

THE UNITED STATES AND MICRONESIA

By Ambassador Philip W. Manhard

Micronesia is basically an anthropological term applied to the inhabitants of the Mariana, Caroline, and Marshall Islands in the Western Pacific. It is composed of over 2,000 islands, but the total land area of approximately 700 square miles, less than half that of Rhode Island, is scattered over a 3 million-square-mile ocean the size of the continental United States. Its estimated population of about 120,000 is less than that of the Southwest District of Washington, D.C., or Las Vegas, Nevada. The islands are remote from the rest of the world; the island groups are remote from one another; and the Micronesians are a people divided by separate native hierarchies, distinctive traditional subcultures, and nine different languages. Micronesians have never been politically or economically cohesive nor socially integrated. The islands and peoples were grouped together under the term Micronesia primarily for the administrative and economic convenience of the Spanish, the Germans, and the Japanese, who were their colonial occupiers for 400 years.

Under US administration, with headquarters in Saipan, the trust territory was organized into six districts. Originally the territory comprised the Northern Marianas, Palau, Yap, Truk, Ponape and the Marshall Islands (in west to east order); currently, with the addition of Kosrae (formerly part of the Ponape District) and following the administrative separation of the Northern Mariana Islands in preparation for US commonwealth status, there are seven districts.

Micronesian Perceptions

An elderly Micronesian, whose lifetime spans three colonial occupations, once compared the Micronesian reactions toward the foreigners: "The Germans we disliked but respected and we were willing to work for them; the Japanese we feared but respected and we had to work very hard for them; the Americans we like very much, but we don't respect them and have no need to work for them."

John Mangefel, an astute and thoughtful Senator from Yap,

wryly paraphrased the Lord's Prayer before his district legislature:

Our fathers who art in Washington, hallowed be thy funds,
Thy authorization come, thy appropriations be done,
In Yap as they are in the President's budget office.
Give us this day our quarterly allotment,
And forgive us our overruns, as we forgive our deficits.
And lead us not into dependence, but deliver us from
inflation.
So ours will be the territory, and the power, and the au-
thority forever. (1)

Another Micronesian leader conscientiously devoted to the ideal of unity and independence, refers to the United States and Micronesia as "the elephant and the flea." He worries lest American power and money be used to keep Micronesia dependent and divided. Yet another able and US-educated Micronesian faults the Americans, not as to their intentions but as to their methods and largesse which he and many others see as destructive of old social values and as demoralizing to the younger Micronesians. Many experienced and sophisticated political leaders from Palau and the Marshall Islands have turned away from the concept of unity, have denied any political or economic compatibility with the other districts of the territory, and with increasing vehemence have denounced the concept of the term "Micronesia" as being a myth with no political meaning or historical basis. They insist a single Micronesian entity is an unrealistic dream to which the Americans have clung too long — a dream which will dissolve with the end of the US administration. What has given rise to these Micronesian perceptions of themselves and the United States? Why this inner turmoil and this almost love-hate relationship with the Americans?

Woven into the Micronesian views described above are parallel threads of criticism directed at both fellow Micronesians and Americans. Many Micronesians are prone to lay the primary blame for Micronesian problems on the shoulders of the Americans. All things considered, it is the United States which has had the ultimate power and responsibility in Micronesia, and it is the United States which has established the policies and provided the money for practically everything that has happened in Micronesia for over 30 years.

At the same time many thoughtful Micronesians recognize that their compatriots have acquiesced in the changes wrought by the US administration. They realize that more and more Micronesians have either passively accepted, or actively demanded, increased American support resulting in less self-reliance, more dependence, and a rendering of their traditional communal societies and extended family system which in the past cushioned their people from social shock and economic risk. Torn between fundamentally differing cultures, losing allegiance to chieftain hierarchies and communal sharing, yet reluctant to rely on either an American-created administrative system or private enterprise, attracted by independence, but fearful of losing US financial support, Micronesians seem to be suffering from an identity crisis. In this traumatic situation, heightened by the rapidly approaching end of trusteeship, few Micronesians seem to know what they really want in the future. There is a growing feeling among Micronesians that the Americans are also less than certain about what would be the best future for Micronesia.

One thoughtful American observer, David Nevin, dismayed by what he found in Micronesia, described it as "this angry, sullen, frightened paradise." (2) His visit to the trust territory convinced him that "expectations in Micronesia have risen so far beyond the possibility of satisfying them as to destroy hope, and hope destroyed is the root of social misery." (3)

Education for What?

The disincentives to economic development induced by excessive welfare programs and the surfeit of government employees are having a dismaying effect on Micronesian youth. Trained in an American-Style education system oriented to the liberal arts and preparation for white-collar jobs, they are finding precious little opportunity for employment. Lacking practical vocational skills, most young Micronesians cannot qualify for technical trades which are often filled by workers brought in from Korea, Taiwan, the Philippines, or elsewhere. A decade or more ago when the United States began its crash program of universal free education, the trust territory administration was also being rapidly expanded and opened to Micronesians, providing considerable opportunities for young people then graduating from Micronesian high schools and American colleges.

