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TO TRUST TERRITORY PACIFIC ISLANDS

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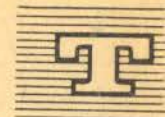
The Secretary-General.

18 May 1964

G. K. J. Amachree, Under-Secretary  
Department of Trusteeship and  
Non-Self-Governing Territories

Report of the United Nations Visiting Mission to the  
Trust Territory of the Pacific Islands, 1964.

I transmit herewith for your attention the above-mentioned  
report, together with a letter of transmittal from the Chairman  
of the Mission.



UNITED NATIONS  
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Thirty-first session  
Provisional agenda item 6

TR 140 PAIS 1964

REPORT OF THE UNITED NATIONS VISITING MISSION TO THE  
TRUST TERRITORY OF THE PACIFIC ISLANDS, 1964

Letter dated 15 May 1964 from the Chairman of the Visiting Mission  
to the Secretary-General of the United Nations

I have the honour to transmit to you herewith, in accordance with Trusteeship Council resolution 2138 (XXX) of 24 June 1963 and with rule 98 of the rules of procedure of the Trusteeship Council, the report of the 1964 United Nations Visiting Mission to the Trust Territory of the Pacific Islands.

I am glad to inform you that this report is subscribed to unanimously by all four members of the Visiting Mission.

I should be grateful if you would allow an interval of one week to elapse between the transmission of this report to the members of the Trusteeship Council and its general release.

(Signed) Frank H. CORNER



REPORT OF THE UNITED NATIONS VISITING MISSION TO THE  
TRUST TERRITORY OF THE PACIFIC ISLANDS, 1964

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## INTRODUCTION

### Terms of reference

1. Pursuant to the Trusteeship Council's resolution 2138 (XXX) of 24 June 1963, the regular 1964 United Nations Visiting Mission to the Trust Territory of the Pacific Islands was composed as follows:

Mr. Frank H. Corner (New Zealand), Chairman;

Mr. Chiping H.C. Kiang (China);

Miss Angie Brooks (Liberia);

Mr. Cecil E. King (United Kingdom).

2. By the same resolution the Trusteeship Council directed the Visiting Mission to investigate and report as fully as possible on the steps taken in the Trust Territory of the Pacific Islands towards the realization of the objectives set forth in Article 76 b of the Charter of the United Nations, and to pay special attention to the question of the future of the Territory in the light of the relevant sections of the Charter and the Trusteeship Agreement, bearing in mind the provisions of relevant Trusteeship Council and General Assembly resolutions, including resolution 1514 (XV) of 14 December 1960; to give attention, as might be appropriate in the light of discussions in the Trusteeship Council and of resolutions adopted by it, to issues raised in connexion with the annual reports on the administration of the Territory, in the petitions received by the Council concerning the Territory, in the reports of the previous periodic visiting missions to the Territory and in the observations of the Administering Authority on those reports; to receive petitions, without prejudice to its acting in accordance with the rules of procedure of the Council, and to investigate on the spot such of the petitions received as, in its opinion, warranted special investigation. Finally, the Council requested the Visiting Mission to submit to the Council as soon as practicable a report on its visit to the Trust Territory of the Pacific Islands containing its findings with such observations, conclusions and recommendations as it might wish to make.



### Itinerary

3. The Mission visited Washington, D.C. on 30 and 31 January 1964 for preliminary discussions with representatives of the Departments of State and the Interior on recent political and economic developments in the Trust Territory and in particular, also, to obtain an indication of the views of the Administering Authority as to the future of the Territory. Secretary Rusk and Secretary Udall, the Assistant Secretaries and senior officials of their departments gave the Mission the fullest co-operation.
4. Accompanied by a secretariat of four persons,<sup>1/</sup> the Mission departed for the Trust Territory from New York by air on 4 February and arrived at Saipan on 10 February. While in Honolulu en route, the Mission visited the University of Hawaii, the East-West Centre, the Honolulu Technical School and the Church College of Hawaii at Laie. This enabled the Mission to meet nearly thirty Micronesian students, to see them at their work, to obtain their views not only on their educational problems but also on the present situation and future prospects of Micronesia, and to discuss with their teachers the problems of education in Micronesia as reflected in students who come abroad to study. The Mission also visited the Bernice P. Bishop Museum, a centre for studies and research on the Pacific Islands, and the Polynesian Centre. The Mission greatly appreciates the co-operation and hospitality it received from the staff of these institutions and, especially, from the Micronesian students.
5. In passing through Guam on 9 February and 12 March the Mission visited the College of Guam and had stimulating discussions with the 100 Micronesian students studying there.
6. At the Trust Territory's headquarters in Saipan the Mission had several conferences with the High Commissioner and members of his staff, on 11 February before embarking on its tour of the Territory and from 10 to 12 March after its return. Its tour, as will be seen from annex VIII, took it to each of the six District Centres and to numerous outlying islands and atolls, including the two remote atolls of Nukuoro and Kapingamarangi which, unlike the rest of Micronesia,

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<sup>1/</sup> The members of the secretariat were: Mr. Hung-Ti Chu, Principal Secretary; Mr. George T. Daniel, Political Affairs Officer; Mr. William N. Shane, Administrative and Finance Officer; and Miss Dorothea Sylvester, Secretary.

For details of the Mission's Itinerary see annex VIII of the report.



are inhabited by Polynesians and which had not previously been visited by a United Nations Mission. The Mission was accompanied on its tour by Mr. John deYoung, Programme Officer on the High Commissioner's staff. Throughout the Territory the Mission held meetings with District Administrators and their staffs (at times having long discussions with Micronesian staff separately), with the six District Legislatures, with various local and municipal councils, and with the public. (The written communications which the Mission received at these meetings but did not deal with on the spot are found at annex I.)

7. At every point of the visit the High Commissioner, the District Administrators and officials - a considerable number of them Micronesians, the Mission is happy to record - gave the fullest co-operation. The Mission is grateful to them for this co-operation and for their warm hospitality which was always arranged to enable the Mission to make useful contacts and to establish an easy relationship with the greatest possible number of the people of Micronesia, officials and non-officials. The Mission is likewise grateful to the Legislators, Members of the Municipal Councils, and women's organizations for their receptions and hospitality. At times the Mission visited small islands with meagre resources; and it seemed that the poorer the people the greater their welcome and the more generous their hospitality. The reception given by the people of the beautiful but not rich atoll of Kapingamarangi, in particular, was deeply moving.

8. Throughout the Territory, the Mission encountered warm and sympathetic interest in its work and in that of the United Nations. Children sang songs about the United Nations, banners of welcome were spread; everywhere, by Micronesians and by United States officials, the United Nations was given every respect as a body which has in mind only the interest and well-being of the people of the Territory. It was seldom indeed that in discussing the problems of the Territory either Micronesians or American officials refrained from sharing with the Mission their ideas and criticisms. This was a reflection of the political freedom that prevails throughout the Territory and of the very good relations which, on the whole, exist between representatives of the Administering Authority and the Micronesians.

9. Finally, the Mission wishes to express its gratitude to the people of Micronesia. Members of the Mission will not soon forget their generous hospitality, friendship and co-operation. Above all, they will retain the memory



of the bright-eyed and beautiful children of Micronesia who compose a rapidly increasing part of the population and who are enthusiastically seizing the expanded opportunities now being opened up to them in their new, and progressively better equipped and staffed schools. Few countries can have a more meagre endowment of physical resources than has Micronesia. But in these young children and in the older students now moving in ever-increasing numbers through secondary schools in the Territory and through universities, technical colleges, medical schools and agricultural colleges abroad, lies the best hope for Micronesia's future. Its 85,000 people are Micronesia's greatest resource.

#### Report of the Visiting Mission

10. General descriptions of the geography, history, people and culture of the islands called Micronesia are readily available in the annual reports of the Administering Authority and in reports of previous Visiting Missions. This report is intended to focus attention on key issues, and particularly on those most relevant to the future of the Territory. The opinions put forward by the Mission are the result of many hours spent listening to the freely expressed wishes of Micronesians at public and private meetings and informal gatherings; of discussions with elected representatives and officials of the Administering Authority; and of visits to political and educational institutions, hospitals, farms, agricultural research stations, construction projects, co-operatives and business establishments.

11. Some matters of detail which have been dealt with by previous Missions will be passed over briefly, partly for the reason that the Mission desires to paint the picture with a broader brush, and even more because the Territory has reached a stage where - as the Mission will advocate in several sections of its report - the elected representatives of the people, in their Municipal Councils, District Legislatures and - above all - in the new Congress of Micronesia, should be given the responsibility and the power, and the money, to deal with their problems for themselves. This principle has also guided the Mission in its consideration of educational, economic and social factors. The central issues are the questions of political advancement and the future of the Trust Territory. The Mission will

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refer to some of the many encouraging signs it encountered to indicate that a Nation of Micronesia - a Micronesian "self" as distinct from a collection of island communities - is emerging from what has been in reality no more than a haphazard grouping of islands and peoples which an accident of history brought under the administration of a single Power as trustee. The Mission believes that this creation of a Micronesian "self" is essential if self-determination is to be meaningful; for the alternative would be fragmentation - the "self-determination" of a multitude of separate islands or districts. With the imperative of self-determination in accordance with the Charter and resolution 1514 (XV) foremost in mind, the Mission will suggest further measures - in every field of activity but pre-eminently in the political - which in its opinion would accelerate the process of fusing one people out of 85,000 individuals, speaking nine separate languages, and inhabiting two thousand islands scattered over 3 million square miles of ocean.

12. The Mission's report will concentrate on the present and the future rather than on the past, except when the past cannot be ignored because of its continuing influence on the present and the immediate future.

#### General considerations

13. Of the Pacific Ocean it has been written: "To talk about its land, until we come to the cluster of Indonesia and the bulk of Australia in the south-west, might almost be reckoned derisory". Constantly in considering Micronesia, one returns to the facts of the vastness of ocean and the minuteness of land, and to the immensity of the problems of administration and development posed by these unalterable and inescapable facts. If all the islands of Micronesia were put together to become a single island, the total land area would add up to an island of only 700 square miles, which would still be only a small speck in the Pacific Ocean - smaller even than other small territories in the Pacific, such as Western Samoa (1,130 square miles), Fiji (7,055 square miles), New Caledonia (7,335 square miles), and the Solomon Islands Protectorate (11,500 square miles). And if all the 85,000 people of Micronesia were gathered on this hypothetical single island they would still form a very small community. But, as if to make matters as

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difficult as possible, there are 2,100 separate islands scattered over an area of 3 million square miles of ocean extending 2,700 miles from west to east and 1,300 miles from north to south. True, some are only minute pieces of sand and coral which cannot support habitation, but well over 100 of the islands are inhabited. According to the statistics, only two islands have more than 4,000 population (Saipan, 8,151 and Koror, 4,296); three have more than 3,000 (Majuro, 3,940; Moen, 3,829; Kusaie, 3,060); twenty-three have between 500 and 1,000; sixty-one have under 500 and twenty-seven have under 100.

14. For several years, from 1947 virtually until 1963, the annual governmental expenditure of the Territory was about \$7 million, of which about \$5 million was a subsidy from the Administering Authority. This was sufficient to administer Micronesia on no more than a caretaker basis. Sometimes, the Mission suspects, this financial policy may have gone unchallenged because of inertia. Sometimes it was rationalized by the theory that the islanders should be protected in their "under-developed but happy" state and should be left to set the pace of advance for themselves; by critics this was sometimes stigmatized as an "anthropological" or "sociological museum" approach. But sometimes it was defended on the "realistic" ground that the Territory should not, through outside subsidies, be habilitated to a level of public expenditure too far beyond what the people of Micronesia would be able to afford if they had to depend on their own resources without large-scale outside aid. (Even at this time the Administering Authority subsidized far more than half the expenditure of the Territory.) But, given the immense problems imposed by the scattered nature of the Territory - which caused much of the budget to be absorbed in salaries of expatriates and transport costs - the subsidy of about \$6 million was inadequate even for care and maintenance. In retrospect, it is a matter for surprise that so much was in fact accomplished, particularly in the fields of education and health: the Territory has fortunately had the services of not a few able and devoted specialists and administrators who did their best with such resources as they were given, while making no secret of their view that the results were inadequate. But the results of the "realistic" financial policy became plain to see not only in the run-down state of many roads, inadequate houses and shabby buildings over considerable parts of the



Territory, but equally in the stagnant economy and the growing impatience among those quite numerous Micronesians who were aware of other standards.

15. Now, however, since the last time (1961) that a United Nations Visiting Mission visited the Territory, a great change has taken place in the policy of the Administering Authority. Partly as a result of the report of the 1961 Visiting Mission, President Kennedy appointed an Inter-Departmental Task Force to re-examine the question of the future of the Trust Territory and to review the responsibilities and obligations of the United States in relation to the 1947 Trusteeship Agreement. This review led to substantial changes in both the direction and the pace of the development of the Territory. The Administering Authority has set itself the formidable task of providing educational and health facilities which will permit all Micronesians to develop to the limit of their human capacity, and of actively assisting the people of the Territory to develop their islands to the limit of their economic capacity. To carry out this task Congress has for two fiscal years (1963 and 1964) raised its subsidy to \$15 million, and for the fiscal year 1965 (i.e. 1 July 1964 to 30 June 1965) President Johnson has requested that it be raised still further to \$17-1/2 million. The 1964 Mission had the opportunity of observing the first fruits of the new policy which will certainly transform Micronesia - in many ways which cannot yet be fully foreseen. Every aspect of the education system is in the process of being improved. A large-scale programme to construct 409 elementary school classrooms and 217 houses for teachers was well under way during the Mission's visit and is due to be completed by June 1965. Secondary school expansion is also under way. Another programme has been launched to expand and improve medical care in all its aspects - hospitals, field medical services, sanitation services, dental services, and the training of medical personnel and nurses. Transportation services between districts have been improved with better shipping services and with the introduction of a larger aircraft and the construction of new airfields in Yap and Truk. The Mission visited the scene of construction of the new airport for Palau, a major undertaking. Security restrictions have been relaxed, and in August 1962 the Territory was opened to economic development by outside investment. In 1962 the Navy's jurisdiction over Saipan, Tinian and the Northern Mariana

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Islands ended, and the unification of the whole Trust Territory under the civilian jurisdiction of the Department of the Interior was thus completed. Simultaneously, the headquarters of the High Commissioner was moved to Saipan, thereby at last locating the seat of Government in the Trust Territory. Potentially as important as any of these developments, the establishment of the Council of Micronesia with nearly all elected members, and its specific recommendations in March 1963 for instituting a territorial legislature to be known as the Congress of Micronesia, ushered in a new and significant phase in the political advance towards self-government or independence. It will be appreciated that all these developments are in line with those repeatedly advocated over the years by a series of United Nations Visiting Missions and by the Trusteeship Council.

16. Large as is the new level of the United States subsidy, greatly as it is to be welcomed, and generous though it is as an annual grant to a population of only 85,000 people, it remains a fact that money does not go as far in such a geographically dispersed area as it would in a compact territory. For example, six District Administrations as well as a Headquarters must be provided where one would otherwise suffice; numerous Municipal Councils, six District Councils, and a central Congress exist for the population of a small city; six highly qualified District Engineers; six Directors of Education; six District Agriculturists; six airports; six broadcasting stations; eight substantial hospitals; infinitely more secondary and elementary schools than would be needed in a single island of only 700 square miles - and similarly the necessity for duplication and elaboration arises with roads, power and water facilities, shipping and aircraft, and communications equipment. Distance and dispersion multiply many-fold the human effort and cost involved in coping with every problem. And the effort and cost become vastly greater as the Territory moves away from a simple economy of local subsistence to a money-based economy geared to world standards and aspirations.

17. In setting out these basic facts and the difficulties to which they give rise, the Mission by no means intends to imply that the problems of Micronesia are insoluble. Given energy - and money - it is possible, as the Administration has now started to demonstrate, to rise to the challenge of these formidable problems.

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But it is not possible to give meaningful consideration either to the present situation or to the future prospects of Micronesia unless an effort is made to comprehend them. The Mission itself had to keep reminding itself of the facts of Micronesian geography when it felt disappointment, as it did from time to time, that, given the great increase in spending, even greater progress was not apparent. Nor could it ignore the fact completely (though more rehabilitation might surely have been expected, nearly twenty years having passed since the war's end) that the end of World War II saw almost every building in Micronesia in ruins, many islands littered with the wreckage of war, and the previous economy completely destroyed. The Mission also had to remind itself that the first instalment of the new \$15 million budget was not received in the Territory until May 1963. Thus, much of the new construction which the Mission saw completed or in progress throughout the length and breadth of the Territory had been accomplished in less than a year. Finally, the Mission could not be unaware, for the sad evidence was before it on Saipan and Ulithi, of the ever-present menace of typhoons which frequently bring death and complete devastation and in a few hours destroy what man has taken years to accomplish and nature centuries. Once these facts came into focus, the Mission's not infrequent sense of disappointment was balanced by appreciation of the energy and drive now being applied.

18. Some of the suggestions and criticisms made later in this report particularly as regards economic development, imply an even higher level of subsidy by the Administering Authority than \$17-1/2 million annually. Had this level, or even a rather smaller one, been operating for some years - even better, had it been operating since the beginning of the Trusteeship in 1947 - it might well have been unnecessary to suggest a further increase. But much that might have been done at leisure over a period of fifteen years must now be done rapidly - and sometimes, because of the need for haste in planning and execution, less economically than might have been possible in different circumstances. And it must be done in a Territory whose geographical dispersion and remoteness make every undertaking more costly, probably, than in any other area of the world.

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## CHAPTER I

### EDUCATIONAL ADVANCEMENT

#### General

19. Basic to the work and plans of the Administering Authority for the Trust Territory is its new policy in education. This was adopted as a result of a reassessment of the educational needs of the Territory undertaken in 1962. The policy is to provide educational opportunities for all Micronesians so that they can develop their capabilities to the fullest extent. It is to be effected by providing a free public school system from elementary to high (conducted entirely in the English language) with advanced training in the trades and professions, through scholarships abroad, for those who have the capacity to profit from further schooling.

20. The Mission found the new developments in education welcomed throughout Micronesia. The Mission likewise welcomes them, not only in themselves but also because they form a central part and a guarantee of the good faith of the Administering Authority's stated aim of preparing Micronesians so that they can replace United States personnel in positions of leadership throughout the Territory. The new education system was launched less than two years ago; the new schools are still being built, existing teachers retrained and new teachers recruited; the results will not be fully apparent in the Territory for ten or more years - when children emerge who have had the benefits of the new system - for there are few short cuts in education. But through this decision to transform the education system - for which the Administration deserves great commendation - the Territory is already launched into a different world. Micronesia can never be the same again.

21. The previous system had proved its incapacity to meet the standards now set for the development of the human and economic resources of Micronesia. Leaving aside the mission schools, which were an indispensable supplement, it consisted of a series of fairly good to very bad elementary and intermediate schools (the level varied markedly from district to district) feeding a small number of pupils into one good secondary school which was hard put to it to bring students to a standard acceptable to outside universities.

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22. The fundamental weakness arose from the application of a philosophy which may work in a rich country - namely, that the local community should pay for the education of its children - to a dependent Territory where circumstances rendered the community too poor to finance an adequate education system. In the case of elementary schools, the Administration provided only supervisory personnel and most of the (inadequate) school supplies; the schools were financed primarily by district revenues with funds derived from local taxes, fees and assessments; and each community paid the salaries of the local teachers. The result - and the Mission recalls this past only because it affects the present; because its incubus lies heavy on every phase of the life, work and government of the Territory - was that school buildings were at best adequate and at worst completely inadequate, dilapidated and often with little or no equipment. Teachers, paid badly, spasmodically and sometimes not at all, were poorly qualified, had small inducement to improve their qualifications, basic education or teaching methods, and sometimes in the remote areas did not bother to be present at the school. The blind were leading the blind. Students who went on to the secondary school or, later, to a higher education outside the Territory found themselves at a great disadvantage: the nominal grades they had passed in the Territory were not worth their face value - their grade nine from Micronesia might be the equivalent of grade six, or even less, in some other country; they were usually much older for their grade than children in more advanced countries; their knowledge of English was so poor that, however intelligent, they had initial difficulty at university in following the lectures or getting through the prescribed reading, and having missed essential first steps in a subject they found themselves never catching up or doing as well as their basic ability merited; and often they entered university with a foundation of mathematics inadequate to carry the weight of modern education in science, economics, agriculture or medicine.

