinilla islands to the United States for 50 years in order for the latter to carry out its defense responsibilities. The lease can be renewed for another 50 years; it will cost a total of US\$19,520,600, adjusted for inflation. In view of the scarcity of land and its importance for the culture and traditions of the islanders, the United States signed the Covenant, stating that “it had no present need for or present intention to acquire any greater interest” in leasing property for defense purposes. If the United States should find it



necessary to acquire more land under the Covenant, it may acquire "only the minimum area" through "voluntary means"—and then only with congressional authorization. If the power of eminent domain must be exercised, however, this is to be done through due process required by the United States Constitution. The Covenant restricts landownership to persons of Northern Mariana Islands descent for 25 years following the termination of the trusteeship agreement.

The Covenant stipulates that the United States and the Northern Marianas will consult regularly on all matters affecting their relationship at the request of either side or at least once every 10 years. It also calls on the United States to assist the commonwealth in the promotion of local tourism and other economic or cultural interests of the islanders. The commonwealth is eligible, under the Covenant, to participate in regional and other international organizations concerned with social, economic, educational, scientific, technical, and cultural matters "when similar participation is authorized for any other territory or possession of the United States under comparable circumstances."

The government of the commonwealth is headed by a governor, who is popularly elected for a term of four years, as is his deputy, the lieutenant governor. Each may hold office for a maximum of three terms. The governor is assisted by departmental heads and other senior officials who oversee the functioning of the nonpartisan and independent public service. From 1976 to 1977 the executive affairs of the commonwealth came under a resident commissioner appointed by the United States; this office was abolished in 1978, when the islanders' first popularly elected governor inaugurated full-fledged self-government.

The legislative branch is bicameral—the nine-member Senate and the 14-member House of Representatives. Three senators each are elected at large for a term of four years from the three senatorial districts: Saipan and the islands north of it, Rota, and Tinian and Aguijan. In time a fourth district may be established for all the islands north of Saipan when the population of these islands exceeds 1,000 persons. The members of the House of Representatives are elected for two-year terms from single-member districts of roughly equal population. Twelve members are chosen from the six districts covering Saipan and the northern islands, one from Rota, and one from Tinian and Aguijan.

A bill may be introduced in either house except for appropriation and revenue bills, which are under the exclusive purview of the lower house. A bill is passed by a simple majority of members in each house and must be signed by the governor to become law.

A bill is subject to the governor's veto. The Constitution provides a system of checks and balances whereby the legislature may impeach the governor and lieutenant governor as well as judges. Impeachment proceedings are initiated by the lower house by a vote of two-thirds of its members, and the accused are tried by the Senate; conviction requires the affirmative vote of two-thirds of the senators.

The judiciary, which, like Guam, is part of the Ninth Circuit Court of Appeals of the United States, is composed of the District Court for the Northern Mariana Islands and the Commonwealth Trial Court. The former has the jurisdiction of a federal district court of the United States over all matters not under the local jurisdiction. The trial court has original jurisdiction over matters involving land and other civil actions in which the value of the case in dispute does not exceed US\$5,000. The Commonwealth Constitution provides for a Commonwealth Appeals Court, but as of 1984 this court had not been established. In the interim, appeals were submitted to the district court.

Under the Commonwealth Constitution citizens are guaranteed the same fundamental rights and freedoms as are United States citizens under the United States Constitution. The minimum voting age is 18. Education is free and compulsory at the elementary and secondary school levels. The acquisition by sale, lease, gifts, or inheritance of permanent and long-term interests in real property is restricted to persons of Northern Marianas descent. A person of such descent is defined as a citizen or national of the United States who is of at least one-quarter Northern Marianas Chamorro or Northern Marianas Carolinian descent or a combination thereof or an adopted child of Northern Marianas descent if adopted while under the age of 18.

In mid-1984 responsibility for public order and safety was vested in the Department of Public Safety, which administered the police, the penal institutions, and fire prevention and juvenile programs. The police force was divided into separate island detachments for Saipan, Tinian, and Rota. The department functioned in cooperation with the Criminal Justice Planning Agency. Law enforcement personnel were trained by the Criminal Justice Academy. The department purchased six patrol boats in 1982 to facilitate island patrolling.

Federated States of Micronesia

The largest and most populous of the three TTPI political entities, the FSM, came into existence on May 10, 1979. Its capital