Now those opportunities have almost vanished and the existent positions are mostly filled by earlier graduates who are still young. Further, the expansion of government services and budgets is beginning to level off, adding to the disappointment and frustration of the more recent school graduates.

It seems undeniable that serious shortcomings plague the Micronesian educational system and that these shortcomings affect Micronesian attitudes toward the United States, if only because the schools are American creations in the American image. Nevin considers the educational system the most fundamental source of the "unreality" in Micronesia today, posing the greatest danger of future social frustration and unrest.⁽⁴⁾ Butterfield sums up his view this way:

Perhaps the most telling case of do-goodism gone awry has been the trust territory's education program Faithfully modeled on the US school system . . . the education program has stressed the liberal arts, producing graduates who make good US citizens and government civil servants but little else. ⁽⁵⁾

In a land where at least 50 percent of the population is estimated to be under 16 years of age, where the population growth rate is 3.5 percent and rising, and where among the unemployed youth, alcoholism and suicide are increasing, educational reform and economic opportunity are urgently needed. Serious though this situation is, it should be noted that, in contrast to many students from a number of developing countries, most if not all Micronesian students who have gone to school in the United States up until now, at least, have returned home after completing their studies. This is a significant indication of an enduring loyalty to their communities and of a strong hope that they can find useful roles to play at home.

The Rise of Separatism

Probably the most intractable issue which has complicated the relations between Micronesia and the United States in recent years has been the widening divisions among Micronesians themselves. No single leader has appeared in Micronesia with sufficient charisma or broad support to claim the allegiance of all parts of the territory. Interdistrict and even interisland rivalries and mutual distrust have persisted despite the broadening of a common educational system, despite the spread of English as

a *lingua franca*, despite the creation of a territory-wide legislature, and despite greatly increased contact and communication among the island groups of the territory.

Pragmatic Rivalry

The struggle for power between the leaders of Truk and Ponape, supported by the less ambitious leaders of Yap and Kosrae on one side, and the leadership of Palau and the Marshalls on the other, has been waged for years in the Congress of Micronesia. The operative idea has been that the side which gained control of the Congress would dominate the government of Micronesia either in free association with the United States or as an independent state. The Palauan and Marshallese leaders, apparently convinced that they have lost that contest, clearly prefer to avoid future domination by the central districts by attempting to make separate arrangements directly with the United States. This struggle is not simply a contest involving political pride and prestige — Micronesian leaders also have a great concern for financial considerations.

The Congress of Micronesia, dominated by the more populous but relatively poor and unproductive districts of Truk and Ponape, collects the largest share of domestic taxes from the Marshalls and Palau and dispenses it mainly for support of the Congress itself and the central districts. The annual US appropriations for financial support of the trust territory are negotiated among the Micronesian Congress and the trust territory administration and the US legislature.

This mutually uncompromising internal political impasse has obviously been reinforced by the financial stakes. The basic mismatch between the central districts' preponderance of power in the Congress of Micronesia and the greater capacity and initiative for economic progress in Palau and the Marshalls, has driven this three-way division close to the point of no return. Perhaps the greatest irony in Micronesian political life today is that the Congress itself has been the focal point of the breakdown of Micronesian unity — a legislature which the United States, with the best intentions but not with the wisest foresight, created completely in the American image to promote unity and democracy. Recently discussing the growing problem of separatism, a thoughtful and experienced Ponapean leader ruefully commented:

When the Congress of Micronesia was established more than a decade ago, I thought it was a good idea and would really help to foster unity and democracy in Micronesia. But now looking back on our experience with the benefit of hindsight, I think both we Micronesians and the Americans made a mistake. We should have started from the bottom up instead of from the top down. If we had laid stronger foundations at the district level first, the prospects for long-term unity might have been better served.

While the Micronesians have certainly had their share of trials and tribulations in dealing with each other and the United States, so has the United States in its relations with Micronesia. It is equally important to examine the other side of the same coin.

Economic Development and Social Welfare

The twin problems of economic development and social welfare in Micronesia have vexed the United States as much as any political or military issue. For many years responsible US officials have sought to overcome economic stagnation in the territory, to stimulate Micronesian productivity, and to increase local revenues, in the hope of easing the financial burden on the United States taxpayer and making Micronesia less economically dependent on the United States, as the end of trusteeship approaches. At the same time, the United States has been sensitive to its obligations under the Trusteeship Agreement to promote the economic advancement and the social and educational growth of the inhabitants of the territory.

In its attempts to achieve both purposes — economic development sufficient to at least lessen the financial burden on the United States and social welfare adequate to honor the US obligation to Micronesia — the United States has been caught in a vicious circle. As the United States failed to find ways to stimulate the Micronesian economy, it devoted more and more resources to social welfare and educational programs, which as they spread have created disincentives to economic development and progress toward self-sufficiency. This has been the effect of the massive Federal programs initiated by the Kennedy administration and expanded by succeeding administrations.

Even in inflationary times, the figures for US financial support for Micronesia are remarkable when one considers that,

until recently, its total population has been less than 100,000. According to the best, but not necessarily complete, information available, from 1947 to 1979 the United States had expended over one-and-a-quarter billion dollars in the trust territory. While the total expenditure in the first 15 years of that period amounted to slightly less than \$62 million, the remaining \$1.197 billion has been appropriated in the last 18 years.