23. By their innate ability (and Micronesian children in the same schools as American children daily demonstrate that human abilities are similar the world over) and by hard work stimulated by a passionate desire for education a number of students overcame the handicaps: the work of Micronesians who hold senior positions in every District testifies to it. Nor should the work of past



educational administrators and teachers be underrated. The devoted work of a few could stand as an example to those many new teachers now coming into the Trust Territory who are being provided with every teaching facility and relatively easy living and working conditions. The curriculum for the Intermediate or Junior High Schools, for example, was excellently conceived, and the textbooks and readers locally written and illustrated (often by Micronesians and in various local languages) are unequalled by anything yet produced under the new system. The work of the Pacific Islands Central School (PICS - the central public secondary school) in recent years and of at least two Mission secondary schools has contributed much to raising standards and thus enabling the students who went abroad to stand on a more equal footing with their fellow students. Within the limitations set by finance a surprising amount was achieved. It was greatly to the credit of the previous system that it provided opportunity for some students to go through to the tertiary level. Nevertheless, it could not produce the number or the kind of people needed to operate even a caretaker Administration or a sluggish economy, let alone meet the more complex needs of a Territory in active development where the people are to run their own affairs and make informed and mature decisions about their political future and their relationship with other countries.

24. The basic trouble was money. Money is by no means everything; but without a bare minimum of money good education is not possible. In 1963 the Administration secured the money and, as the following sections will briefly indicate, it is moving swiftly and energetically to transform every aspect of the Territory's education system. Expenditure on education in 1963 rose to \$1.3 million; (\$1 million for recurring expenditure, \$0.3 million for new classrooms); for 1964 it is \$10.1 million<sup>2/</sup> (\$1.8 million for recurring expenditure, \$5.2 million for new classrooms, and \$3.1 million for construction of houses for teachers); in the 1965 fiscal year, starting 1 July 1964, it is to be \$6.2 million (\$3.9 million for recurring expenditure, \$1.3 million for new classrooms, and \$1 million for teachers' houses). It can thus be seen that the

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<sup>2/</sup> An amount of \$4.7 million of the 1963 appropriation could not actually be spent until the 1964 fiscal year. This makes the figure of actual expenditure for 1963 smaller and that for 1964 larger than that which appears in the budget of the Territory.



lion's share of the Territory's budget is now being invested in education. It can also be seen that the recurring expenditure alone on education has reached a figure of nearly twice the total value of exports from the Territory and more than eight times the total of District and Municipal taxes.

#### Elementary education

25. This is the area (grades 1 to 6) which has received the first and greatest weight of increased spending under the programme of accelerated educational development. The programmes for improving the quantity and quality of buildings, supplies and teachers which were launched in 1963 will be briefly outlined to give some idea of their magnitude.

26. As to buildings, the Administration has taken over from local communities the financial burden of supplying school buildings. Its goal is to have by the end of 1965 new classrooms - a total of more than 500 - for every public elementary school in the Territory; 234 new classrooms were provided for in the 1963 budget and 175 classrooms in that for 1964. The Mission saw these new schools in operation or under construction in places it visited all over the Territory, sometimes in remote areas where it was no easy matter, and an expensive one, to ship in the building materials. Standing in such welcome contrast to those they replace, they are of concrete and other permanent materials which should involve the minimum of expense on maintenance in future years - an important consideration in the Micronesian climate which causes rapid deterioration in structures made of wood or of some metals. They will be a lasting asset to the people of Micronesia. Often they are magnificently sited. Now many of the children of Micronesia, instead of passing their days, as they too often did, in the semi-darkness of squalid buildings, will be educated in surroundings which cannot but develop pride in their beautiful country. For the most part the schools are being constructed by Trust Territory Government construction crews or through labour and service type contracts with Micronesian contractors. Desks and other furnishings are first-class, in contrast to the situation in older schools where in some cases, as the Mission itself saw, there are no desks at all. The desks were mostly designed within the Territory and made by craftsmen in Palau. The Palau Woodworker's and Handicraft Guild has



completed two orders worth \$23,000; bids for the furniture for another 360 classrooms had been invited at the time of the Mission's visit. Excellent stocks of classroom supplies and books arrive as the new schools are completed; the delight of teachers at having the necessary teaching aids with which to help their children, and of children experiencing the first smell of new books, can perhaps only be fully appreciated by those who have seen teachers and children struggling under the handicap of inadequate school supplies.

27. As to teachers; the Administration is acting on several fronts simultaneously. First, it moved to reduce the burden on local communities of paying teachers' salaries: in 1963 it adopted a new policy of giving subsidies in order to provide more adequate salaries to qualified teachers and to assure greater regularity in payment; this was the first step towards establishing a uniform salary scale throughout the Territory. By proceeding to include elementary school teachers in the Micronesian Title and Pay Plan, which will involve full support by the Central Government, by raising their status, and by paying salaries based upon merit and training, the Administration is seeking to improve the chances of the teaching service retaining its trained personnel instead, as is so often the case, of losing them to more lucrative branches of the civil service. Second, the Administration has initiated numerous measures to raise the educational qualifications and professional competence of teachers already in the service with a view to removing as soon as possible the present need for imported teachers. Twenty-two United States and thirty-three Micronesian supervisory teachers and administrators have been charged with organizing in-service training, model demonstration schools, short-term courses and summer schools for the 400 Micronesian teachers. A number of teachers have been sent abroad to study for university degrees. Equally important has been the establishment in September 1962 of a teacher-training institute on the campus of the Pacific Islands Central School in Ponape. This Micronesian Teachers Education Centre was designed especially to meet the needs of teachers who for family reasons or for lack of adequate academic qualifications cannot undertake university study abroad. It combines high school work with specialized training in education and teaching methods. Twenty-five teachers completed their intensive one-year course in 1963 and fifty will be enrolled in the 1964 academic year.



28. Fourthly, and most significant both in cost and impact, the Administration is importing a large number of United States teachers to fill the gap while Micronesian teachers are away improving their qualifications, to help raise the standard of teaching at every school and to show by example the level that can be attained with fully qualified teachers, and to spearhead the assault on the problem of establishing English rapidly as the medium of instruction throughout the Territory. (This decision to establish English as the medium of instruction in practice and not merely in theory is an essential part of the new policy in education; it was taken in conformity with the desire of the Micronesian people as expressed by the Council of Micronesia and by Micronesian students and teachers). These new United States teachers are already taking up their positions all over the Territory. The plan provides for a total of 140 in the 1964 fiscal year, 211 by mid-1965 and 271 by mid-1966. The cost of imported teachers and educational administrators was about \$0.4 million (for 55 persons) in 1963, is \$1.6 million (for 203 persons) in 1964, and is estimated at nearly \$2 million (for 232 persons) in 1965. In addition, it has been necessary to erect houses for imported teachers; many have already been erected and a total of 181 is due to be completed by mid-1965 and 255 by mid-1966 at a cost of about \$3.6 million. These houses, like the schools, are being well built of permanent materials and should be another lasting asset involving a minimum of maintenance. Fifty-one of the houses so far constructed were contracted to an American firm on Guam which has provided supervision while employing local labour; some other houses have been erected by Micronesian firms and it is expected that the proportion of contracts won locally will increase; and in some remote areas - for instance eighteen houses in the outer islands of the Marshalls District and two in Ulithi, Yap District, the task is to be done by Trust Territory Government construction crews.

29. Of the total school population of 20,813 for the year ending 30 June 1963, 17,679 were at elementary schools (13,596 at public schools, 4,083 at private, that is, mission schools). This figure compares with a total school population of 18,294 for the year ending 30 June 1962, of whom 15,725 were at elementary schools. It is believed that of approximately 17,500 children between seven and fourteen years old in the Territory 16,844 attend school; those who do not are in isolated islands in Truk, Yap and Marshall Islands districts. In 1961, the compulsory

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school age throughout Micronesia was reduced from eight to seven; in fact many children commence at an earlier age. The Mission considers that the compulsory entrance age should now be reduced to six and that entry at the age of five should be permitted. Children in Micronesia have the hurdle of a foreign language to overcome and they should be given the chance to become accustomed to school conditions and to start learning English as soon as they are ready to do so.

### Secondary education

30. Until 1962 there was in the Territory only one senior public high school, that is, one which took children to the end of grade 12. This was the Pacific Islands Central School (PICS) at Ponape. (There were also four high schools at the senior level conducted by religious missions, one at Truk, one at Saipan and two at Ponape). The other five districts had only intermediate or junior high schools (grades 7-9). In September 1962 the process was started of converting the junior high schools to full senior high schools by adding a grade each year until by September of this year, 1964, every district except Yap, which is following one year behind, will have full junior-senior high schools going to grade 12. In addition, junior high schools are now operating on the outlying islands of Ulithi, in the Yap District, and Kusaie. Except in Saipan these high schools are boarding schools and co-education. Since every district will have its own, the Administration sees no further need for a central high school; PICS will therefore lose its special character and become Ponape senior high school.

31. To expand the secondary school system and to raise the standard rapidly the Administration is providing sufficient money in the 1964 fiscal year to employ 30 United States Teachers, teacher-supervisors and principals, as well as 118 Micronesian teachers and administrative personnel; and in the 1965 fiscal year, with secondary school enrollment constantly increasing it is intended to provide for 57 United States personnel and 127 Micronesians. The importation of United States secondary school teachers involves another programme of house building, estimated to cost \$500,000 in the 1965 fiscal year. A very great increase in library books, textbooks and instructional aids is under way; for instance, English language teaching laboratories are being installed in all the high schools.



32. Whereas there were 1,623 students at public secondary schools in the year ending 30 June 1963, (300 of these being in grades 10 to 12), and 2,257 in 1964, it is estimated that there will be 3,035 in the new school year beginning in September 1964. Mission schools were educating 1,511 children at the secondary level in the year ending 30 June 1963, with 195 of these being in grades 10 to 12.

33. In addition to children at secondary schools in the Territory there are a number at high schools abroad, mainly in Guam, either on scholarships, or under private arrangements; the number in the year ending 30 June 1963 was 249 (222 in Guam, 12 in Hawaii and 15 in continental United States). As the Territory comes to provide enough places in public high schools for all who desire secondary education the number going abroad is likely to drop; the Administration sees no need to encourage students to leave the Territory for secondary as distinct from higher education.

#### Higher education and scholarships

34. There being no university in the Territory, students go elsewhere for their higher education. In the year ending 30 June 1963, 161 Micronesians were pursuing courses of study abroad (as compared with 126 in the previous year). Of these 101 were receiving scholarships (58 having government scholarships) and 60 were attending college on their own; on the recommendation of district scholarship committees, transportation costs of privately sponsored college students are provided from Trust Territory funds. Most of the students (74) were at the nearby College of Guam, 37 at various colleges in Hawaii, 20 in continental United States, 18 in the Philippines, 9 in Fiji and 3 in Western Samoa. This year, 1964, there are 99 Micronesian students at the College of Guam alone.

35. The number of government scholarships was raised to **sixty-five** for the 1963-1964 academic year and the Mission understands that the number is to be doubled for the 1964-1965 academic year (involving an increase in cost from \$123,000 to \$250,000).

36. So far, few Micronesians have completed full university degrees. In the year ending 30 June 1962 there appears to have been one graduate, and in the year ending 30 June 1963 ten Micronesians completed university courses but not necessarily full degrees. It can be seen that the number will soon increase

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greatly. The Mission met many college students in Guam and in Hawaii; most of them were older than such students in many other countries, for reasons which preceding sections of this chapter will have made apparent. The Mission was much impressed with the maturity and enthusiasm of these students and with the interest in politics shown by several of them. Micronesia will not be able to fill its requirement of experts and technicians for many years yet; but it will not lack good leaders.

Comments by the Mission

37. The Mission gives its warm commendation both to the policy of the Administering Authority of providing an education system of high quality for the people of Micronesia and to the energy with which the policy is being put into effect. The comments and suggestions which the Mission now makes are relatively small measured against the total effort that is under way; it nevertheless attaches importance to them. As an over-all comment the Mission would stress the need for arrangements to be made for continuing evaluation of the results in practice of the revised educational plans, particularly with regard to standards of achievement. There has in the past been a tendency to assume that because certain experts or certain equipment were provided, certain results would automatically follow. But this can by no means be assumed. Objective evaluation will be essential as the new policy is progressively put into effect.

(a) Expatriate teachers

38. As the Mission travelled throughout the Territory it became conscious of the problems which could arise from the introduction of over 300 American school teachers. These qualified teachers should be a tremendous influence for good: the Mission for its part is unable to suggest any better means of raising rapidly the standard of education, the level of comprehension of English and the skill of Micronesian teachers. But there is a potential source of tension in that so many expatriates will be coming to a Territory where there have previously been quite few and that to secure teachers with the required qualifications it is necessary both to pay salaries that are high by Micronesian standards and to provide housing and living conditions which, though normal by United States standards, are beyond

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those which are at present possible for almost all Micronesians - standards, moreover, which are beyond the realm of possibility for those who on small islands and coral atolls live at the margin of human survival. This is admittedly a short- or medium-term problem because the whole purpose of the programme is to speed up the training of Micronesians so that it will be unnecessary to import teaching skills at such great expense. It might nevertheless have been reduced by using the Peace Corps or applying its methods and concepts; but the Mission understands that this was not practicable.

39. The Mission observed some United States teachers working in remote areas with very simple living conditions. It was these teachers who were making the greatest contribution, not solely in their strict assignment as school teachers, but through their influence on the whole community. They interpreted their job as virtually a 24-hour one; they taught, they organized adult education classes, they did first-aid work, they talked English to old as well as young; and their wives, unpaid, made an equal contribution. They lived in local-style houses either next to the school or in the village. It was apparent to the Mission that these teachers were respected and that they were getting happiness and fulfilment from their work. In district centres, on the other hand, where already there is starting to be a concentration of teachers, the Mission noted that an occasional teacher supervisor or administrative officer, had a more limited conception of his role and of the amount of effort he should put in. Sometimes his wife also had a well-paid job and was not interested in voluntary work. And where the new houses were grouped in "compounds", a system apparently adopted to save building costs and to ensure that power and other facilities were available, the teachers and other imported officers tended to form a group separate from the Micronesians, thus reducing the contribution they were making to the community as a whole.

40. The cost of importing a teacher is high, and the Mission feels that every effort should be made not only to attract thoroughly experienced teachers (it was not particularly impressed with the qualifications of some) but also to extract the fullest benefit from their presence. Ideally, only dedicated teachers should be engaged but as the number rises this will be less easy to achieve. The Mission hopes, however, that great care will be made to attract the best type of applicants, to inform them fully in advance of what is expected of them, to select

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those prepared to put up with some personal inconvenience, and to arrange orientation courses for those taking up positions. Here if anywhere it is essential to preserve a "new frontier" spirit. In fact, by the standards of most countries, assignments in Micronesia involve few hardships; and if there should be difficulty in attracting suitable teachers from existing sources it would be worth widening the area of recruitment.

41. In order that teachers may play the fullest part in the community - and remembering that Micronesians are to replace imported officers - the Mission would like to see teachers' houses placed not in compounds but near the schools or in the villages and where possible - as is being done with imagination in Palau - rented from local people. As the Mission suggests in its chapter on economic advancement (paragraphs 172 and 173), it would like to see the plans for school and house building developed as part of a wider programme of providing utilities to the community.

(b) Adult education

42. While the future of Micronesia doubtless lies with the children, the present and immediate future lie with the adults. More could be done to give adults educational opportunities. The new schools could be used in the evenings as centres of community education and development. In those districts where radio stations exist the potentials of broadcasting as an educative force and an instrument for welding communities together and into a nation have not yet been exploited. (The section on social advancement also takes up the question of broadcasting in paragraphs 90 to 92). Again, the resources of the technical departments attached to secondary schools could be made available for adult education. The wood-working and metal-working machines, and the buildings in which they are housed, are an expensive investment from which the greatest return should be sought - all the more in a territory like Micronesia where technical skills are short. Evening sessions might be held at which adults would be helped to make boats or joinery for houses or other useful articles. The Mission knows that Micronesian technical teachers would be glad to earn the extra income they need by supervising such activities and it feels sure that many United States personnel would give freely of their own time and talents. The Mission was rather surprised to hear that imported personnel should require overtime payments.

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43. Again, classes in English and other subjects would be welcomed by adults in most districts. Several parents commented that at this time of change it would help them to keep the family together if they, like their children, learned English, the only Territory-wide language of communication. In two districts the Mission was pleased to find that adult education classes were operating at which Micronesians taught their local language to United States personnel who in turn gave lessons in English. These classes have a dual value, both in teaching the languages and in promoting friendship and understanding; it is something the Mission hopes will be emulated elsewhere. In Ponape, PICS has brought together a group of United States teachers who in combination possess a wide variety of skills and knowledge. The Mission found that some of these teachers would happily arrange adult classes outside their normal working hours without remuneration, and it hopes advantage will be taken of such an opportunity. The spirit of teachers such as these is greatly to be commended. The emergence of such local initiatives should be encouraged and the Mission trusts that people will not be made to feel that everything must be done at central direction, through "channels", and by experts and specialists.

44. One group of adults to whom special consideration should be given are those who comprise the present civil service in Micronesia. Nearly all civil servants went to school in Micronesia under the previous inadequate education system; at times their English and their mathematics are weak; as a result the development of Micronesia is impeded and they suffer personally because their promotion must be delayed. Moreover, some of these civil servants already realize with unhappiness that young Micronesians who are having advantages they lacked will soon be moving into the civil service and are likely to achieve more rapid promotion. There are many ways of assisting these civil servants through in-service and other training programmes (an important question which is taken up elsewhere in this report), but night-classes in English and other subjects could be especially useful. Here is another potentially valuable field for co-operation in adult education between United States personnel and Micronesians. The Mission was told by several Micronesians of cases where United States officials welcomed Micronesian individuals or groups to their homes for informal sessions in the evening at which the official sought to pass on to the Micronesians whatever skills and knowledge he possessed and



they desired. These sessions were achieving something that often eludes the "adult education programmes" organized by experts.

(c) Vocational and technical education

45. The Mission heard repeated requests in a number of districts for more vocational and technical training. It is an encouraging feature of Micronesia that, except perhaps in the case of the Marianas, the people still respect farming and manual skills; it is worth building quickly on this asset lest it be eroded. The Mission noted with interest the well-equipped "industrial arts" departments being established in several districts. It discovered, however, that the intention of the courses in these departments was to give students a general idea of working with their hands rather than to produce craftsmen or to fit people for trades. Put to such a use at this stage of Micronesia's development the expensive facilities seemed something of a luxury. If harnessed also to a vigorous and imaginative programme of adult education, as the Mission has already suggested, they would become less of a luxury. But even so, the need for people trained in crafts and other skills is urgent and it must be met more effectively than it is at present if the developing economic opportunities are to be exploited and others opened up. The training courses in Guam and scholarships to the Honolulu Technical School are not proving sufficient. The Mission would therefore advocate that vocational education be better organized with a stream of post-primary students flowing into it and additional provision for adults.

46. In the meantime, until technical or vocational schools are established, it will presumably continue to be necessary to use such institutions as the Honolulu Technical School. The Mission was much impressed with this institution, and it believes that it could make an even greater contribution if two things were done. First, its Principal should be enabled to visit Micronesia to see conditions there and to work out a programme of studies geared to the specific needs and capacities of the Territory. Secondly, a liaison officer at Headquarters should be responsible for working out and following up the training programme of each student given a scholarship for technical training. It need hardly be added that technical education will become easier to organize satisfactorily when a comprehensive plan of economic development for Micronesia is prepared (see paragraph 177).

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47. The Public Works Departments could be valuable centres for training apprentices and tradesmen. Some are. But the Mission feels that the imported officers in the Public Works Departments of one or two of the districts could work more positively and sympathetically to pass on their skills to Micronesians. It suggests that the Administration make a special effort in this field and that here, as indeed throughout the Administration, it be made clear that every imported officer from the highest to the lowest is to be judged not solely by his competence at his particular job but also by his success in making himself dispensable.

(d) Higher education - a junior college?

48. Though just conceding that the improvement of vocational education has a higher priority, if priorities must be established, the Mission is much attracted to the idea of the establishment of a junior college of Micronesia which has been advocated by numerous people in the Territory. It admits the strength of the arguments against such a territorial university: that the number of college students, at present 150 or less, is so small and the range of the subjects they are taking is so great, that the cost of providing the staff and facilities would outweigh the cost of the existing system of sending students abroad; also that Micronesia is already so cut off from the world that an essential part of the higher education of young people is to have their horizons widened and their standards raised by contact with different countries and a variety of students. There are, however, other considerations. First, more students could receive a higher education if a junior college existed in the Territory; certainly there would be more women students, for at present parents are somewhat reluctant to let their daughters go abroad to school; the education of girls at High School and higher level is lagging seriously behind, to the future detriment of the Territory.

49. Secondly, courses for civil servants, during the day and at night, could be arranged to the great benefit of Micronesia and of the officers themselves - this would enlarge the pool of trained people and hasten the process of "Micronisation" of the Administration. Admittedly only those stationed in the district centre would be able to attend the college, but this limitation could be overcome by a plan for rotating civil servants. Correspondence courses could also be dovetailed into the scheme. In addition, of course, the night classes would be available for

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adults generally not only for civil servants. This junior college could also provide courses for older students who would not be able to attend regular classes in senior high schools because of age.

50. Thirdly, a junior college could help to meet another important, but fortunately temporary, need. There are in the Territory a number of people in their twenties who have the desire and the ability to profit from a university course but cannot enrol because their high schools did not take them to a sufficiently high academic standard. They need one or two years of pre-college education. To secure this they would have been willing to attend PICS, which had a special standing and which has always had some older students. But they would not be willing, at their age, to attend one of the new junior-senior high schools. A junior college at Ponape could organize pre-college classes for this group of people who, with further education, could make a very useful contribution to the Territory.

51. Fourthly, there would be advantages in students at junior college level being educated in the Territory. The reverse side of the broadening effect of study abroad is its demoralizing effect on some students. The Mission was often told of cases (usually involving Guam) where students had returned from another country unsettled and with values which were considered undesirable in Micronesia. Students needing higher or specialist degrees would still go abroad, but they would be of a more mature age and experience.

52. Fifthly, the staff of a junior college would have a leavening and stimulating effect in the Territory. It would also provide openings for talented Micronesians. Finally, and importantly, a junior college would be a focus of pride; this place where talented young people from all over Micronesia would come together would surely be a powerful force in creating national consciousness in Micronesia.

53. For these reasons the Mission would greatly like to see a junior college established. The obvious place is Ponape where, at PICS and the MTEC, there are several teachers on the spot with qualifications as good as those of teachers in many junior colleges elsewhere. The staff of a junior college need not be large and the emphasis would be on giving a first-class education built around a few major disciplines. A college of this kind need not be a costly undertaking. The Mission therefore urges that early reconsideration be given to this matter, bringing in factors wider than purely financial ones and putting the interests of Micronesia



first. The Mission also suggests that the new Congress of Micronesia should investigate the problem. Those of the Congress who believe (as does the Mission) that Micronesia has a potential of its own may not be content to see the crown of their educational system placed outside their Territory, their most talented children all sent away for years, and Micronesia denied the life-giving force that a good university provides.

54. Meantime, scholarships for study abroad are essential to provide the trained people needed urgently in Micronesia. The Mission welcomes the Administration's plan to double the number of scholarships in the year beginning 1 July 1964 and hopes that this number will be at least maintained and if possible increased in the following year. The Mission recommends that all scholarships should be awarded for a period sufficient to cover a full course of study.

(e) PICS and Micronesian unity

55. In its short but varied history the Pacific Islands Central School (PICS), has made a great contribution to Micronesia, not only scholastically but also as an influence towards unifying Micronesia. Inside and outside the Territory the Mission was cheered and stimulated by the contacts with the graduates of PICS. These people who had come together to this common meeting ground from all over the Territory for three years' secondary education were free of the prejudices and rivalries that are said to be a barrier to Micronesian unity; the friendships and habits of co-operation they formed at PICS went deep. Now PICS is to disappear for the good reason that six high schools have now come into being. Though naturally welcoming the Territory-wide progress in secondary education, it is with regret that the Mission sees the demise of an institution which has performed such an admirable function. What ways are there of continuing PICS' work of keeping alive and advancing the idea of Micronesia - that is, what ways in the educational field: for the Congress of Micronesia should soon emerge as a potent force in the political field for promoting Micronesian unity and co-operation?

56. A junior college, which the Mission would regard as the ideal continuation and development of PICS, would best fill the gap. Short of that there is only the Micronesian Teacher Education Centre on which to pin hopes. But other measures could be taken to encourage the growth of a Micronesian consciousness and the Mission hopes that every possibility will be earnestly explored. For instance,

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since more high school students will in any case be boarders, it could be arranged that every high school had students from every district. (The Mission sees some merit in the idea of carrying this idea furthest at Ponape and, in effect, continuing PICS as a pace-setting high school with a larger proportion of the most able students than any other district; but it was given to understand that the Administration dislikes this idea as an "elite" approach to education). Teachers - secondary school teachers certainly, but increasingly elementary school teachers too, as English becomes established as the medium of instruction throughout the Territory - should be regarded as a single corps and should be assigned on a Territory-wide basis. And in working out such a scheme the Mission hopes that special arrangements will be made to ensure that the remotest areas receive a fair share of the best teachers; indeed, a more-than-fair share would be justified, because the children in the remote districts have suffered in the past and it is essential that opportunity in the Territory be equalized as soon as possible. The Mission could not easily reconcile itself to seeing four imported teachers assigned to a small school in Saipan - a school where there was a large number of expatriate children - but only one imported teacher in a larger school not far away.

(f) Education of girls

57. In 1963 there were roughly as many girls as boys in the elementary schools (9,471 boys and 8,108 girls), the compulsory education laws doubtless ensuring this. But at the junior and even more at the senior high school level, where places have in the past been limited and compulsory provisions cease to apply, the ratio of girls drops away (in junior high schools 1,617 boys to 1,022 girls; in senior high schools 392 boys to 103 girls. The figures for mission schools are included; were it not for this better showing of private schools the ratio of girls would show an even more drastic drop). Now that educational facilities in the Territory are being expanded to the point where opportunity at all levels will be available to all who can profit by it the Mission hopes that a special effort will be made by the Administration to encourage girls to continue with their education.

(g) Text books and publications

58. New textbooks and publications are now flowing into the schools in good quantity. Many of these books are standard material used in schools in the United



States. It was perhaps inevitable that such textbooks should be used because it would doubtless be expensive to produce a special range of Micronesia-oriented textbooks for a school population of 20,000; and in any case the accelerated education programme demanded that books be immediately available. Nevertheless, (though it heard no complaint from any Micronesian, indeed the reverse, for people seem to suspect that a Micronesia-oriented education means a second-class one) the Mission was uneasy at finding children working so extensively from books prepared in the United States and set in a cultural frame of reference unfamiliar to a child brought up in the environment and culture of Micronesia. And, despite the pedagogical rationalizations that were produced it still feels surprise that a little Micronesian girl in grade 1 should be reciting "My name is Jane; I come from Philadelphia; I am in the fourth grade". Education is, of course, much more than a matter of buying a package of buildings, houses, teachers, textbooks and equipment. And the Mission was pleased to note that the education authorities in the Trust Territory have in fact been buying some textbooks produced in other countries and it hopes that they will make a special effort to keep in touch with other countries, Pacific countries, particularly, in the hope of finding material that will be more meaningful to Micronesian children and will also make them more aware of their nearer neighbours. In this connexion the Mission also hopes that now that schools are starting to have electric power, which makes it possible to use film-strip machines and projectors as teaching aids, a film library will be established in which films showing life in other countries will bulk large. It is important that the horizons of Micronesians should be widened.

59. The Mission also hopes that greater effort will be put into the local production of instructional materials. The Mission is aware that a Literature Production Centre at headquarters is producing school texts and other materials for use in elementary schools; that there is a training programme in which selected school teachers are brought to headquarters to work in the Centre; and that literature production training seminars for selected groups of teachers and other district educational personnel are held in the districts by the staff of the Centre. But the Mission was not greatly impressed with the material so far produced, all the more in comparison with that brought out in past years by enthusiastic local efforts in the Districts. This earlier material, often in local languages (the

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general use of English now simplifies the problem of producing literature) was frequently written and illustrated by Micronesian teachers and drew on local legends and other sources of inspiration. Temporarily such material seems to be suspect in the minds of many Micronesians because it was produced in the days of the inferior education system and they link the two; but there was no casual connexion - indeed some of these books were gold in the dross; and the Mission hopes the day will soon come when Micronesians see a local teacher's drawing of a mangrove crab as no whit inferior to a Chicago teacher's rendering of a Maine lobster. Again, though it may be cheaper to send material to Guam to be printed, the Mission would like to see an increasing amount of printing done in the Territory itself. Printers are essential even in the smallest territory and the Mission suggests that scholarships be provided in printing and the graphic arts.

60. The Mission also suggests that among the textbooks in both elementary and secondary schools there should be a history of Micronesia; this Territory is unique in its history and its culture; the children of Micronesia should know their past and take pride in it. They should know of their kinship to other great explorers of the Pacific. Finally, the Mission suggests that there should be in every classroom a map of Micronesia which shows its relationship to its Pacific neighbours.

(h) Libraries

61. The Mission notes with approval the development of school libraries and the proposal to appoint a supervisor of Library Services. The development of libraries must be a key part of the improvement of the whole education system. The Mission would go further. It suggests that policy for libraries should be formulated within the even wider framework of community education. Conceived in this way libraries could develop as a major supplement to adult education and political development activities.

(i) Schools and departmental extension work

62. The Mission suggests that special effort should be made to ensure close co-operation between the work of the schools and the extension activities of government departments in such fields as agriculture, health and environmental sanitation. In this way the professional resources of the schools can be supplemented and links forged between school and community.

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(j) Mission schools

63. At several meetings the Mission heard requests that the Administration should give financial aid to those Mission schools which comply with prescribed standards regarding management, suitability of school buildings, number and qualification of teachers, suitability of the curriculum and quality of the teaching. This is a controversial subject all over the world and many considerations enter into a judgement, one, of course, being whether a Government is providing educational facilities sufficient for the whole population (which has not in the past been the case in Micronesia). The Mission wishes to enter this controversy only to the extent of making two observations and one suggestion. Its observations are first, that arguments which are valid in a metropolitan country are not necessarily valid in a dependent territory; and, secondly, that some mission schools have made and are making a great, indeed up to now an indispensable, contribution to Micronesia's development. In visiting such schools as Xavier High School in Truk District and Mt. Carmel High School in Saipan, the Mission was greatly impressed with the high standards set, by the sense of dedication as well as the professional competence of the teachers, and by the liveliness of the students. Most of the teachers in the mission schools were, like the best teachers in the public system, servants of the whole community who contributed to the welfare and education of adults as well as children. And schools like those cited have shared with PICS the distinction of bringing together students from every part of the Territory, breaking down traditional barriers and helping to weld the people of Micronesia together.

64. The Mission's suggestion is that the question of state aid to private schools be considered by a Committee of the new Congress in association with the High Commissioner. This should ensure that decisions are made that are appropriate to Micronesian conditions and in line with Micronesian desires.

(k) Dissemination of information on the United Nations

65. The Administration has done a good job of disseminating general information about the United Nations. In most schools and public offices United Nations posters and other information material was in evidence. The flag of the United Nations flew prominently from public buildings in all districts. There could be no doubt that by and large the people were aware of the United Nations Organization. United Nations Day is a public holiday and is universally observed in the Trust Territory. No doubt the periodic visits of United Nations Visiting Missions enhance this



awareness. At the same time, relevant United Nations documents concerning the deliberations of the Trusteeship Council and the reports of Visiting Missions did not seem to reach a number of people to whom, in the view of the Mission, these documents would be useful. The Mission suggests that the Administration might request a greater number of documents from the United Nations in order to arrange a distribution throughout the Territory, including all District Congresses and all secondary schools. The Mission understands that a supervisor of Library Services for the Territory is shortly to be appointed and it recommends that this officer should be responsible for ensuring that relevant United Nations documents be distributed throughout the school system. The Mission suggests that a United Nations fellowship be awarded to a Micronesian Library Assistant to familiarize him with United Nations documentation. If the Mission's suggestions in section (h) above were followed up and school libraries were developed into community libraries, these would be ideal centres at which people could consult United Nations documents.

#### Conclusion

66. For the most part the suggestions which the Mission has offered in this chapter flow from, or are made possible by the advances which are now being made in Micronesia over the whole range of elementary and secondary education. As educational standards rise, new needs emerge; at the same time the very progress in education itself enhances the possibility of satisfying these needs. It is for this reason that without detracting from the commendation which is the Administration's due for its bold educational programme, the Mission desires to put forward four main recommendations:

- (i) The compulsory school entrance age should be lowered to six;
- (ii) The present concentration on elementary and secondary education should be supplemented by increased attention to adult education and vocational and technical training;
- (iii) Renewed consideration should be given to the establishment of a Junior College of Micronesia;
- (iv) Full advantage should be taken of the opportunities which the educational system provides - through the training and posting of teachers and secondary school students, the preparation of distinctively Micronesian textbooks and in many other ways - actively to promote the unity of Micronesia.



CHAPTER II  
SOCIAL ADVANCEMENT

Public health

67. The improvement of public health services has a priority second only to education in the Administration's plan to transform conditions in Micronesia. This is reflected in the level of spending which has risen from \$0.56 million in 1962, to \$1 million in 1963, to \$1.9 million in 1964, and to an estimated \$3 million in the 1965 fiscal year which commences on 1 July 1964. This last figure is made up of \$2.1 million for recurring expenditure and \$0.9 million for construction; it may be noted again that the total value of the exports of Micronesia is just over \$2 million annually and that district and municipal taxes total about \$0.5 million. As the standard of the medical and public health services provided is steadily raised - a process that is likely to continue in the next few years - the cost will undoubtedly rise above the 1965 budget figure. The field of public health is another example of the high cost of providing services of modern standards in a Territory where a very small population is divided into many tiny and widely scattered units. And it is to be noted that public health is further on the way to being "Micronised" than any other activity in the Territory: the bill for hiring imported skills makes up only about \$0.2 million of the 1965 budget (excluding construction) of \$2.1 million.

68. The objectives of the Administration's public health programme are stated to be: to improve the health and sanitary conditions of the people, to minimize and control communicable disease, to provide medical and dental care, and to carry on a technical training programme for Micronesian medical services personnel. The Mission desires to commend the Administration for the energy and skill with which this policy is being carried out in practice.

(a) General: Administration and staffing

69. In 1963, there were some 530 Micronesians in the Medical Services Department. These comprised 31 licensed doctors, 1 assistant medical officer, 20 dental officers, 66 graduate nurses, and semi-professional, auxiliary and maintenance personnel. In addition there were in the Sanitation Service the director, assistant

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director, 5 senior sanitarians, 9 sanitarians and 11 sanitary workers and trainees. By 1963, in fact, as a result of a policy which had been followed steadily for several years, Micronesians had taken over most positions in the field of public health. All six District Directors of Medical Services were Micronesians, and the staffing of all nine hospitals - directors, doctors, nurses, health aids, dental officers, typists - was entirely Micronesian. United States personnel consisted of the Director of Medical Services, a Public Health statistician, the Supervisory Hospital Administrator, the Supervisor of the Nursing School, and the Director of the Dental School.

70. This locally staffed medical system had for several years been given a fairly good service, all the more because the Naval Hospital at Guam freely made available specialists from its large staff to treat unusually difficult cases and thus provided a back-stop for the Territory. Nevertheless, it was a limited service by the standards of developed countries and there had been some complaints over the previous few years that non-Micronesian doctors were being withdrawn prematurely and that a sub-standard service was being established inasmuch as the Micronesian doctors who were taking over had not qualified at the M.D. level. The Visiting Mission itself encountered this complaint from time to time. These complaints may or may not be justified (the Mission has heard it argued by experts that the Suva-type medical training supplemented by special courses is best suited to the needs of Micronesia). But it is true that the existing service was not large enough or specialized enough to attain the much more ambitious goals which the Administering Authority has now set for every aspect of medical services in the Territory. Accordingly the Administration has launched a major new scheme to train Micronesian doctors (see paragraphs 72-74); and to bolster the health services in the meantime it has increased the number of United States doctors in the Territory. One senior United States medical officer has been assigned to each of the six main hospitals to act as practitioner and consultant. These doctors are outside the "chain of command", and direction of the hospitals and of the medical services of the district remains in Micronesian hands. (The Mission commends this procedure of using consultants rather than filling established positions with expatriate doctors. It is a procedure which might be extended to other fields, perhaps next to education.) The Administration also proposes, the Mission understands, to add two or three

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United States personnel to the Headquarters establishment to help push ahead the other new programmes summarized below.

71. This new policy is undoubtedly improving medical services in the Territory and the Mission found it welcomed throughout the Territory. The Micronesian doctors in the hospitals, who have usually been working shorthanded, found it useful to have experienced consultants with whom they could discuss problem cases. Their main suggestion was that the consultants would be even more useful if they rotated among the six districts and if each were a specialist in a different field, so that they might impart a series of specialities as well as giving general reinforcement. (The Mission was told, however, that the number of cases in each hospital is so few that specialist teaching would not be very practicable; nor would it be possible to provide at every hospital the equipment for a variety of specialities.)

(b) Medical education and training

72. No Micronesian doctors in the Territory have qualified at the M.D. level. Almost all have had their medical education at the Suva Medical School, Fiji, which accepts entrants at a lower academic level than would the normal medical university, and provides a shorter course (five years) which is said to be "streamlined" and without the "frills" or the longer M.D. course. They have then served a two-year intern period in hospitals in the Territory before being licensed, and have subsequently attended special courses in surgery, obstetrics, orthopaedics or other specialities at hospitals in Guam, Hawaii or elsewhere. So long as the level of secondary education in the Territory was so low that few if any graduates reached University entrance level, it seemed difficult to envisage an alternative to this system of producing Micronesian doctors. In 1964, however, following a decision taken in 1962, a new system came into effect. In future, Micronesian doctors will be given a full ten to twelve year medical education leading to the degree of Doctor of Medicine. The Suva Medical School will in future be used only for the training of X-ray and laboratory technicians. Twelve pre-medical scholars are now in colleges and universities working towards medical degrees and the number is to be doubled in the fiscal year commencing 1 July 1964. In addition a considerable effort is being made to improve the qualifications of those doctors and other health staff already in service, through special courses in universities and hospitals in Guam and the United States. In the year beginning 1 July 1964 it is expected that



about fifty Micronesians will study on medical and public health scholarships or take part in special training courses. This new policy is, of course, much more costly (\$70,000 for 1964/1965 as compared with \$33,000 in 1963/1964).