From 1963 when they began in earnest, social welfare and education programs have been repeatedly expanded by congressional action to the point where by 1977 the trust territory had become eligible for no less than 482 Federal programs. According to an Interior Department report to the Congress, the territory was participating in 166 such programs. (6) The administration of these programs now involves 14 departments and agencies. In Fiscal Year 1978, these agencies (excepting Interior) provided assistance totaling \$31 million. Additionally, the main Interior Department budget was \$101.6 million. In FY 1979, appropriations for the Interior Department and other Federal agencies for the trust territory are estimated to total over \$138 million.

While the Micronesian economy has continued to stagnate, the massive infusions of US funds into Micronesia for federal assistance programs have apparently created on the part of the responsible agencies a bureaucratic vested interest in the programs' continuation. These programs, originally conceived to support US political objectives as well as territorial economic needs, have now taken on a virtual life of their own, seemingly independent of broader US goals and actual Micronesian requirements.

Stories abound in Micronesia concerning the stream and American visitors from the west coast regional offices of the Departments of Health, Education, and Welfare, Housing and Urban Development, Agriculture, Labor, and still other agencies, who zealously promote their respective programs directly with Micronesian officials and local communities, with or without prior consultation with responsible trust territory officials. (7) With such temptations constantly laid before them by US bureaucrats consciously desirous of raising the standard of living of a relatively poor society, and at least subconsciously interested in enhancing their own positions, it is small wonder that most Micronesians prefer to accept free and usually gra-

tuitous welfare, thus avoiding the work and sacrifice required for real economic progress.

Conclusion

When social welfare programs become so pervasive that they vitiate motivation for economic development, the result hurts both donor and recipient. In the case of Micronesia, the financial burden on the United States becomes onerous and the wastefulness evident in many programs becomes harder to justify, as a "taxpayer's revolt" spreads in the United States; for the Micronesians, unrealistic expectations rise and confidence in their economic capability and future erodes. Systemic dole is demeaning to any people. By removing the need to work and to be useful in any society, the will is sapped and self-respect undermined. When widespread dole is combined with an educational system ill-suited to the needs of a society, and based on a culture foreign to that society, the result is demeaning as well as demoralizing. It is neither fair to the American taxpayer nor genuinely helpful to the Micronesians for the United States to allow social welfare programs to replace or usurp economic development much longer. The time has come for the United States to heed an old Micronesian motto: "Give a man a fish and he will ask for more, teach a man how to fish and he will feed himself."

FOOTNOTES

(1) Fox Butterfield, "The Improbable Welfare State," *New York Times Magazine*, 27 November 1977, p. 56.

(2) David Nevin, *The American Touch in Micronesia* (New York: W. W. Norton & Company, Inc., 1977), p. 28.

(3) Ibid.

(4) Nevin, *The American Touch in Micronesia*, p. 26.

(5) Butterfield, "The Improbable Welfare State," p. 64.

(6) US, Department of the Interior, Office of Territorial Affairs, *Federal Programs Available to the Territories of the United States*, 1 January 1978.

(7) Often these officials seem unaware of, and unconcerned with, overall US policies in Micronesia or the nature of the status negotiations.

BOOK REVIEWS

Edited by G. CARL WIEGAND

The Menace of Inflation: A Symposium

The Devin-Adair Company, Old Greenwich, Conn., 1977, \$8.95

This paperback comprises a collection of sixteen essays delivered at a conference of the Committee for Monetary Research and Education at the Center for Strategic and International Studies of Georgetown University. The contributors range from politicians such as William Proxmire and Philip M. Crane, to known analysts such as Patrick Boorman and John Chamberlain as well as to academic economists such as Yale Brozen, Lowell Harriss, David Meiselman, Hans Sennholz and G. C. Wiegand, who edited the papers for publication.

John Chamberlain sets the tone with the following comment:

“On balance, the American people have liked the inflation of the past thirty years. They have been short-sighted in this, but they are not going to like continuing inflation. Until the recent surfacing of what Murray Rothbard calls the “exhaustion of the reserve fund,” the vocal majority of trades unionists, complaisant employers and all the many beneficiaries of the Employment Act of 1946, have enjoyed consuming the inherited capital of several hard-working centuries.”

“It has all been too easy. I have listened to the controversies between the cost-push school, which pins the blame for inflation on the labor unions, and the demand-pull school which says the government is to blame for increasing the money-supply — more money tokens chasing an existing amount of goods and services. I think the argument between the two schools misses the point that history is a seamless web. Cost-push and demand-pull go together, like pork-and-beans or horse-and-buggy.”

“The economic consequences of price inflation have generally been bland. Who cares what prices are when wages keep pace with them? And who can really tell whether we have had cost-push or demand-pull? We’ve obviously had a blend of the two.”

“But things happen in time, and they happen in an international world. Short-term planning may not be consistent with long-term needs, such as the need to replenish an exhausted reserve fund of savings. And happenings outside of one’s national boundaries may make it difficult to live up to the