73. The Mission warmly commends the attitude of the Administration that in the education and health of Micronesians "nothing but the best is good enough". Nor would it be on good ground in raising doubts about the decision to give Micronesians full medical training leading to M.D. degrees, since this decision is precisely in line with the recommendation of the last two Visiting Missions. Nevertheless, while hoping they will prove baseless, the Mission has some fears about the results of the decision to put all the Territory's medical eggs into the one basket. The full course will take ten to twelve years; this means that at a time when there is a great demand and a great need for improved health services, the existing Micronesian staff (who are worried about this problem) can expect little relief from their present heavy strain - except by the importation at a high cost of more United States doctors. Nor can the places of those who will retire within the next several years be filled except by expatriates. Thus the new policy seems to make it certain that the budget of Micronesia for the next ten to twelve years will have to provide for an increased number of imported medical officers. Moreover, whereas conditions of life in Fiji are not greatly dissimilar from those in Micronesia so that hitherto their training has not taken Micronesians out of touch with their own Territory, medical students will now spend many years in countries which have little in common with Micronesia. Very possibly a sizable proportion may acquire a desire to remain abroad, and those who acquire their full qualification will have little difficulty in doing so; indeed the Mission was sorry to hear at least one of the present medical students confessing that his ultimate aim was to practise in the United States. Finally, it is to be remembered that the students now graduating from secondary schools and receiving medical scholarships came through the unimproved school system of the Territory; many of them have certain academic weaknesses, either in mathematics or English; and they will therefore find the full medical course to be exceedingly demanding. It is all too possible that some may become discouraged and that in this way good students, who would have graduated under the Suva system, will be lost to the Territory's medical service altogether. For these reasons the Mission is inclined to feel that it might have been better to

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compromise: that is, to continue the shorter courses at Suva (or New Guinea) for some students - for there will always be a need, certainly in the remoter areas, for these medical practitioners - while offering the long courses to really outstanding candidates and until the benefit of students studying under the proposed extended programme can be realized. However, the Mission has no doubt that the Administration will itself keep the situation under review and will make modifications as necessary. If modifications appear necessary, the Mission suggests that the Administration might wish to investigate the possibilities of the new medical school in New Guinea which in conditions not too dissimilar from those of Micronesia is said to be combining high standards with a fresh approach to the problem of integrating the training of all types of medical personnel.

74. The training of nurses is also being pursued with diligence and rewarding results. More nurses are needed because medical services are being expanded; but many trained nurses leave the service to be married, so that the nursing service is chronically understaffed. It has been estimated that at least twenty new graduate nurses are needed every year for the next five years to meet the minimum expansion needs of all districts. In 1963 the School of Nursing was moved from Palau, where facilities were inadequate, to Saipan where forty students can now be accommodated and where, when the new buildings of the Nursing School are completed this year, an enrolment of fifty or sixty young men and women will be possible. The Administration has provided the money both for the building, equipment and supplies, and for the expansion of staff which is to include two additional professionally trained nurse-instructors holding degrees. In the past there has been a shortage of applicants for places in the Nursing School, largely because there was only one senior high school in the Territory and its few women graduates tended to prefer other occupations. With six full high schools producing many more graduates it is hoped that the needs of the nursing profession may at last start to be met. Since the expansion of medical services in all their aspects, in the field as well as in district centres, rests upon an adequately trained nursing staff, it is clear that this enlargement of the Nursing School is of major significance. It is likewise clear that expansion in this as in other activities proceeds hand in hand with the expansion of the educational base.



(c) Hospitals

75. There are six main hospitals, one in each district centre, and three enlarged field hospitals, one at Ebeye in the Marshalls, one at Kusaie in Ponape, and one at Rota in the Marianas District. These hospitals are the core of the medical services programme: they provide in-patient and out-patient care, undertake surgery, perform X-ray and other diagnostic services, and give dental treatment. In 1963, 466 beds were available, including 172 for tuberculosis. Two new and well equipped hospitals were opened in 1963, one at Saipan with 90 beds for the Marianas District and one with 68 beds (another wing is under construction) at Majuro for the Marshall Islands. The hospital at Majuro includes a Polio Rehabilitation Clinic; there the Mission saw expert treatment being given to some of the fifty young children who so sadly were crippled in the epidemic of January 1963. Preliminary work has started on the new 90-bed hospital for Truk District; it is due to be completed, at a cost of over \$1 million, in the coming year. The hospitals at Yap and Ponape show up poorly in comparison with the new hospitals; the Mission understands that they also are to be replaced, but not in the coming year, with new 90-bed hospitals costing just over \$1 million each. As with other buildings under the present Administration programmes, the hospitals are being constructed of permanent materials which should last well and require a minimum of maintenance. In some hospitals X-ray and other machines, often surplus equipment bequeathed by the Navy, are now obsolete; the Mission was told that money is being provided for these to be replaced.

(d) Field medical services

76. When the Mission visited remote islands it would usually receive a number of requests; and improved medical facilities was likely to be chief among them. Scattered throughout the Territory are about 140 field dispensaries, each in charge of a health aide, which provide immediate "first aid" and limited medical treatment. Though improvement is taking place it cannot be said that many of these dispensaries are in suitable buildings, or that their medical supplies are adequate, or that the health aides are sufficiently trained to cope with many of the situations which can arise. The Mission knows that the Administration is thoroughly aware of this situation and is moving to meet it in several ways. First it is providing more money for medical supplies and equipment. Secondly, it proposes in the coming year

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to intensify its training programme to ensure that all health aides spend six months every two years in training at District Centre hospitals. Thirdly, it is having built by local resources at Palau a field medical vessel which will take Public Health teams for extended stays throughout the various Districts. Fourthly, six United States Public Health doctors are to be added to the medical staff to supervise and push forward programmes of preventive medicine and health education. Part of the programme - and an especially desirable part in a Territory where people are particularly susceptible to outside diseases - will be a Territory-wide programme to immunize the entire population against poliomyelitis, influenza, diphtheria, whooping cough, tetanus, tuberculosis, typhoid, measles, cholera and smallpox.

77. Through examination and treatment in an organized Tuberculosis Control Programme as well as through an active teaching programme a major effort is being made to control tuberculosis, which continues to be the Territory's major health problem. The Mission was disturbed to learn that cases are being encountered which are proving resistant even to the latest drugs. Despite this setback it appears that control of tuberculosis is, on the whole, making headway. Improvements in transport, by road and sea, would greatly help progress in this as in so many other fields, as of course would better housing and standards of living.

78. The Mission welcomes these efforts and plans of the Administration. Short of stationing qualified medical practitioners on every island or (as was suggested at one public meeting) having helicopters standing by to bring sick people to hospital - and these are hardly feasible - the Mission can suggest no more practical ways of meeting the medical needs of the people who live in small groups in remote and inaccessible areas.

(e) Dental services

79. The dental services are steadily improving; though by the standards of developed countries there is a long way to go. In each district hospital there is a dental clinic fully equipped for both operative and laboratory service. All clinics are staffed by Micronesian dental officers and the only non-Micronesian is the Director of Dental Services. Dental officers also accompany field trips to the various islands and atolls, equipped with portable dental equipment and supplies, and provide on-the-spot treatment and preventive measures. Most dentists now in

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service graduated from Suva Medical School and have had post-graduate courses in Guam and elsewhere. In future, as is the case with medical training, students will no longer go to Suva but will undergo a full course of training leading to a recognized degree.

80. While in Majuro the Mission saw with pleasure the Trust Territory School of Dental Nursing which has now completed its third year and last year graduated another eleven trained dental hygienists to take care of the teeth of school children. The School offers a two-year course to single girls at least 17 years of age who must be graduates of a Junior High School. The Mission saw the dental nurses at work among children in the field and was much impressed with the value of this preventive work. Here the Mission noted another minor paradox of development - another obverse of the medal of progress: with cash income people buy imported foods and as a result their teeth decay more quickly; consequently more of the national income must be devoted to providing dental care and education, and the Territory moves a little further away from economic self-sufficiency.

81. Good though the dental services are the Mission was made aware of a wide-spread desire for an increase in their quantity and range. At present the size of staff does not permit more than urgent work to be done and there are too many occasions when a dentist faced with a choice between taking time to save a tooth or extracting it must choose the latter course. Dentists in the Territory, anxious to do a better job and to apply the modern methods and standards they learn about during refresher courses abroad, are chafing under the restraints imposed by lack of staff and, in some cases, of equipment. The Mission trusts that as graduates of the high schools become available in adequate numbers for training the Administration will be able to apply the same standards to dentistry as it is now starting to apply in the general field of medicine.

#### Position of women, and women's organizations

82. In several parts of Micronesia a matrilineal society exists, and almost everywhere women occupy an important position at the centre of family life. But as Micronesia moves into a money economy and a modern pattern of living - a process which is naturally moving faster in the district centres than in the more remote areas - men are tending to develop on lines different from their womenfolk. It is

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a trend which is at an early stage and could still be changed. School enrolment figures give part of the story (see paragraph 57). More of it is explained by the cultural pattern prevailing in much of Micronesia which favours early marriages, tends to restrict women to family life, and discourages them from also playing a significant part in public life. However, a great social change is taking place in Micronesia today which has corresponding effect upon this attitude to and of women. The Mission was pleased to meet several young women doing responsible work in the civil service, including one who had completed college. Some mothers in their informal discussions with the Mission emphasized the need for greater educational opportunities for girls including the provision of boarding facilities for a larger number of girls at PICS and the award of more scholarships to cover a period of a full course of study instead of a one or two year period abroad. In certain instances men, too, advocated greater opportunities for women. Some women felt that the United Nations should undertake to provide fellowships for women; they said that hitherto fellowships had been granted only to men. At PICS the Mission noted that the student body included a considerable number of girls, some of whom expressed their desire for higher education. In Kusaie all nine girls completing the ninth grade this year expressed a desire that the number of scholarships from Kusaie to the senior high school at Ponape should be increased so that they could continue their education.

83. The task is to persuade parents, particularly the fathers, and boys and men generally, that it is to their advantage and to the future advantage of Micronesia for women to be as well educated as men. The Mission for its part made a special effort to spread this idea; and it has some reason to believe that the inclusion in the United Nations Visiting Mission of 1964 of a woman who occupies a high position in her country's service caused some men to question their previous attitudes and gave numerous women a source of inspiration.

84. In two of the districts in the Trust Territory, Saipan and Truk, women hold seats in the Municipal Councils; one appointed to a seat in Saipan and five elected in Uman, Truk.

85. There are women's organizations in most of the district centres and in some of the outer islands (for example, Uman in Truk and Laura in the Marshalls). In the outer islands the women's organizations teach handicrafts, while in the district



centres activities include sewing, handicrafts, baby care, some aspects of practical nursing, and learning the English language. In Truk the Mission was very happy to make contact with a joint organization of Micronesian and United States women, set in motion by the wife of the District Administrator. Here the women were helping each other in many ways, the Micronesian women fostering appreciation of the best in their own culture and interpreting it to Americans, and the American women explaining the way various social and other activities are organized in their country. This co-operation and the lessons mutually learned are helpful not only to the women but to their husbands, who are taking Micronesia from its previous isolation into contact with the outside world. The organization at Truk also arranges various goodwill activities: those members who are nurses give their services free, and members prepare parcels for the new born, and, at Christmas, gifts for the sick. In Palau, the women's organizations have erected their own building. In Ponape the organization, headed by a Micronesian lady with much experience in adult education work, undertakes sewing, handicraft, traditional songs and dances, and the teaching of English. The Visiting Mission was pleasantly entertained with a programme in its honour in which the women demonstrated their achievement in the study of the English language and in sewing and handicrafts. The Mission encountered several instances in which the wives of United States officials were contributing enthusiastically to the work of women's organizations. It hopes that this co-operation will continue and develop.

86. A number of suggestions were made that Micronesian women might be sent abroad on home economics courses or that experts might conduct courses in Micronesia on such things as the preservation of fruit and vegetables in order to prevent waste and to reduce the amount spent on the import of canned goods. While there is some merit in these suggestions - and some women have in fact attended courses and conferences abroad - the Mission was reminded here as in several other fields of a basic impediment to progress in Micronesia - that is, the inadequacy of housing and of utilities. There is a limit to the value of courses in the home-preserving of fruit and vegetables as long as homes lack power or running water or ovens. The greatest contribution to the progress of women in Micronesia, to the improvement of their status and human dignity, and to the advancement of their daughters, would be to enable them to have satisfactory houses (see also paragraph 173). Here, as



elsewhere, we find that all problems are interconnected and must lead back to the basic issue of economic development.

#### Community development

87. All that has been said above in this chapter is with a view to ensuring community development. But the Mission is also concerned with community development as a technique by which Administrations and Governments of Territories or countries with meagre resources attempt to mobilize the human resources, both spiritual and physical, of the people. What the Mission is urging here is the adoption of "... the processes by which the efforts of the people themselves are united with those of governmental authorities to improve the economic, social and cultural conditions of communities, to integrate these communities into the life of the nation, and to enable them to contribute fully to national progress".<sup>3/</sup> This has been tried with success in a number of developing countries. The Mission is convinced that it may well be tried with success in the Territory. Though in some parts of the Territory the spirit of self-help is still very much alive (Yap, the Marshalls and Kusaie come immediately to mind), there are disturbing signs in the more "sophisticated" districts - and particularly in those formerly under naval administration - of the growth of a tendency to expect that everything should be provided by the Government. With the great increase in the Administration subsidy, to the point where Government wages received by Micronesians are alone about twice the total receipts from exports and soon will be ten times the total of locally raised taxes, there is a danger that this tendency could spread and harden into a national attitude. Community development is not the only answer, and several other approaches to the problem are implicit in the economic and other sections of this report; but it is an important technique that should be considered before it becomes too late to apply it.

88. There are organizations in the United States itself, for instance the Community Development Foundation, which have done excellent work in various parts of the world. But for some constitutional or other reason they, like the Peace Corps, which might also have much to contribute to Micronesia, have seldom operated in those places where the United States has direct responsibilities and obligations. The Mission suggests that the Administering Authority make contact with organizations in the

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<sup>3/</sup> United Nations: Community Development and Related Services, E.S.A.  
New York 1960, P.1.



United States concerned with community development or that it consult the United Nations for suggestions as to ways in which assistance in this area of human activity might be organized. Bodies able to help with community development might be encouraged to establish direct contact with an appropriate Committee of the Congress of Micronesia and with District and Municipal Councils.

89. Whether or not it is decided to undertake organized work in the field of community development, the Mission wishes to stress that all governmental personnel whose work brings them into contact with the community (and this might well be taken to include teachers) could benefit from training in community development techniques. It is not enough for such officers to be good specialists or technicians; they must also know something of the forces at work in communities, of the techniques of community development, and of the means by which communication of knowledge is best effected. In the Mission's view this aspect should be an essential element in departmental training schemes, particularly for field personnel.

#### Broadcasting

90. This subject might have been dealt with in any chapter of the Mission's report for it is relevant to every aspect of the Territory's development. School broadcasting will certainly figure, for instance, as an integral part of the revised education scheme; and the Mission was glad to hear that the Administration attaches importance to this aspect. Broadcasting is at the very beginning of its development in Micronesia. There are at present three broadcasting stations (in Palau, Truk and the Marshalls) and three more are being built in the remaining districts. The Mission was more impressed with the potentialities of these stations than with their present performance. If used with sensitivity and imagination broadcasting could be an invaluable instrument for spreading political consciousness, for assisting communication between the people of the Territory, for increasing a sense of the unity of Micronesia, for spreading knowledge of and respect for the culture and accomplishments of the various districts, for informing the people of plans and policies and establishing contact between the Administration and the people, for helping farmers, and generally for widening the horizons of these island-dwellers. Valuable opportunities have been missed: for

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instance, at the time of the Mission's visit the proceedings of the important sessions of the Council of Micronesia three months previously had not been broadcast. It was said that there were technical difficulties and that the variety of languages presented a problem; but this type of problem has often been overcome elsewhere in places less generously provided with equipment and staff. Certainly the proceedings of the new Congress of Micronesia should be broadcast as a matter of course, as should those of the District Councils. (The Mission understands that in Truk, where several good developments have been pioneered, at least some of the proceedings are broadcast.) The Mission was told that the relevant records of the Trusteeship Council have been read out over the air; this could be a means of stimulating awareness of the Territory's problems and provoking broadcast discussion. The spread of English under the new educational system will reduce some of the present problems in broadcasting, though broadcasting could itself be making a bigger contribution towards spreading knowledge of English. Again, English lessons need to be locally produced; it is not sufficient to play records made elsewhere.

91. Much more is involved in broadcasting than employing a junior officer to play records of light music (though naturally people must be entertained) or of programmes prepared for different audiences overseas. Ideally, each of the six broadcasting stations in the Territory should be run as a full-time job by Micronesians of wide education, imagination and political sensitivity - by people, in fact, like the Micronesian District Directors of Education. The Territory, however, is short of such people who will be needed even more as political leaders or as high officers in the Administration. It may therefore be necessary for the time being, that is until the education system can more adequately supply the needs of the Territory, to use non-Micronesians for the senior posts (though they should have Micronesians associated with them). Among non-Micronesians, particularly among imported teachers, there will always be some - the Mission met several - who have the qualities and attitudes required and who have developed especially good relations with Micronesians. These might be persuaded to transfer for a time to broadcasting and be given the necessary technical experience abroad. The Mission also suggests for consideration that local advisory committees for broadcasting be established.



92. The Mission understands that the Administration is considering sending people to the United States for professional training as broadcasters. It questions, however, whether this kind of professional training is what is needed by Micronesians, just as it would have reservations about the importation of professional broadcasters in the sense that this term is understood in some developed countries. What is needed in Micronesia is something quite different. There are a number of new or smaller nations which have developed broadcasting to meet the same type of social and economic needs that exist in Micronesia. The United Nations would be able to suggest several countries, particularly in Africa, which have achieved remarkable results through the use of this medium. But, for a start, need the Administration look further afield for a model to study than to the nearby Radio Rabaul?

#### Conclusion

93. The Mission has one general recommendation to make, which applies to the whole field of social advancement. It is that, in considering and adopting social policies, the Administration and the representatives of the Micronesian people should always be alert to ensure that the social services provided are not only comparable to the best provided elsewhere but are also best adapted to the distinctive needs and characteristics of Micronesia. Among the other suggestions it has made in this chapter, the Mission attaches particular importance to three: that steps should be taken to encourage a wider understanding of the need for the educational and social advancement of women to keep pace with that of men; that the inter-connexion between housing and social advancement should be given more positive recognition; and that the broadcasting system should be developed urgently and imaginatively.



### CHAPTER III

#### CLAIMS AND LAND QUESTIONS

##### A. War damage claims

94. As recorded in reports of previous missions, the question of compensation for war damage suffered by the inhabitants of the Trust Territory has been the subject of comment and recommendations by the Trusteeship Council since it was first raised in three written petitions addressed to the 1950 Visiting Mission. Records show that discussion has revolved round two broad categories of claims: (a) Claims against the Japanese Government; and (b) Claims against the Government of the United States.

##### Claims against the Japanese Government

95. The Report of the 1961 Visiting Mission (T/1582, chapter VIII) pointed out that the question of Micronesian claims against Japan for compensation for war damage had been pending for an unduly long time and that this state of affairs was causing "considerable dissatisfaction" in the Trust Territory. The Report stated that the Visiting Mission had discussed the matter with the Administering Authority and that the latter had furnished to the Mission a statement recognizing the existence of "valid and just claims" on the part of the inhabitants of the Trust Territory for compensation for loss of life, injury and damage to property suffered by them during the period of hostilities between the United States and Japan, and also recognizing the Administering Authority's obligation and intention to deal "promptly and equitably" with such claims. The Report emphasized the need for a speedy settlement and recommended that machinery be set up, which should include representatives of the people of the Territory, to determine the total amount of the claims. The Report suggested that in view of the lapse of time since the end of the war compensation should, except in clearly proved cases of acute individual hardship, be determined on a territory-wide basis and disbursed to the maximum benefit of the population as a whole. The Report of the 1961 Visiting Mission also mentioned the existence of claims by inhabitants of the Trust Territory concerning postal savings and bonds and the redemption of Japanese securities.



96. During its discussion of this question with officials of the United States Government in Washington in January 1964, the Mission was informed that the war damage claims had been evaluated in as much detail as was possible by a team of two experts who had visited the Territory in 1961, and that the Administering Authority had the necessary information to enable it to determine the amount of compensation involved. The United States officials did not consider it appropriate to divulge to the Mission the details of the negotiations between the Administering Authority and the Japanese Government, and confined themselves in effect to stating that no agreement had yet been reached.

97. The Mission expressed concern at the continued delay in achieving a settlement of the question, pointing out that the claims of the inhabitants of Guam, who were United States citizens, had long since been settled. The Mission then observed that present procedures seemed to be ineffective in securing satisfaction for the people in this Trust Territory and invited the Administering Authority to consider the desirability of other methods, such as arbitration or using the good offices of the Secretary-General or the Trusteeship Council, or even handing the claims over to the United Nations for collection. The representatives of the United States Government said there was no question of the United States' giving up the task of seeking a settlement of the war claims but it did not rule out the possibility of assistance from a third party. In reply to another question, they stated that the United States Government entertained strong objections to the suggestion which had been made at various times in the past that the United States Government should itself pay the compensation to the inhabitants of the Trust Territory and endeavour subsequently to recover the amount involved from the Japanese Government. Finally, they expressed the hope that the Mission would not arouse extravagant expectations among the people of Micronesia as this might further complicate a settlement.

98. The Mission received ample evidence during its visit to the Territory that the continued failure to achieve a settlement of the war damage claims remains a source of disappointment and dissatisfaction. The question was raised by members of the public and Legislative Councils at meetings held in five of the six districts of the Territory. At a public meeting in Saipan, maimed victims of the Second World War were produced in person and the first of a number of resolutions submitted to



the Mission by the Marianas District Legislature dealt with war damage claims. (See annex I.) On each occasion the Mission explained that it had discussed the question with the representatives of the Administering Authority in Washington and had been informed that, so far as war damage claims against the Japanese Government were concerned, no progress had been made towards a settlement. It undertook to do everything it could to assist a settlement, but warned with regret that it could not, in honesty, promise that claims would be settled soon.

99. The Mission can only endorse and reiterate the views expressed by its predecessors on the need to bring about a final settlement of this admittedly difficult problem. The inhabitants of the Territory are convinced that they are entitled to compensation for the damage and destruction inflicted on them in a war of which they were innocent victims, and the justice of their claim has been acknowledged by the Administering Authority, which has assumed responsibility for the protection of their interests. Failure to bring about a settlement, nearly twenty years after the end of the war and twelve years after the peace treaty between Japan and the United States came into force, has engendered a widespread feeling of injustice. Older people see their friends dying and fear they too will carry their claims unsettled to the grave. Moreover, the inability of successive Visiting Missions and the Trusteeship Council to bring about any practical result or even to give a hopeful reply to the appeals addressed to them seems bound to foster a sense of disillusionment with the United Nations.

100. In these circumstances, the Mission strongly recommends that the Administering Authority should renew its representations to the Japanese Government with increased vigour. Though it has been given no details of the negotiation, the Mission has reason to believe that instead of producing a series of well-documented and specific claims - which would seem normal in a negotiation such as this - the Administering Authority has made a generalized demand for compensation. The Mission suggests that the Trusteeship Council might invite the Administering Authority to take up the possibility, already referred to in paragraph 97 above, of enlisting the help of the United Nations in the person of the Secretary-General or a representative to be chosen by him. The Mission also trusts that any approach to the Japanese Government will be based on a foundation of specific as well as generalized claims.

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101. The Mission observes that it found in Micronesia a great deal of goodwill towards Japan - not only among the many Micronesians of Japanese descent - and often heard suggestions that economic relations between Japan and Micronesia would do well to develop to the mutual benefit of both countries. For this reason the Mission is optimistic enough to hope that detailed negotiations might lay the basis for a generous gesture from Japan toward its one-time ward and now developing neighbour. Micronesia is badly in need of many things that Japan produces so well - for instance, vessels suitable for inter-island trade, buildings, machinery, equipment for public utilities, and small machines to help village agriculture and industries. It is possible to envisage what is at present a source of discontent and disillusionment being turned into a means of developing friendly co-operation in this part of the North Pacific.

#### Claims against the United States Government

102. In the course of the discussions in Washington referred to in paragraph 96 above, the Mission drew the attention of the Administering Authority to paragraph 216 of the Report of the 1961 Visiting Mission (T/1582). This paragraph quoted a passage from an economic survey of Micronesia published in 1946, which stated that in addition to:

- (a) the claims against Japan dealt with above, the Micronesians had claims against the United States in respect of:
- (b) losses sustained as a result of United States actions committed in violation of the laws of war, and
- (c) losses sustained as a result of United States actions after the time of securing of the areas.

103. The representatives of the Administering Authority commented that, to the best of their knowledge, there were no legitimate claims against the United States Government falling into category (b), but they undertook to confirm this statement as soon as possible. This was done in a letter dated 26 March (after the Mission had returned to New York) from His Excellency Mr. Sidney Yates of the United States Mission to the United Nations,<sup>4/</sup> and from which it will be seen that, in the view of the United States Government, there are no legitimate claims which fall under

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<sup>4/</sup> See annex II.



category (b), and that "any legitimate claims by Trust Territory citizens for compensation during World War II fall within category (a)". As regards claims falling under category (c), Mr. Yates' letter states that these relate to the taking of lands by the United States and that the last major claims in this category, the Kwajalein claims, were settled on 12 February 1964.

104. It became apparent to the Mission at an early stage of its visit to the Trust Territory that, in addition to bitter feelings about their claims against Japan, some at least of the inhabitants were convinced that they also had claims in respect of war damage against the United States. The first such occasion was at a public meeting held in Saipan on 12 February, when a member of the public raised the general question of war claims. The Mission explained that their members had recently discussed this question with the representatives of the Administering Authority in Washington, who, after explaining the position in regard to claims against Japan, had expressed the view that no legitimate claims in respect of war damage lay against the United States. This information immediately provoked a reaction of incredulity and derision among the audience and was challenged by a speaker, who stated that the United States Armed Forces had also destroyed a great deal of property and that he knew of no case in which compensation for this destruction had been paid. The subject was raised again by the Marianas District Legislature on the same date at a meeting when the resolution referred to in paragraph 98 above was presented to the Mission. On this occasion, a speaker said that payment from the Land Trust Fund had not been made to individuals and that therefore their claims could not be regarded as having been settled. He went on to suggest that a sum of \$10 million would be regarded as a fair settlement of outstanding individual claims. At a meeting with the Palauan District Legislature on 17 February, a speaker expressed surprise on being told that, in the opinion of the United States Government, there were no claims outstanding against it for war damage, and he requested that the Visiting Mission should take the matter up with the United States Government. A member of the public at a meeting held in Truk on 24 February claimed compensation in respect of damage and loss of life caused by the United States Armed Forces.



105. Before leaving the Territory, the Mission discussed this question with the High Commissioner, who confirmed that the Administering Authority had never accepted that any of the actions of the United States Armed Forces had been in violation of the rules of war, and therefore considered that there were no legitimate claims for compensation in respect of such actions by the inhabitants of the Trust Territory. He suggested that confusion might well have arisen in the minds of the inhabitants owing to the fact that the Administering Authority had paid compensation in respect of land taken over after the war, and also that the United States Armed Forces had paid dollars in exchange for Japanese currency, postal savings and war bonds held by inhabitants of the Territory.

106. The Mission is not in a position to pronounce judgement on this matter. But what is clear is that there is a confusion between the statements made by the Administering Authority that it recognizes no claims against it in respect of war damage and the contrary belief held in certain districts of the Territory notably in Saipan and Palau. It seems to the Mission that it is very much in the interests of the Administering Authority that it should take urgent steps to clear up this confusion and dispel any misconceptions that may exist among the inhabitants of the Territory. The necessary explanations and discussions could most appropriately take place in the Congress of Micronesia and in the District Councils.

B. Kwajalein and Dalap land claims

107. During its discussions with representatives of the Administering Authority in Washington in January 1964, the Mission was informed that a tentative agreement had been reached in 1963 with the claimants in respect of approximately 617 acres of land in Kwajalein (comprising the whole of the island) and 65 acres in Dalap, both part of the Marshall Islands District; and that it was expected that a settlement of these claims for compensation for land occupied by the United States Government (in the case of Kwajalein for defence purposes and in the case of Dalap for the construction of an airfield now used for civilian purposes) would be made very shortly.

108. The Mission is pleased to be able to record that on 12 February the High Commissioner for the Trust Territory announced the successful completion of



the negotiations. The agreement, signed by fifty-two Marshallese landowners as well as by representatives of the Administering Authority, provides for a ninety-nine-year lease of Kwajalein Island and the airfield lands on Dalap from 9 February 1944, with payments totalling \$750,000, computed on the basis of 750 acres at \$1,000 per acre, of which amount \$500 represents past use with interest and \$500 represents future use until the expiration of the lease. Should the United States Government relinquish the land before the expiration of the lease, the land will revert to the owners with no requirement that they repay any part of the settlement sum. The lease may be extended beyond the date of expiry but with provision for re-negotiation of its terms.

109. In welcoming the settlement of this long-standing and vexatious dispute, the Mission associates itself with the hope expressed by some residents of the Marshalls that circumstances will never again arise in which the Administering Authority will find it necessary to occupy privately owned land and resettle inhabitants without due process of law and prior agreement among all concerned.

C. Miscellaneous claims relating to land

110. In the course of its visits to the Territory, the Mission heard a number of complaints concerning land. Some of these were complaints by individuals and the Mission brought them to the attention of the Administering Authority. In the Ponape and Marshall Islands Districts, there were complaints about the alleged failure of the Administering Authority to return to its rightful owners land taken over as public land from the Japanese Administration. In Majuro the Mission heard complaints that the sum of \$29,500 paid by the Administering Authority for forty-eight acres of land taken over on Uliga atoll had proved to be inadequate and the owners now regretted that they had exchanged their land for cash.

111. All these complaints were noted by the representative of the Administering Authority who accompanied the Mission during its tour, and he undertook to investigate them. In discussing the complaints with the Mission, the Administering Authority pointed out that in the case of individual claims it was always open to the claimant to have recourse to the courts, but that this was often neglected. The Administering Authority undertook to explain the position to the persons



concerned. The Administering Authority also explained that, in the case of public land of potential value for agricultural purposes, the policy was to return it to the original owners or their descendants wherever a valid title could be established, or to make it available to new private owners under the Homesteading Programme. It was admitted, however, that progress had been slow, mainly because of the lack of trained surveyors, but also because of the tenacity of the traditional concept of communal ownership.

112. The Mission has already expressed its views on the importance of increasing the number of qualified surveyors to deal with problems of demarcation of land (see Chapter IV, paragraph 144). At the same time, it recognizes the difficulty created by the conflict between the traditional system of land tenure on a communal basis and the need for a system better adapted to the requirements of the modern cash economy which must be the foundation of the Territory's economic development. It is likely that this conflict can eventually be settled only by the Micronesians themselves, through their own political and legal institutions.

D. Nuclear tests: Rongelap claims

113. A full account of the origin of these claims, arising out of the nuclear tests conducted at Bikini in the Marshall Islands District in 1954, will be found in reports of previous Visiting Missions and it seems unnecessary to recapitulate the story here. The essence is that sixty-four Rongelapese were accidentally exposed to nuclear radiation and that for ten years their claim for compensation has been frustrated by arguments as to whether United States courts have jurisdiction in the matter.

114. During its visit to Washington in January, the Mission was informed by representatives of the Administering Authority that, in addition to the reparation already made to the people of Rongelap (medical care, housing, subsistence, construction of new houses and public buildings, provision of new tools and live-stock), the eighty-eighth United States Congress had passed legislation designed to overcome the jurisdictional argument by providing compensation on the basis of an assumption of compassionate responsibility. The Bill was pending before the United States Senate, where it was hoped that favourable action would be taken during 1964.



115. The Mission visited Rongelap Atoll (population at present 190) on 5 March 1964, and held a meeting with members of the Local Council and of the public, at which a speaker complained about the delay in compensating the victims of radiation and asked why it was that the group of Japanese fishermen who had suffered from radiation burns had been compensated with comparatively little delay. The speaker asked whether it was true that the twenty-four Japanese fishermen had been paid a very much larger sum in compensation than was apparently contemplated for the sixty-four inhabitants of Rongelap. Reference was also made to the people of Uterik Atoll, who were stated to have received less elaborate medical treatment than that given to the inhabitants of Rongelap, which it was admitted had been very good. Other speakers complained about the continued lack of coconut crab meat, which had formed a staple part of the diet of the inhabitants (coconut crabs cannot be used because they still retain a dangerously high level of radioactivity) and also maintained that the fall-out from the nuclear tests had partly sterilized the soil, with the result that it was difficult to grow crops. The representative of the Administering Authority present at the meeting stated that all these factors had been taken into consideration in determining the amount of compensation payable under the Bill now before the United States Senate. He explained that the people of Uterik had been less affected by fall-out than the people of Rongelap and therefore had not needed the same treatment.

116. During its visit to Rongelap, the Mission was glad to note the presence of a medical team which visits the island every year under the auspices of the Atomic Energy Commission and the Administering Authority of the Territory. The following is an extract from a note by the Administering Authority summarizing findings as at the beginning of 1964:

"While neither sufficient time has elapsed nor sufficient knowledge has been acquired to permit positive conclusions to be drawn as to the long range effect of the fall-out on the Rongelapese, there is to date no evidence of leukemia nor of radiation illness. There have been approximately five deaths among the exposed people; however the deaths appear unrelated to radiation. In some cases scarring and pigment change at the former site of burns remain and there is some evidence of growth retardation among children."



The 1964 medical team had not reached its conclusions at the time of the Mission's visit, but its members said informally that they had no reason to expect anything unusual. The Mission for its part was not able to detect among the Rongelapese any of the signs of fear and anxiety which were noted by the 1961 Visiting Mission. To this extent the situation is one for satisfaction.

117. But there is also ground for considerable dissatisfaction. It is clear that a good deal has been and is being done (as it should be) on the practical and medical side to compensate the inhabitants of Rongelap, as far as this can be done, for the injuries of which they were the innocent victims. The island is back on its feet and, except for coconut crabs, the food situation is back to normal, which means, since Rongelap is a coral atoll, that the people have fish, coconuts, arrowroot, a little breadfruit and a little yam. But it is also clear that the men and women of Rongelap have not been satisfied in their main claim - for financial compensation - and that because of this they still suffer from a strong sense of grievance. The Mission earnestly hopes that the legislation now before the United States Senate will be approved in the very near future and will make it possible to complete in generous fashion the restitution to which the inhabitants of Rongelap are entitled. (The Mission was given no details of the proposed settlement and has no way of judging whether it is adequate. The Mission was assured that the intention was to make a generous settlement.) The Mission realizes that the United States Congress has much business to accomplish but the people of Rongelap, who live on a level of bare subsistence, have been waiting for ten years for justice from the great and rich country which holds the trusteeship for their welfare and caused them (admittedly by mischance) grievous injury. The Mission found that though the people of Rongelap were impatient over the non-settlement of their claim they accepted in generous spirit the assurance of the Administering Authority that Congressional action would soon be completed. It is to be hoped that this generous trust will prove justified.



CHAPTER IV  
ECONOMIC ADVANCEMENT

General

118. Even with a budget expanded to \$15 million or \$17.5 million it is quite impracticable to meet immediately all the many and accumulated needs of Micronesia. Priorities must be set. For the period until the end of fiscal year 1965 the Administration has given top priority in the expenditure of new money to education and after education to public health, communications and power and water services. The budget has not been sufficient to permit any dramatic acceleration of programmes of economic development and productive investment; though the Mission understands that an acceleration might be possible from the 1966 fiscal year onwards when, assuming the new budget level is maintained, the major advances in education and public health have been achieved and considerable funds become available for other fields of activity. Perhaps because the money is not available the Administration has so far had to devise piecemeal programmes in the economic field and has not engaged in over-all economic planning or a co-ordinated campaign to stimulate the entire Micronesian economy. This may be one reason why only piecemeal progress has been made in mobilizing the ideas and energies of the people of Micronesia in the considerable task of helping them to stand on their own economic feet.

119. The Mission recognizes the limits within which the Administration must work. Nevertheless it cannot but feel disquiet about the over-all balance of the present programmes. There is the danger of a top-heavy structure being erected, with the superstructure of schools, hospitals and other social services being more than ever disproportionate to the productive base. Though much more money is going into circulation as a result of the accelerated programmes and the higher level of employment consequent upon the general expansion of Administration activity, there has been little increase in production by Micronesians. Yet year by year an increasing number of adolescents, better educated than ever in the past, will be emerging from the schools. Government and teaching jobs will not be numerous enough to absorb them all, and it would in any case be unhealthy if these were the only avenues of employment. The Mission would not wish to detract from the effort that is being put into the fields that have been chosen for priority treatment. It



agrees that a first-class education system is the soundest foundation for economic and social activity in Micronesia. It appreciates, for instance, that plans for agricultural development can advance all the better when young people emerge from the schools with sufficient knowledge of science to enable them to be trained as modern agriculturists. Again - and this was particularly noticeable in Yap - the new education system, by opening up fresh horizons and new incentives, will help to create a climate favourable to economic development. Likewise, the Mission agrees that improved health, communications and public utilities are basic to economic development. But a pattern of spending which places great emphasis on education and welfare services and other social investment projects but fails to place similar emphasis on productive investment will result in an unbalanced over-all pattern of social and economic development. And - this must be stressed - unbalanced economic and social development cannot but have repercussions in the field of political development.

120. Until all economic possibilities have been explored, final judgements are unjustified; but it seems improbable on the basis of present knowledge that Micronesia has the economic potential to become self-sufficient at a level that most people there, even now but still more in the future, are likely to regard as reasonable. For years ahead the annual budget required for new capital assets and for recurring expenditures is likely to be far beyond the domestic resources available. But, given the enthusiastic co-operation of the people, there are resources which can be developed in a way that will at least reduce the degree of dependence on outside aid. This section of the report will therefore set out briefly the facts of Micronesia's present economic situation, showing the great and increasing dependence on external aid; and it will then summarize some views expressed to the Mission by people all over the Territory, indicating the general desire for economic betterment and wide-spread willingness to work to achieve it. It will briefly record the present objectives and policies of the Administration. Then it will review progress in achieving these objectives, concentrating on those areas where the Mission believes that expansion is feasible and where it should take place more rapidly than is at present envisaged in order to avoid the unfortunate results which could come from unbalanced economic and social development. The section will conclude by proposing that machinery be established for the preparation and execution of an over-all development plan; and that Micronesians



should be associated with this machinery for the entire process. This last point will also be taken up in the later section of the report on political advancement; for economic progress is in the Mission's view linked with, and indeed dependent upon, political advance.

#### Popular desires

121. The economic life of the people of Micronesia can still be said to be based primarily on subsistence agriculture and fishing, as it has been for centuries. But the old order has been steadily changing for thirty or more years. The process of change is acquiring ever-increasing momentum with the rapid and wide-spread development of educational and health services and the improvement of air and sea communications; with the ever-growing number of Micronesians who have been educated abroad and in the process have acquired new standards and rising expectations which they pass on to others; with the steady expansion in the number of wage-earning town dwellers, lacking the land or the time with which to produce their own food and therefore dependent on what money can buy; and with the much greater volume of money put into circulation by the employment-creating programmes recently made possible by the expanded budget. Micronesia, in short, is moving, irreversibly, into the world money economy. Throughout Micronesia, the people desire a greater range of goods and services and are seeking the money with which to acquire them. Traditional views and adherence to certain customs which proved a barrier to economic development are being slowly modified among the older people and very rapidly among the younger educated leaders. This should be clear from the following paragraphs which summarize views expressed to the Mission. The Mission feels that some of the criticisms are not justified, while others have a basis in fact but are exaggerated. Others are in line with criticisms which the Mission itself makes later in this report. Justified or not, the criticisms are recorded to give a picture of public opinion as expressed to the Mission.

122. At meetings in Saipan people spoke with obvious frustration of the gap between their aspirations and their present capacity to satisfy them. Some members of the Municipal Legislature complained that after nineteen years of United States administration (most of the time by the Navy) they still saw little in the way of economic progress. They had grown out of the stage where they were satisfied with



taro or other subsistence foodstuffs; under the Navy administration they had become accustomed to an American style of eating and living; but, having grown away from farming and their traditional occupations and now being largely dependent on Government wages, they lacked the means to purchase adequate quantities of these goods which, being imported mainly from the United States, were highly priced in relation to the local level of earnings. Some pressed that the Administration should pay higher wages. Others made proposals for increasing production. One speaker, a woman, recalled that in pre-war days Japan had established a number of industrial enterprises processing agricultural raw materials; and she urged that in order to make it possible to re-establish enterprises experts should be brought in to train local people or selected local people should be given training abroad. She sought a more liberal response by the Administration to requests for loans to establish industrial enterprises. Members of the Marianas District Legislature made a number of suggestions which they believed would assist the economic progress of the district: an increase in the number of scholarships in the professional and technical fields; the lifting and relaxing of security measures to allow a tourist industry to develop and to permit ships of other nationalities besides the United States to visit the Territory.

123. On the Island of Tinian people said with regret that those of their young people who received a higher education did not return to the island because there was no employment for them. They had difficulty maintaining their large families because of the high price of food and they maintained that though education, health and sanitation had improved in the last eighteen years their economic life had not. Typhoons had set back their efforts and the frequent changes of policy in the days of Navy administration had left them bewildered. Nevertheless, they maintained that there were several industrial possibilities which could be developed - for instance, the growing of sugar cane and commercial fishing (it was said that in Japanese times one 2,000 gr-ton shipload of brown sugar was shipped weekly to Japan from Tinian and enough fish was caught to feed more than 10,000 persons), bringing in game birds for commercial hunting, dehydrating or pelletising the tangen-tangen shrub for cattle feed, growing and marketing cucumbers and tomatoes. They thought that a sugar industry should be the most promising possibility and hoped that Okinawan or Japanese capital could be given permission to establish it.



A homesteading programme was in existence but was proving inadequate because the grant of land had not been matched by assistance with capital and equipment. What is needed, it was argued, was a scheme to help farmers to get started by using the Administration's heavy equipment to clear and restore areas of land for them (much land was spoiled by wartime activities) and then helping them to secure equipment by loan or even, initially, by gift. A new survey was also urgently needed, because a major defect (only lately discovered) in the survey made by the Navy was holding up homesteading and causing doubt and concern about existing titles to land. The people of the island of Rota seemed bewildered by many changes of administration over the years and crushed by the typhoons which had so frequently destroyed the results of their work. They made a generalized complaint that the Administration had not done enough to get jobs and money for them.

124. In Palau the Mission found people alert and competitive and anxious to get their economy moving. Numerous promising ideas for the establishment of new small industries (some of them devised by members of the Administration) were being canvassed. Members of the Palau District Legislature, while commending the Administration for all it had been able to achieve in several areas of activity (as indeed did speakers at most meetings throughout the Territory), maintained that though the need for land for economic development was urgent, attempts at homesteading were slow and unsatisfactory. They said that the large island of Babelthup should be developed more energetically, and that the Administration should also do more to foster cash crops for export so that more cash would be brought into the district. Further, since the strength of a nation depended upon its skilled artisans, and since in Palau there was a shortage of such skills, more should be done to provide technical training particularly in agriculture and trades.

125. Of the six districts of Micronesia Yap is sometimes said to be the most tradition-bound, and the Mission heard it said that this conservatism, combined with lack of desire for imported goods, left people without the incentive to increase production in order to earn extra money. However, the impression the Mission gained from long discussions with members of the Yap Island Congress and the Yap Island Council was a quite different one. These representatives made it clear that the people did not indeed want many new goods and services and that they would increase production and do other work in order to acquire them. They spoke



of their desire to improve their health by having pure water piped to their houses; to have electricity connected to their homes in order that children could study in the evening, housewives could put their food in refrigerators to prevent it spoiling, and men could develop small business; to have more substantially built houses to which it would be worth connecting water and power; and to have better roads so that they could increase production by visiting their scattered land-holdings to collect coco-nuts and other produce which at present went uneconomically to waste. (This they offered as an alternative to the more usual suggestion of reform of land tenure and consolidation of small holdings). They put great emphasis on education as the basis of economic development: it would enable them to understand new methods of agriculture and decide which of these methods they might best adopt. For this reason they welcomed the great improvement now under way in education. They were particularly pleased by the arrival of United States teachers because they felt that in the past their students had been held back from higher studies because of their lack of facility in English, and therefore the progress of the district had been impeded. At the same time they thought it unfortunate that though there were more and more school and college leavers they were not being trained in agriculture and the technical skills which were valuable for local living. (That Yapese are eminently adept at technical skills was apparent to the Mission when they visited the Public Works Department. There the Engineer-in-Charge showed with pride the work of his men in the machine and carpentry shops and said that there was nothing they were incapable of making.) Other representatives, while grateful to the Administration for showing them good ways of planting coco-nuts and growing cacao, said with regret that nothing had yet been done in the field of forestry, fisheries, and home economics, nor in extension work which could spread knowledge of new methods to people in the villages. Finally - and this is a matter which the Mission regards as of fundamental importance and will return to later - members indicated that economic development was more likely to occur if they were consulted in advance about the various programmes of the Administration. They said that though good consultations took place on educational matters, in other fields the Council was not consulted in advance as to whether programmes were desirable or not; rather, the Administration notified it of programmes and only then sought its co-operation in putting them into effect.

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126. Among the suggestions made at meetings in Truk were proposals that people be trained with a view to establishing such local industries as oil and soap-making, blacksmithing, canning, cobbling, concrete-block making. Others advocated the need for outside capital investment in particular for a large-scale fisheries development which could give employment and help the economy. In Truk it was clear that a good habit of discussion and consultation was being established between the Administration and representatives of the people. Indeed at the time the Mission was there the District Congress was in session and the District Administrator was inviting members to discuss the projects that he was proposing to submit to Headquarters for a future territorial budget.

127. In Ponape members of the District Legislature stressed the need both for technical assistance and for loans to help people start industries. Among possible local industries suggested were a small sugar factory, small-scale rice growing and the canning both of local fruits and vegetables and of delicacies for export like breadfruit and coco-nut chips. It was also advocated that the Administration should provide cold storage facilities (at a possible cost of \$200,000) in order to make possible a considerable fishing industry and that it should assist the development of co-operatives by providing loans at low rates of interest. As in several other districts, it was emphasized that unless the education system could be developed to produce more technicians the economy of the district was unlikely to get moving. On the island of Kusaie in the Ponape district, members of the Council spoke of their desire for other crops besides copra and cacao that would boost the economy of their island, and they recalled that in the days of Japanese administration they had been able to sell coco-nut husks, hibiscus bark, bat guano and charcoal.

128. In the Marshall Islands, members of the District Congress meeting with the Mission at Majuro emphasized the need for more adequate economic planning. The Council at Laura (where the people were delighted with the economic benefits already brought by the new thirty-mile causeway and road which this community had built in co-operation with the Administration to connect thier island with the District Centre) requested that greater assistance should be given to Laura for agricultural development. Specifically, they asked for free distribution of coco-nut seedlings, the use of the Administration's heavy equipment to help them clear land for planting, and technical assistance and advice from agriculturists.



The present situation

129. The following tables<sup>5/</sup> indicate the extent of Micronesia's present dependence on external aid; or, in other words, the extent to which the effort to bring higher standards of education, health, etc., takes the Territory further and further away from "economic realities":

(a) Trust Territory Budgets, 1958-1965 fiscal years (1 July-30 June)

<u>1958</u>	<u>1959</u>	<u>1960</u>	<u>1961</u>	<u>1962</u>	<u>1963</u>	<u>1964</u>	<u>1965</u> (est.)
7.83	8.20	8.22	7.43	7.98	16.75	15.9	18.5

(b) Subsidy by United States Government, 1958-1965 fiscal years

<u>1958</u>	<u>1959</u>	<u>1960</u>	<u>1961</u>	<u>1962</u>	<u>1963</u>	<u>1964</u>	<u>1965</u>
5.96	6.38	6.81	6.13	6.30	15.00	15.00	17.50

(c) Locally-raised taxes, 1963 fiscal year

District 0.14	Municipal 0.35	Total 0.49
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(d) Exports and Imports 1959-1963 fiscal years

	<u>1959</u>	<u>1960</u>	<u>1961</u>	<u>1962</u>	<u>1963</u>
	(x)				
Exports	1.24	1.90	2.13	2.13	2.16
Imports	4.01	3.75	4.60	4.14	5.03

(x) Low figure because of typhoon damage

(e) Exports and Imports by District, 1963 fiscal year

	<u>Marianas</u>	<u>Marshalls</u>	<u>Palau</u>	<u>Ponape</u>	<u>Truk</u>	<u>Yap</u>
Exports	.16	.76	.19	.52	.41	.13
Imports	1.34	1.20	.61	.78	.70	.40

(f) Wages received by Micronesians in direct Government employ

<u>1962</u>	<u>1963</u>	<u>1964</u> (est.)	<u>1965</u> (est.)
1.70	2.14	3.13	4.4

<sup>5/</sup> The figures, all in millions of United States dollars, are taken from official sources.



(g) Partial break-down of proposed budget, 1965 fiscal year. (x)

	<u>Recurring expenses</u>	<u>Capital expenses</u>	<u>Total</u>
Education	3.9	2.3	6.2
Health	2.1	.9	3.0
Maintenance and Operation of Facilities; transportation and Communications	3.6	1.1	4.7
General Government	2.0	.5	2.5

(x) Compiled by the Secretariat from official sources.

#### Administration policy

130. The objectives and policies of the Administration in the field of economic advancement are set out in this extract from a "Statement" by the High Commissioner dated 15 February 1962:

"The Government of the Trust Territory of the Pacific Islands shall recognize that the 'well-being' of the Micronesian people depends upon the economic development of the islands. It shall also recognize that this development must be geared eventually to a world money economy and that the 'subsistence' aspect of the Micronesian life shall be supplemental rather than primary. Finally, it shall recognize that the ultimate economic potential of the islands depends upon the maximum development of its human resources.

"Within the framework of the above concepts, the Trust Territory shall:

"1. Maintain a wage structure and conditions of employment consonant with the advancing social and economic conditions of the Trust Territory. This structure shall be based upon periodic economic surveys and realistic cost-of-living studies.

"2. Provide the basic physical and resource developments that are necessary for economic growth by expanding a Trust Territory-wide construction programme. This programme shall include the rehabilitation and construction of roads, airports, and harbour facilities; the improvement and expansion of water, electrical, sanitary and other basic public utilities.

"3. Encourage Micronesians to establish their own business enterprises by providing them with necessary technical assistance and long-term loans. These enterprises shall include the establishment of co-operatives, small home industries, expanded production of handicraft, search for markets and instruction in modern methods of production.

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"4. Provide for capital participation in economic enterprises, the development of which is otherwise beyond the financial capacity of local investors. Such outside participation will be permitted subject to such controls as are necessary to protect the basic interests of the Micronesian people in the development of their natural resources. Enterprises which may require such participation include commercial transportation and travel facilities, fisheries, large-scale tropical agricultural production, food processing and other fabricating and manufacturing industries.

"5. Improve and increase the production of copra, cacao, spices and other cash crops.

"6. Protect the inhabitants against the loss of their land and resources, and to encourage the distribution and development of public land through a homestead programme.

"7. Increase the production of food through the improvement of crop farming and encourage the use of local materials for house construction, furniture and handicraft."

#### The need to accelerate economic development

131. The following section will not attempt to review and appraise every phase of the Administration's activities in pursuance of the High Commissioner's statement of objectives and policies. Rather it will single out some areas where the Mission believes that significant development is possible and would like to see it put under way more quickly than is apparently contemplated at present. The Mission is all too conscious that it is covering the same field as that surveyed in July and August by a large and expert mission appointed by the late President Kennedy and headed by Mr. Anthony M. Solomon; but the report of that Mission has not been released for publication and the Mission did not have access to it. The Mission is also conscious that its suggestions are tantamount to proposing an even higher subsidy by the Administering Authority. It would not dispute that there is a limit to the amount of aid that the Administering Authority can reasonably be expected to make available and also that there is common sense in setting some upper limit and insisting that priorities be established within that limit. Nevertheless, there is a backlog to be overcome due to inadequate expenditures in the past (inadequate, that is, by the standards which the Administering Authority has now set itself to achieve); there are things to be done (economic development and positive stimulation of the Micronesian economy) if the excellent programmes of social investment now



under way are to achieve fruitful results; and there are improvements (notably in the field of public housing) which must be carried out before the Administering Authority can feel full pride in its work. Though making its suggestions primarily with the interests of the Micronesians in mind, as is its duty, the Mission believes that they are also in the interests of the Administering Authority. New values and new demands are being created by the accelerated programmes already so vigorously under way. Unless the productivity of Micronesia is developed these demands, ever more insistent, will be satisfiable only by an ever-increasing subsidy or by the migration of active Micronesians and the reduction of those remaining to costly and resentful dependence. To avert such a situation - of which there are as yet only the earliest signs - and thus to save the investment already made would seem worth the relatively small extra effort and expense involved. Already the Administering Authority has moved energetically to establish the infrastructure which is indispensable for economic development. It remains necessary to move equally energetically to help the people of Micronesia to create the structure. Micronesians are starting to express scepticism that the innumerable investigations, studies, surveys, Congressional Missions, Presidential Missions and United Nations Missions will ever bear tangible fruit. What is wanted now and urgently, is a clear plan, clear priorities - and action.

(a) Agriculture

132. The budget for carrying out the agricultural programme has increased from \$205,000 in 1962 to \$705,000 in 1964, with \$750,000 proposed for 1965. In addition, money provided for construction work in support of agricultural programmes rose from a very low figure in 1962 to about \$250,000 in 1963 and 1964. As far as the Mission is aware, no spending on construction to assist progress in agriculture is proposed for 1965. For some years research and extension have been under way with the object of improving existing subsistence and cash crops and developing new ones. The considerable injection of new money has made possible a significant expansion of these activities. Things are, in fact, being initiated which if they had been started some years ago would by now be bearing fruit in the form of greater earned income for many Micronesians.



133. In its visits to District Agriculture stations the Mission was encouraged by the enthusiasm and skill of the agriculturists and by the progress that was already becoming apparent. For instance, largely on the basis of experimental and extension work done at the agricultural station at Ponape, it is possible to envisage cacao becoming an important export crop. (At present copra is the only significant export of Micronesia, accounting for \$1.9 million out of the Territory's total export receipts of \$2.2 million). Under a Government subsidy programme nearly 300,000 trees have been planted in Ponape and 250,000 in Truk. There has been good help and supervision by agricultural extension officers and the necessary centralized processing and storage plants are being erected. In 1962 about 6.5 tons of cacao beans were sold and on the basis of plantings already made, chiefly in Ponape and Truk, it is estimated that production will increase to 250 or more tons in 1967 (earning about \$150,000). Experiments with ramie (from which a high grade textile fibre can be made), have proved successful, decorticating machines have been tested, some growers have been interested in the crop and the first small shipment of one ton has earned about \$500. The pepper trials initiated at Ponape some years ago having proved successful, an initial 400 farms of 100 plants each have been established; these are estimated to yield over \$100,000 when in full bearing. Several experiments with rice are under way, the main project being at Ponape where promising yields of up to 3,000 lbs per acre have been obtained. At Truk the Mission saw with interest the training of extension workers in the use of small machines for enabling villagers to produce coir fibre out of coco-nut husks. Useful, though small-scale, work is being done in the Marianas on the development of a cattle industry, on vegetable growing for export and at most agricultural stations some useful work in breeding and distributing improved strains of pigs and poultry.

134. But the Mission was as much impressed with what more could and should be done as with what is in fact being done. Feeling as strongly as it does about the urgent need for economic development, it finds it hard to understand why this field has not yet been singled out for acceleration - all the more since this acceleration could be achieved for a relatively small sum. For instance, there is reason to believe that the production of copra from the Territory could be increased by 50 per cent, bringing an increase of perhaps \$1 million annually. This increase

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would be of great benefit to those districts which otherwise have very restricted economic possibilities, in particular the Marshalls and Yap. But little can be done until there is a small amount of money to train and employ more extension officers to show growers better methods of planting and fertilizing trees, harvesting nuts and preparing copra. Admittedly a 50 per cent increase in production depends on many other factors: on a rat control programme, an increase of boats to provide a long-overdue improvement in communications in the Marshalls and elsewhere; and on incentives, which in turn, brings up the question of copra-buying and retail stores and the development of co-operatives on the small islands. The Mission also hopes that consideration will be given to the idea of establishing a Central Copra Producers' buying and marketing co-operative. The ramifications of this one problem highlight the need for over-all economic planning, a subject which will be taken up later. But nevertheless a good deal could be done immediately if extra agricultural staff could be made available. Again, in the coco-nut-producing areas great quantities of coco-nut husks are going to waste. The good work already begun in Truk has shown that the husks can produce coir fibre for export and can be used, again in Districts where islanders have time to spare but few economic possibilities open to them, to manufacture brushes, doormats, twine and rope. A long-range programme for this industry envisages an outlay of about \$350,000 for the training of extension workers and for the purchase and wide-spread distribution of the necessary equipment; if adequate finance were available the programme could be accelerated. Similarly with cacao. An Administration programme is said to call for the expenditure of \$137,000 over six years to improve varieties, to make distribution and to construct plants for processing. The Mission believes, however, that the six-year programme could be expanded and existing programmes accelerated with the aim of achieving export earnings of \$750,000 to \$1 million. Present reports are that conditions in Palau are excellent for ramie and that if people became interested in this crop it could be developed to bring in at least \$500,000 annually. It is important that additional cash crops be established in Palau with the least possible delay for the rhinoceros beetle has limited production of copra and soil conditions have proved unsuitable for cacao causing the failure of the cacao scheme there. The practicability of pepper production has been well established; production could now be developed to produce at least \$100,000 annually. Again, rice imports at present



cost the Territory \$470,000 annually; all possible assistance should be given to the excellent development work in rice growing based on Ponape. The Mission was surprised to find eggs and poultry being imported from as far away as the United States. It was said that the cost of importing poultry feed made it uneconomical to establish a poultry industry in the Territory, but that a central project for growing poultry feed was under consideration. In this connexion the Mission comments that there may be a tendency in the Trust Territory to think too much in terms of large-scale projects. In other countries it has been found possible to encourage individual growers or co-operative groups (sometimes through enlisting the co-operation of a local representative body) to produce crops needed by small local industries; and in the case of a poultry industry additional encouragement might be given by assisting with purchase of small grain crushing machines. The local production of poultry and eggs would seem to the Mission to be something that should be vigorously assisted.

135. Likewise, the Mission has reason to believe that beef production in the Marianas could become one of the main industries of the Territory earning considerable money from exports to the large market in Guam as well as supplying meat throughout Micronesia, thereby raising the standard of living and reducing the bill for imports. (Canned meat alone costs the Territory \$280,000 annually). Similarly, a dairy industry in the Marianas is feasible and would be invaluable to the Territory. For a large-scale beef and dairy scheme, which seems thoroughly practicable and would take five years to reach its full operation (with 10,000 head of beef cattle), a total investment of \$2 million might be required. But this sum is not needed immediately. The scheme could be launched at once on Tinian; but its start is held up for lack of less than \$100,000, including \$35,000 for a tractor. (Like most equipment in the Territory, the existing tractor is an antique inherited from the Navy and is usually being repaired). This is a serious situation because the Marianas at present lack any basic economy and its people, who were once good farmers, are settling into a habit of existing on wages (mainly paid by the Government); this rootlessness and economic dependence in turn influence their political attitudes including, in some measure, their desire to secede from the Trust Territory and join Guam. Again, a large vegetable-growing scheme on Rota, supplying the market in Guam, and even supporting a vegetable cannery is possible



and economically feasible. Without this form of economic development the people of Rota have little possibility of expanding their income, and many have sunk into a state of economic and political inertia. But the Government participation with technical supervision, help with fertilizers, grading etc., which seem to be essential - are not forthcoming because of the lack of \$50,000. The sum of \$20,000 provided in the present budget does not match the need or the possibilities.

136. From its discussion with specialists throughout the Territory, the Mission understands that in addition to those crops already mentioned numerous other crops could probably be developed. In the Marianas, where typhoons set limits to the crops that are practicable, sugar cane and sisal could be the basis of large industries from the agricultural point of view, though the supply of outside capital and labour could raise considerable problems. Other possible sources of extra cash income are papain (juice of papaya), citrus, bananas, and ground nuts. In Palau banana fibre might supplement ramie. In Truk abaca and ramie fibres are possibilities. In Ponape there are hopes for coffee, nutmeg, bananas, a fibre crop and forestry, as well as a live-stock industry on Ponape Island and Kusaie Island. In Truk pepper and fibre crops might increase cash incomes. In Yap where soil conditions are adverse, there seem few possibilities besides those mentioned (copra, coir and possibly cacao), but its people recall that in pre-war days Yap supplied pineapples to the large population then in Koror, and there is reason to believe that sugar could also be grown.

137. This outline, which the Mission puts forward as suggestive rather than authoritative, indicates that an increase in agricultural production is possible which might within five to ten years more than double present export earnings, at the same time as it would increase the amount and quality of locally produced food, and, by import substitution, save overseas exchange. Such increased agricultural activity and the income from it would obviously raise the general level of economic activity. In view of this, as well as the real danger of unbalanced economic and social development in Micronesia, the Mission believes there is reason to direct greater resources into agricultural development and thus make it possible to accelerate existing programmes and develop new ones.

138. Immediate needs are to advance the dairy and beef projects in the Marianas, to accelerate the vegetable project on Rota, to develop the agricultural stations, and to equip these stations and the extension workers with more tools and equipment.



In the coming year these activities should require additional funds of under \$200,000. To point up the need for more attention to this field the Mission cites what is, fortunately, an exceptional case. In Yap where, as has been indicated earlier, people are interested in finding ways to increase their cash income, the agricultural station has been operating for only three years. Before then nothing, in effect, was done. Agricultural experiments and agricultural education take time to bring results - often ten to fifteen years. But in Yap, least developed of the Districts and consequently the one where there is least time to be lost, the Mission found that the ploughing of demonstration plots had not started because of the delay in receiving a single inexpensive farm tractor.

139. The Mission was given to believe that the Administration shares the view of the Mission, as do the Micronesian people themselves that the raising of the standard of living of the people depends largely on the improvement of agriculture. Unless there is an internal market, which improved and expanding agricultural activities can best create, industrial production is not likely to develop significantly. Agricultural, even more than other forms of development, cannot be self-contained. It depends on a combination of many factors. In Micronesia it is bound up, as has already been noted, with such things as the improvement of communications by ships and launches, the spread of retail stores, the development of farmer co-operatives, progress on homesteading which in turn is dependent on the expansion of surveying services, the reform of land tenure, and market research. Which is to say that agricultural development in Micronesia will not proceed satisfactorily except within the framework of an over-all plan for developing all the resources of the Territory. This theme will recur in the report.

140. Agricultural development in Micronesia, to take up a more limited aspect, is also dependent on an increase in the number of agriculturists and extension workers. The full development of the programmes outlined above will require an additional 50 to 100 trained people. At present there is no alternative but to recruit non-Micronesians, and it seems that this is not easy because the salaries offered, though high by Micronesian standards, are too low to attract agriculturists from the United States. (The Mission suggests that the Administering Authority widen its area of recruitment, for there are agriculturists in other parts of the Pacific, in the Caribbean and elsewhere who have experience which could be useful in



Micronesian conditions). At present there are only ten Micronesians working for agricultural degrees, of whom two are due to graduate this year. Given the great importance of agriculture in Micronesia's development the Mission was sorry to discover that relatively few of the ablest young Micronesians desire to make their career in agriculture, seemingly preferring the fields of medicine and teaching. The Mission hopes that ways will be found to attract able young people into agriculture. For instance, a higher level of salaries could be established, and more scholarships in this field could be offered. But the most important thing is for the Administration to demonstrate a belief in the importance of increasing production and then to enlist the support of the Congress of Micronesia and District Councils in putting its beliefs into practice. (The support of District and Municipal Councils could also be enlisted - as is done so effectively in New Guinea - in encouraging the production of food for sale in the district centres where there is an increasing number of people separated from their family lands and dependent on food that can be bought).

141. The Mission also believes that much more use could be made of broadcasting to increase public interest in agriculture and to maintain contact with farmers; at present far too little use has been made of this invaluable medium. The Mission further hopes that more thought will be given to increasing the number of Micronesian extension workers. The excellent Farm Institute at Metalanim, Ponape, which impressed the Mission by the amount of experimental and training work it was doing with quite small resources, has already been expanded to take four trainees from each district; it could and should be further expanded; the cost would be small. This training programme for future Micronesian agricultural technicians - a nine months' course of practice and theory - was started in August 1962. Already it has sent back to their respective districts two sets of twelve trainees with a good knowledge of tropical agriculture. The need for precisely the kind of people that the Institute is producing is so great and urgent that the Mission would like to feel that the Institute will soon be expanded so that the number of trainees can be considerably increased. In considering ways of supplementing the work of the Farm Institute the Administering Authority might well investigate the effective methods which have been developed by the Australian Administration in nearby New Guinea to train established farmers and use them for extension work.

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By these and other means it should be possible to compensate for the present shortage of college-trained agriculturists. It is also worth considering whether the Farm Institute might be developed into a central agricultural school for the Territory.

142. Insect and other pests, among them the giant snail, are myriad in the Territory and are a great discouragement to growers and home gardeners, all the more since incomes are usually too small to permit outlay on insecticides and other means of protecting crops. The entomological laboratory in Palau is doing invaluable work. The brilliant experiment by the United States Department of Agriculture on the eradication of fruitflies by the effective though sad technique of releasing sterilized flies has not only benefited the people of Rota but has opened up the prospect that, in this one respect at least, the division of Micronesia into a mass of separated islands may prove an advantage. The Mission hopes that this example of co-operation between the Administration and the United States Department of Agriculture will be repeated to the further benefit of the people of Micronesia and that every possible effort will be made to bring insect and other pests under control. It trusts that contact will be kept with work being done in other parts of the Pacific. Success in this field would be a great stimulus to production.

143. Though a minor population explosion is under way (which will be increasingly reflected in the bill for social services) parts of Micronesia are considerably under-populated in terms of their potential. It is said that 300,000 people once inhabited Micronesia: that the Marianas (present population 10,000) once supported 50,000 to 100,000, that Palau (now 10,000) once had 50,000, Yap (6,000) more than 40,000, and Ponape (18,000) about 40,000 with land to spare. (The intriguing ruins of Nan Madol, in Ponape, point to a populous and prosperous civilization centuries ago.) On the larger islands of the Palaus, Truk and Ponape there are considerable areas of land (considerable, that is, by the standards of Micronesia) at the disposal of the Administration for resettlement purposes. There is thus a good deal of land available in the Territory for resettling people from over-crowded islands like Mokil and Kapingamarangi. The Administration has been carrying out programmes of "homesteading" and has done good work. But the Mission believes that much more could be done if resources and personnel were available to plan a more vigorous, and above all a more co-ordinated programme which ensured that physical,



technical and financial help was made available to settlers while they were establishing themselves.

144. The Mission also found that homesteading was held up by the severe shortage of surveyors. This shortage, compounded by the diversion of surveyors to work in connexion with the accelerated education programme, had wide-spread repercussions: settlement of land claims was held up, people could not get on to their land or, if on it, felt insecure without established title; there was a good deal of uncertainty and even bitterness. The Mission would urge that an attempt be made to recruit extra teams of surveyors, some on a temporary basis (there are numerous Micronesians available, for example in Ponape, who could help with surveying) and that a drive be made to clear up the accumulation of surveying and land claims work. Thus the Administration could make an indispensable contribution towards stimulating the Micronesian economy.

(b) Fisheries

145. There is another field of potential economic development, as yet virtually untapped, which might equal or even far surpass agriculture in bringing wealth to the people of Micronesia. The 3 million square miles of ocean in which the 2,100 islands of Micronesia are placed is one of the great fishing grounds of the world; tuna and other food fish abound, as do sea shells in infinite variety. Official publications about the Territory regularly emphasize that fish and other related crops of the sea are probably the paramount resource of the Territory and that if they could be fully developed (i.e. if fishing vessels and skilled fishermen could be organized, if facilities could be developed to store, refrigerate and prepare the catches for shipment; if packing facilities could be developed for long-distance shipments; and if markets could be fully developed) the wealth that could accrue to Micronesia from the sea would be immense.

146. Large-scale commercial fishing is a highly-skilled, heavily capitalized and fiercely competitive industry. The people of Micronesia are most unlikely to be able to break into it except in alliance, in the early years at any rate, with one or more of the firms already established. The Mission was therefore interested to learn that a development which could prove of great significance to the Territory was about to be launched. In 1963 arrangements were made with a leading United States seafood company to establish commercial tuna packing operations in Palau, and the buildings, boats and equipment for this enterprise were due to arrive



within a month of the Mission's visit. As far as the Mission could determine the Administration, in line with its policy of protecting the interests of the Micronesians, has been at pains to ensure that the new enterprise will benefit Micronesians to the maximum extent consistent with attracting outside capital and skills. It understands that the firm has undertaken to train Micronesians ashore and afloat, and to help finance vessels to be operated, and ultimately owned by the local people; and that the catching of bait, without which a skipjack tuna operation cannot be conducted, will be reserved to Micronesians. The Mission hopes, for the sake of the Micronesians, that this initial venture will be so successful as to warrant the entry of further capital and companies for the development of fisheries in other parts of the Territory.

147. The experiment of bringing outside capital and management into the Territory in cases where local skills are as yet inadequate will be one to watch with interest; for though the previous policy of excluding all non-Micronesian enterprise was motivated by concern for the Micronesian (a justified concern since the necessarily small enterprises in the Territory would be highly vulnerable to the disproportionate weight of outside business) it was also responsible in some measure for their present economic backwardness. Not only did it deny Micronesia the benefits of outside capital but it left them without the vivid example and practical training that well-run enterprises can offer to people wishing to find out how to operate enterprises of their own.

148. Simultaneously, the Administration has been sending fisheries trainees abroad to develop further skill and knowledge and through the Fisheries Development Project in Palau (which is headed by an American fisheries specialist and a Micronesian staff of 15) has been working towards the development of a pelagic fishery capable of supplying a small cannery designed to meet the needs of Micronesia which, despite the abundance of fish in the surrounding seas, imports canned fish at an annual cost of about \$220,000. The objects of this part of the Project are to train crew in the various arts of seamanship; to train fishermen in commercial fisheries techniques such as the use of the long line and catching of bait; to carry out research in fishing techniques to determine those methods most suitable for local conditions; and to develop the dock facilities necessary to support a small commercial fishery and to train and recruit personnel to maintain those facilities. In addition, tuna fishing boats (as well as smaller fishing



craft and sizeable vessels for various purposes) are being designed at Palau and built there by Micronesians at a cost far below the price of imported boats. All this work is to be commended for it hastens the day when Micronesians can exploit their resources for themselves. There is good reason to believe that assistance given in this field will be well worth while for Micronesians - particularly those living on the out islands, like the Yapese - are reputed to be among the best deep-sea fishermen in the Pacific.

149. Another object of the Fisheries Development Project is to improve the quantity and increase the volume of fish available both for local consumption, for distribution throughout the Territory and for export to Guam and elsewhere. The organization of the Fishermen's Co-operative has been designed to assist the development project. The Co-operative has had its growth pains in the three years since it was organized but it seems now to have acquired adequate facilities (a new forty-ton freezer was completed in November 1963) and to have improved its management. Its annual sales are running at about \$60,000, of which local sales constitute about half. The local sales might well be increased if fish could also be made available for sale at places more accessible than the fish market at the site of the Co-operative. In Ponape a Fishermen's Co-operative which started in 1959 has also developed well with sales of fish running at about \$40,000 annually.

150. The Mission welcomes this considerable progress. It was impressed by the energy and resourcefulness of the officer in charge of the Fisheries Project at Palau. Nevertheless, the Mission considers that the effort so far made - by which it means the amount of the budget devoted to fisheries, for the actual work done is excellent - does not measure up to the challenge or the need. Fish exist in the sea in abundance not only in Palau and in Ponape but in most parts of the Territory. But there is a shortage of fish in four of the Districts, to say nothing of the export possibilities that are going unrealized. A primary reason for this shortage is that the fisheries development programme is starved for funds. More money than is at present available is needed for additional fisheries specialists and staff; facilities such as docks, freezers, etc. without which a fishing industry on other islands and in other districts cannot get going; more money is needed for research; more money is needed to promote and assist more fishermen's co-operatives to become established. The potentialities of fisheries are so great as to seem to the Mission to justify the appointment of a separate Office of Fisheries at Headquarters charged with developing this resource with all possible energy and given the funds to do so.



(c) Other industries

151. Handicrafts exported through Trading Companies and other firms during 1963 was valued at \$39,402 compared with \$32,155 in 1962 which is appreciably higher than previous years. The Administration is to be commended for its efforts in stimulating the production of handicrafts and in particular for sponsoring the Micronesian Products Centre in Guam which was opened in 1962 as a non-profit organization serving as an outlet for Micronesian products with all proceeds being returned to the producers. The success of these efforts so far indicates that though handicrafts are unlikely to be a major source of wealth to the Territory they could provide useful extra income to groups who have few other possibilities of earning money. The Mission is glad to note that research on possible markets in Japan and elsewhere is under way, and it commends to the Administering Authority the request of Micronesians that duty free entry into the United States should be granted to genuine Micronesian handicrafts. It would suggest that a bigger effort be made to bring handicrafts from all over the Territory to Kwajalein where there should be scope for greatly increased sales. If a sizeable permanent market is to be developed a constant effort must be made to improve the quality, design and finish of the articles produced; the effort to achieve this should in the Mission's view reach back into the schools where the teaching of arts and crafts could be improved by skilled and sensitive teachers who might help to revive the arts of Micronesia and use them as stepping stones to new developments. Such teachers could also work among the adult community. By this means, (as first class work already in progress in Palau is demonstrating), not only might a more valuable industry be developed but pride in Micronesian accomplishment would be enhanced. An equal problem is to ensure that people produce sufficient work regularly. This raises such questions as incentives, and the Mission suggests that an individual with known ability to gain the confidence of local people, preferably a Micronesian woman, be named as adviser to the High Commissioner to investigate and recommend the best means of promoting the better development of handicrafts throughout the Territory.

152. The Mission noted with pleasure the establishment of a growing number of small enterprises throughout the Territory, often made possible by loans under an Administration Scheme. The Mission believes that this is a field where much more development could take place (the manufacture of clothing, soap and soft drinks are obvious examples) if the two great problems - lack of capital and lack of sufficient technical guidance - could be overcome.

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(d) Economic Development Loan Funds

153. In 1963 the Administration established an Economic Loan Fund of \$100,000 to be used to encourage and help Micronesians to undertake small industrial and mercantile enterprises. In 1964 the capitalization of this Fund was increased to \$200,000 and a further increase to \$300,000 is proposed for the 1965 fiscal year beginning 1 July 1964. This Fund has achieved some excellent results and the fact that the Fund has been used to guarantee bank loans has greatly extended its usefulness.

154. In the view of the Mission the Administration has through this Fund opened up one of the most promising avenues to the economic development of Micronesia. But so far the Fund has been small and has been administered in a cautious way, and the need for constant reference to Headquarters has tended to dampen enthusiasm. It is natural enough in the early stages, with both Micronesians and administrators inexperienced in economic and commercial matters, that caution should predominate and that every project should be carefully scrutinized. But in the view of the Mission the time has come to establish a much larger Fund (one million dollars would be the minimum) and to administer it in a more positive way as a means of promoting rapid economic development. In putting forward this recommendation the Mission links it with its later recommendations on over-all economic planning; without a comprehensive development plan in the light of which possible new enterprises can be evaluated, a major increase in the Loan Fund would serve a less positive purpose.

155. The Mission also believes that within the framework of a comprehensive Territory-wide flexible plan there is a strong case for a devolution to the district level of authority for granting loans and - this being almost the supreme need of the Territory - generally stimulating local economic activity. Funds might be put in the hands of district committees which would include the District Administrator, representatives of the District Legislature and the district representatives to the Congress of Micronesia. If the District Administrator knew that funds were available he could act more positively than he can at present as a catalyst in sparking off local enterprise, particularly co-operatives. In addition, it would be a most useful training in administration and politics for local people to be associated with the task of examining applications for loans for new enterprises. In the case of smaller loans the



district committees might be given power to make final decisions, in the case of applications for large loans, or loans for projects which seemed attractive but were outside the framework of the development plan, it might make recommendations to Headquarters.

(e) Co-operatives

156. The very nature of the economic circumstances in the Trust Territory calls for considerable effort on the part of the people at the grass roots level. With the necessary stimulation, proper organization and guidance, this potential force can be productive for the common good. The co-operative movement lends itself well to this effort. The Mission was glad to learn that a survey regarding co-operatives had been done by an expert from the South Pacific Commission. It was also pleased to see that special emphasis is already being put on the development of co-operatives, and the Mission was favourably impressed with the work being done by co-operatives in the Ponape District, especially that of the Metalanim Housing Co-operative under the leadership of Father High Costigan, S.J. The Mission has misgivings about the development of "stock companies" operating in the guise of co-operatives, and it also feels concern at the practice of paying relatively high dividends on the par value of the stocks to the shareholders in certain co-operative stores. It would assist economic development if the shareholders could be persuaded to accept lower dividends in the interest of developing the activities of their enterprise. The Mission would urge the Administration to provide more facilities for study of co-operatives, not only in their philosophy but especially in the business and accounting aspects of the movement. It is to be hoped that an increasing number of Micronesians will be sent on scholarships to places where they could study small agricultural producers' and fishermen's co-operatives actually at work and participate in some of the day to day operations. There are many ways in which through co-operatives meagre resources could be pooled and a useful and better life provided for many, including producers and consumers. This type of "boot straps" operation not only helps to develop human resources, but it puts more money into the pockets of the people and inspires self-confidence and self-respect.

(f) Marketing

157. The Copra Stabilization Board is the only organization in the Trust Territory with any restrictive trading rights. The Board is the sole marketing agency for

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the sale of copra produced in the Territory. The Board operates a fund which helps to maintain a stable price of copra for the producer despite the fluctuations of market prices. The Mission formed the view that this Board performed a useful function and that the arrangements made secured at least as good a return to Micronesians for their copra as they were likely to secure under any other system. At the same time the Mission discovered that some copra producers, particularly in the more remote areas, had doubts as to whether the return they were receiving was as high as it should be. The Mission is aware that Micronesians are members of the Board, but, to make it even more manifest that justice is being done, it suggests that when the Congress of Micronesia is established one of its members might be appointed chairman of the Copra Stabilisation Board.

(g) Tourism

158. Two developments have made the establishment of a tourist industry a more feasible proposition: the relaxation of the previous security restrictions on entry to and travel within the Territory, and the improvement of air communications. Micronesia has much that would attract tourists: its great natural beauty; its remoteness; the charm of its people and the traditional customs of some of them; the possibilities of swimming, fishing, sailing and other sports; the sites of great battles of the Second World War; the ruins of Nan Madol; and much besides. It was once known as the "Japanese Riviera" and has sunshine when Japan and other countries are in mid-winter. It has a sentimental or historical attraction for many Americans and Japanese. It offers a place of recreation for servicemen and civilians stationed in the Pacific. Thus the possibilities are considerable, even though Micronesia is so far away from most of the rich tourist-generating countries (and consequently so costly to reach) that mass tourism from Europe or the United States seems unlikely. People already living in the Pacific and Far East area seem most likely to be potential visitors to Micronesia, and those further away at best likely to make short deviations to Micronesia on their way to or from some other tourist area.

159. The Mission realizes the economic advantages which tourism brings to many countries. It also sees that a tourist industry would promote a number of small Micronesian industries, increase the market for handicraft, and in these and other ways provide an addition to cash income which is badly needed. Therefore the



Mission regards tourism as a form of economic development worth careful investigation. Nevertheless, for the following three reasons it would not assign an especially high priority to tourism at the present time. First, the Mission prefers that effort be concentrated on sound improvement of the basic economy of Micronesia rather than diverted into what could be a slightly feverish substitute for real development. Secondly, the present tariffs of hotels in Micronesia are so low and their present operation presumably so heavily subsidized that under present arrangements tourism would probably be an expense rather than a gain to Micronesia. Thirdly, and far the most important, the people of Micronesia are few in number and are still in process of establishing their unity and even their identity. An influx of tourists could have a very great effect on the Territory, disrupting several of the developments which are only now starting to gather force.

160. The Mission's view, therefore, is that tourism is a matter which the Administration should not develop beyond a small-scale and carefully controlled experiment until the Congress of Micronesia has expressed its desires in the matter. The Mission hopes that Congress will not be diverted by this potential area of economic development - which is only one among many - from its more urgent tasks of coming thoroughly to grips with the whole question of economic planning and of clarifying its ideas about the most desirable lines of Micronesia's future development.

(h) Transport and communications

Roads

161. It is said that the major populated islands of the Territory were at one time criss-crossed with roads which, because of lack of repair and disuse resulting from the decline in economic and other activity compared with pre-war days, have become overgrown and for the most part impassable. Today, except in Saipan and Tinian where excellent roads were provided for military purposes (sometimes they have a residual civilian use, sometimes not), most roads throughout the Territory are in very poor shape. Because of this, economic development is hampered and vehicles deteriorate rapidly and wastefully. Road building in these many separate islands, many of them having jagged terrain, is no small matter; but a major road-building programme is urgently needed if

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there is to be significant economic development in the Territory, and if incentives to production are to be increased. A lead from the Administration and heavy injection of additional money is needed if the necessary progress is to be made; but, as the community response at Laura and other places shows, the people of Micronesia will do their part if properly approached and helped by the loan of Administration equipment. There is, as the present Administration has started to show, a wide field open for community/Government co-operation.

### Shipping

162. The problems here are enormous and the Administration is to be commended on its efforts regarding sea transport. A notable improvement has been achieved in the last few years. The fact, too, that the Micronesians themselves show interest in the development of this form of transport, for example, in the case of the Saipan Shipping Company, and that their participation is being encouraged by the Administration, makes the future look bright for improved shipping facilities for the movement of persons and goods from one part of the Trust Territory to another. The relaxation of security measures, which now enables the entry into Trust Territory ports of ships of other nations in addition to United States ships, may also assist in advancing the flow of people and goods throughout the Territory.

163. Communications, which means adequate shipping services more than anything else, is at the heart of economic development in Micronesia. Admittedly, it will not be economic for ships to make frequent calls at scattered small islands with little freight to offer. The value of the produce collected may be less than the cost of the voyage. But unless there is regular collection of produce and regular supply of trade goods there will not be the incentive to islanders to increase production. The alternative, given the policy of the Administration to bring modern standards of well-being to all the people of Micronesia, would be the unhealthy one of providing a kind of permanent dole. It seems essential therefore that the Administration should continue to follow a positive policy of encouraging by every possible means, including subsidies, the establishment of frequent and regular shipping services by small boats as well as larger vessels. Only with such services can the inhabitants of the more remote areas have the means, or the incentive, to develop their islands to their ultimate economic potential.



164. In Saipan and the Marshall Islands the Mission heard the complaint that imported goods cost more in the Trust Territory than they should because overseas ships use Guam as their unloading point rather than a port in the Territory. It was pointed out that goods discharged at Guam but destined for Micronesia have to be reloaded on to Trust Territory ships, with the result that their cost to the consumer is inflated by double-handling charges and the fees of Guam commission agents. In Saipan the request was made that ships carrying goods for the Territory should discharge directly at Saipan rather than Guam. In the Marshalls, where costs were further inflated by the long journey back from Guam and inconvenience was caused by the irregularity of shipping services, the request was made that the Marshalls should be made the unloading point for overseas vessels carrying cargo for Micronesia; and that from Kwajalein or Majuro the Pacific Micronesian Line should distribute cargo to other parts of the Territory. In the Marshalls it was also requested that Japanese vessels be permitted to call at Trust Territory ports; the argument for this was that the people of the Territory, being on low incomes, could not afford to buy United States goods and needed more Japanese products; but the ships of the Pacific Micronesian Line, which alone brought in Japanese goods, made such infrequent voyages that the demand was not satisfied and people accordingly had no alternative but to buy the highly-priced United States goods.

165. There are three questions involved in these requests: firstly, the question of the shipping trade within the Territory itself; secondly, the question of entry of foreign commercial vessels to main ports of the Territory; and thirdly, the question of persuading overseas shipping lines to go direct to ports in the Territory instead of trans-shipping at Guam. On the first point, the Mission understands the present policy to be that only ships owned in the Trust Territory may distribute cargoes within the Territory. There are three main shipping lines owned in the Territory. The largest is the Pacific Micronesian Line, which is owned by the Trust Territory Administration and is heavily subsidized. There is also the small Saipan Shipping Company, owned by Saipanese businessmen who have received financial help from the Administration; and there is a small shipping service owned by a local trading company in the Marshall Islands. Any of these companies may conduct intra-Territorial shipping services and may also send their ships to overseas countries to drop or collect cargoes. In practice, however, only the Pacific Micronesian Line has a ship capable of making long voyages; it runs

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services to and from Japan; but even this line does not have the capacity to make voyages much further afield. This means that overseas cargoes, except from Japan, must be brought by non-Micronesian ships.

166. This leads to the second question. The Administering Authority has decided (see article 8(1) of the Trusteeship Agreement) to allow into the Territory only Trust Territory-owned or United States-owned vessels. So long as this decision remains it seems that it is not possible to meet the Marshall Islands' request that Japanese ships be permitted direct entry to ports in the Territory. And in that case, going on to the third point, the requests made in Saipan and the Marshalls could only be met by one or both of two methods. Either Trust Territory vessels could make voyages to the United States and other countries, as well as increasing the number of voyages to Japan; this would involve equipping the Pacific Micronesian Line with more or larger and faster ships, and this is, particularly in respect to more frequent voyages to Japan, a course which the Administration might well consider. Or United States vessels could be persuaded to bring their cargoes direct to Trust Territory ports. When the Mission asked whether such direct shipments could be organized, the High Commissioner replied that the Administration had no power to force United States vessels to use Trust Territory ports rather than Guam; the heart of the matter, he said, was that because the tonnage involved were small the shipping companies were not prepared to unload at a Trust Territory port in addition to Guam. Moreover, the High Commissioner said, the cost of stevedoring at Kwajalein was so high that costs might not be reduced by using it as a port of entry; however, this possibility - as well as the possibility of building a warehouse for the Trust Territory at Kwajalein - was being investigated.

167. The Mission considers that the representations made in Saipan and Majuro have much force; any measure which could reduce the cost of living in the Territory should be given most sympathetic consideration. If the Administering Authority maintains its decision to allow only Trust Territory and United States vessels to come to ports in Micronesia it must ensure that the people of the Territory do not suffer from that decision. As to the unwillingness of United States shipping lines to send ships direct to the Territory, the Mission observes that considerable quantities of cargo are in fact now going into and out of the Territory and it

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feels that the Administration should by no means be powerless in negotiating with them. The Mission therefore urges the Administering Authority to reconsider the matter, giving first priority to the interests of the Trust Territory and keeping constantly in mind the need to establish the identity of Micronesia. The Mission also suggests that the new Congress of Micronesia should interest itself in this matter. It trusts that when it does so it will be alive to the danger that Micronesia's own shipping lines might be undermined in so far as outside shipping lines might call at Trust Territory ports not to give a full service but only to skim the cream off the Micronesian trade.

168. In urging the Administering Authority to keep steadily in mind the need to establish the identity of Micronesia, the Mission wishes to refer to another matter raised in Saipan. Arrangements for agencies made by some overseas firms seem to suggest that the Trust Territory is a part of, or an appendage to, Guam. It is, admittedly, the prerogative of these firms to grant agencies, but positive steps should be taken by the Administration on every appropriate occasion to make clear the status of the Trust Territory.

#### Air transport and telecommunications

169. In this chapter the Mission - perhaps ungenerously - has passed over areas where it had no substantial criticism or suggestions to make and has concentrated on those where they would like to see a greater injection of resources or effort. On this criterion air transport and telecommunications hardly qualify for inclusion because a great effort has been made and an even greater one is under way. But the Mission desires the opportunity of specially commending the Administration for the work it has done in these two fields which are vital to welfare and development of a territory as dispersed as Micronesia. The air service is heavily subsidized (about \$450,000 annually, apart from the cost of airport construction), but the benefit it brings to Micronesia is great. The two amphibian aircraft still perforce being used by the Administration can carry few people and only a small amount of cargo. The purchase of a larger land 'plane and the provision of airfields is making it possible to move more people and cargo more frequently around the Territory. Already the improvement of communications is having beneficial effects; indeed the new programmes in education and health could not otherwise have been carried out so expeditiously. Already, too, it has led to

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increased consciousness of Micronesia as a unity. Airfields at Truk and Yap have been added to those at Saipan and Majuro. When Palau and Ponape have airfields the benefits will be vastly greater. The Mission was therefore pleased to see the considerable progress made with the airport for the Palau District (a difficult but imaginative undertaking) and to hear of progress in planning for the airport at Ponape. It hopes that necessary funds will be forthcoming to enable an airport at Ponape to be built without delay. This network of airports will be a great achievement by the Administration, a major asset for the people of the Territory and an invaluable contribution to the promotion of Micronesian unity.

(i) Machinery

170. Though some Public Works Officers show a more commendable initiative in improvising than others, it is impossible to ignore that much of the construction equipment being used in the Territory - usually machines abandoned by or inherited from the Navy - is outmoded and beyond economic repair. Much time and effort is being wasted in making do with inadequate equipment and in waiting for equipment to be repaired. The cost of spare parts, even when they are obtainable, has become wasteful, and even major pieces of equipment are out of action for months while spare parts are being obtained. The accelerated programmes of construction, particularly the programmes of building schools and houses for teachers, have subjected the already inadequate equipment to intolerable strain. The Administration recognizes this problem and the Mission understands that it has a programme of replacing inefficient equipment at an estimated cost of \$2 million over six years. It would, however, make it possible for more effective work to be done in several fields if this programme for the purchase of heavy equipment could be accelerated. Whereas the funding of extra money into some programmes, e.g. school building, is increasing the strain and causing imbalance in other areas of activity, the rapid purchase of efficient equipment would impose no extra strain, but on the contrary would relieve that which now exists.

(j) Public utilities

171. Power plants, water supply, cold storage facilities are badly inadequate throughout almost all of the Territory. Power and water supplies usually do not extend beyond the district centres and even there the supply facilities were seldom



intended to be more than temporary and are inadequate to meet the rising needs or reasonable standards of public health. Many of the generators are surplus equipment inherited from the Armed Services or elsewhere and they are being used beyond their capacity or their economic life. The accelerated programmes of construction are throwing into relief the inadequacy of the existing facilities which have on the whole deteriorated through lack of replacement over the years. The Mission understands that the Administration has a programme for replacing and developing all power facilities (said to involve expenditure of \$6 million over six years), water facilities (\$1.38 million over six years), and cold storage (\$350,000 over six years). It would seem desirable that this programme also should be accelerated. Here again a sudden increase of expenditure would assist rather than disrupt other programmes of development.

(k) Public buildings and town planning

172. The end of the war saw almost every building in Micronesia destroyed. Quonset huts and houses made from salvaged materials set the architectural style of Micronesia, marring the beauty of the Territory. Apart from occasional establishments erected by the religious missions there were until recently few buildings that showed any care in their design, let alone pride in Micronesia or belief in its future. Now at last some more worthy buildings are appearing; the schools, for instance, are good for their purpose, built of permanent materials, and often beautifully sited. The day is not far away, the Mission hopes, when it will be possible to afford new local community buildings, libraries, administrative offices and other public buildings. The need for community centres is particularly great; these could be used as meeting places for municipal councils, for adult education and for the many activities that help to bind people into communities pursuing common aims. The Mission hopes that town plans will be drawn up for the District Centres so that growth takes place not haphazardly and often wastefully as often appears to be happening at present but in a way that ensures that each addition increases the beauty and the amenities of the area and hence the pride of the people who live there. An over-all development plan for the Territory, looking five or more years ahead, is as indispensable for town planning as it is for development in other fields. Finally, the Mission suggests that the houses that are now being built in increasing numbers for teachers and

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officials should be sited with a view to their occupation in due course by Micronesians. It would follow from this that houses should not be grouped in "compounds" but should be placed near schools and in villages; and the new houses could be made the spearpoint of plans for the improvement of power and water supplies to all residents.

(1) Housing

173. In the view of the Mission the time has come - it is already overdue - for a great effort to improve the housing conditions of the people of Micronesia. Such an effort to transform the shanty-town nature of many places in Micronesia is needed if only for better protection against the rigours of periodic typhoons. Even more, the disparity between the new standards of education and health on the one hand and the living conditions of most people on the other is already a matter of concern to some Micronesians and will become so to many. Nor can the aims of the Administration in the fields of education and health be fulfilled so long as houses remain at the level that they now are over most of the Territory: children are hampered in their studies by lack of space and light; sanitation is difficult without a good water supply. It is surely not to be tolerated that a Micronesian doctor doing excellent professional work in a new hospital observing the highest standards of hygiene should have to return at the end of his day's work to a makeshift house without running water or electric light.

As a result of the injection of increased money into the economy by Administration spending, and as a result of a quickening of local economic activity some new, adequate houses are going up. And Administration houses are being occupied by Micronesians who replace Americans in senior positions. But what is needed is a major drive on the housing problem. This, like other construction programmes, would best be done within the framework of an over-all economic plan: a programme to develop low-cost housing could be organized in a way that would generate wide-spread economic activity, underpin struggling local businesses, and develop new enterprises. The situation is not one which can be left to the undirected play of economic forces; the Administration must intervene positively, for there is a lag of years to be overcome and a lack of capital in private hands. All the building contracts of the Administration should be devised with a view to assisting the establishment of a building industry which can join



in the assault on the housing problem. Because of the "crash" nature of the programme of building schools and teachers' houses it was not possible to harness this opportunity as fully as a more deliberate pace of expansion would have made possible. But the next few years will provide many more opportunities and each should be seized. On the more specific question of low-cost housing many approaches are possible and several could be pursued simultaneously. For example, the Administration could have low-cost houses erected for sale outright or for renting and sale by instalments. It could provide help to builders who complied with certain conditions. It could arrange help to people to build their own homes; for instance the Administration could lend machines for making concrete blocks or bricks, and the Public Works Departments could provide basic designs and give some technical advice and supervision. The Administration might arrange bulk import of cement, and organize the manufacture of coral cement locally from the abundant natural supplies which are often available. A scheme of housing loans might be developed. The bold, imaginative, and businesslike approach in the provision of homes for its members and families undertaken by the Metalanim Housing Co-operative is an example worthy of study throughout the Territory. It has demonstrated the possibilities inherent in such projects for the channelling of human energy and resources into a movement of self-help. Whatever the means adopted, the Mission regards the improvement of the houses of the people as one of the prime needs of Micronesia and one that cannot but be accepted as an obligation by the Administering Authority. The Mission earnestly hopes that this challenge, and opportunity, will be faced with imagination.



The need for an economic development plan

174. The Mission is convinced that whereas in some countries development can be left to the free play of economic forces, in Micronesia, where economic development is dependent on outside resources and stimulation, there is an urgent need for detailed and comprehensive forward planning as a corollary of the need for positive intervention to stimulate economic development. The Mission realizes and welcomes the fact that a series of tentative six-year targets and budgets for individual fields of activity (roads, airfields, power, water, cold storage, etc.) have been prepared; but it advocates more than this, namely, the formulation of an over-all economic development plan covering a period of, say, five years. It would not wish this plan to be an unalterable blueprint but a framework subject to necessary adjustments, which would promote a common purpose in Micronesia at the same time as it would throw up the many policy questions which must be faced and decided.

175. The Mission envisages that an Economic Development Office should be set up at Headquarters charged with preparing the plan and ensuring that it is put into effect. The head of this Office would have to be directly responsible to the High Commissioner; and since the execution of the plan would require that every activity of the Administration be co-ordinated, it is to be assumed that he would in effect be the High Commissioner's chief adviser with sufficient authority, either directly or through the High Commissioner, to ensure this co-ordination. The lack of such an office or officer is, in the Mission's opinion, the most noticeable gap in the present administration of the Territory, and a contributing cause to many of the shortcomings to which it has drawn attention in this chapter. The right appointment could greatly lighten the load which at present falls on the High Commissioner. Not many people possess the range of economic and other skills, as well as the imagination and executive drive involved in the position which the Mission considers it necessary to create. But they do exist and other developing countries have sought them out and used them with success. The Administering Authority might well consult the Technical Assistance Board of the United Nations, the Special Fund or the International Bank for Reconstruction and Development, all of which have great experience in this field.

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176. The Mission has also considered a suggestion advanced in the Territory that, in addition to the Economic Development Loan Fund, an Economic Development Fund of very substantial size should be established outside the regular budget. The arguments in favour of such a fund are that money provided for economic development in the regular budget is far too small; that there is no certainty that the United States Congress will provide even this sum from year to year; that this uncertainty causes reluctance to press ahead with any long-term schemes; and that the provision of a large fund would have a tremendous psychological effect in removing anxiety and thus encouraging economic development. The Mission agrees that the funds made available for economic development are at present too low; and to carry out the numerous proposals it has made for accelerated development in agriculture, fisheries, road-building, etc. would involve a significant increase in expenditure. The Mission prefers at present, however, to think of this increase being provided through an addition to the regular budget rather than through the establishment of a separate fund. It does so because its approach is that in a small territory like Micronesia economic development planning and action should take place within the machinery of government and through the co-ordination of existing government departments. It follows from this approach that money for economic development should be distributed among the various economic development activities through the normal - but increased - regular budget. If, however, it is found that uncertainty continues to impede planning and development, the possibility of a special economic development fund should certainly be investigated.

177. Among the reasons which led the Mission to its conclusions on the need for an over-all economic plan are these: First, it is unlikely that there can be any real effort at economic development, let alone a vigorous one, unless all relevant factors are taken into account and co-ordinated. This emerged, for instance, at every point in the section of this report on agriculture. Nor is it likely that the necessary volume of outside or internal resources will be made available until there is an over-all plan. A plan could reveal the extent to which the needs of the Territory can be met from existing sources of aid or whether further avenues of outside help need to be explored. Secondly, there is waste and overlapping in the absence of a plan. For instance, at present some roads are planned primarily from the point of view of arranging the transport of children to consolidated schools; if the over-all objectives were clearer, roads might be planned to serve



other purposes simultaneously and in some cases schools might be sited differently. Similarly, as has been noted, preparation of town plans for the District Centres would become easier. Thirdly, now that the elementary and secondary education systems have been put on a more satisfactory basis, attention must soon centre upon supplementary and tertiary education. What kind of vocational and technical schools will be needed? Should a university be established in the Territory and, if so, what should be its emphasis? Should more scholarships be awarded in one field than in some other? An economic plan setting goals and establishing priorities would be an aid in planning educational facilities.

178. Fourthly, an over-all economic plan will give a guide to the kinds of projects which by fitting within a framework of national objectives are best qualified for support by Government loans and assistance. To have a picture of projected developments for a period of years would be useful both for government or semi-government agencies (e.g. the Economic Development Boards recommended elsewhere in this report) in considering where to place loans and grants as well as for Micronesian individuals, co-operatives or firms contemplating new enterprises. There being so little available private capital in the Territory (though higher spending by the Administration is greatly increasing the money in circulation), it is desirable that it be guided towards projects which have the best chance of succeeding. Every activity promoted by central funds - e.g. school or house-building - should be carried out not only for itself but as part of an over-all plan to stimulate and firmly establish Micronesian enterprises. Moreover, it is high time for the Administration in co-operation with the Congress of Micronesia to work out legislation providing for tariffs, protective duties and other devices to stimulate local production and discourage the import of goods which can be produced locally. For example, the developing wood-working industry at Palau should be encouraged and financially assisted, and the import of furniture, doors and joinery could be progressively discouraged. The local production of soft drinks, and possibly of beer, should be financially encouraged and their import discouraged. Consideration of this type of question by Congress would be facilitated by an over-all development plan.

179. Fifthly, each District would know, as it does not at present, what other Districts are doing; and all could find a further reason for unity in the common