

THE WHITE HOUSE
WASHINGTON

May 25, 1993

MEMORANDUM TO CAROL RASCO, DOMESTIC POLICY ADVISOR
HOWARD PASTER, LEGISLATIVE AFFAIRS DIRECTOR

FROM: BILL BURTON
OFFICE OF THE CHIEF OF STAFF

SUBJECT: Presidential vote for U.S. Insular areas

Mack McLarty visited at the Interior Department recently and while there, was queried about the Administration's position on Chairman de Lugo's bill to grant persons in the insular territories the right to vote in presidential elections.

Assistant Secretary for Territorial and International Affairs Leslie Turner asked the question; we asked her for a followup memo with her comments and suggestions.

Attached find the referenced memo.

Honsia-

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Wed. a.m.



United States Department of the Interior



OFFICE OF THE SECRETARY
Washington, D.C. 20240

MEMORANDUM

May 24, 1993

To: Bill Burton, Office of the Chief of Staff
The White House
From: Leslie Turner, Assistant Secretary
Territorial and International Affairs
Subject: Presidential Vote for the U.S. Insular Areas

Chairman Ron de Lugo of the Natural Resources Subcommittee on Insular and International Affairs has introduced the attached resolution to grant the U.S. citizens of the non-State insular areas the right to vote in Presidential elections. Interior supports extension of this right, and urges the President to endorse the proposal. However, we recommend modifications.

BACKGROUND: Because the Constitution limits voting in Presidential elections to residents of States, U.S. citizens in the insular areas may not vote in such elections. This limitation also applied to the District of Columbia until the 23rd Amendment granted D.C. residents the Presidential vote. The U.S. insular areas include the Commonwealth of Puerto Rico, the U.S. Virgin Islands, the Commonwealth of the Northern Mariana Islands, the Territory of Guam, and the Territory of American Samoa. There are three million residents in Puerto Rico and about 300,000 in the other islands. About a million and a half are of voting age. OTIA handles Federal policy for the islands, except Puerto Rico, whose relations with the U.S. are coordinated by the White House. Secretary Babbitt told insular leaders that the Administration supports a more inclusive approach to Federal relations with the islands, including greater participation in the Federal decision-making processes. Extending this voting right directly addresses this commitment by affording the insular areas increased involvement in the national election system. It also extends a right long-denied them because of residence.

CLARIFICATIONS: The 35,000 people of American Samoa are U.S. nationals and would continue to be excluded by the amendment, which would grant only U.S. citizens the vote. Since U.S. nationals owe permanent allegiance to the United States, can become citizens through application, and serve in the Armed Forces, we believe they should have the right to vote for President. De Lugo's amendment also may raise legal questions regarding whether extension of the vote constitutes an act of incorporating the insular areas into the United States. This would mean the full Constitution applies. The tax uniformity clause, therefore, would require insular area residents to pay Federal income tax. Incorporation should be handled in status talks. We recommend that the amendment or report language clarify there is no intent to have the effect of incorporation.

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What does the
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Electoral
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THE ALMANAC OF AMERICAN POLITICS 1992

**The Senators, the Representatives
and the Governors:
Their Records and Election Results,
Their States and Districts**

Michael Barone and Grant Ujifusa

**National
Journal**

Washington, D.C.

Key Votes

1. Eastern Strike Board	—	5. Rape/Incest Abort \$	FOR	9. Cut SDI Funds	AGN
2. Override Wage Veto	AGN	6. Flag Amendment	FOR	10. Freeze Salvador Aid	AGN
3. Bal Budget Amend	FOR	7. 1990 Civil Rights Act	AGN	11. Urge Test Ban Talks	AGN
4. Tax Rich/Incrs Med	AGN	8. Cap Pun/Race Discrm	AGN	12. Suspend Angola Aid	AGN

Election Results

1990 general	Craig Thomas (R).....	87,078	(55%)	(\$437,772)
	Pete Maxfield (D).....	70,977	(45%)	(\$239,116)
1990 primary	Craig Thomas (R), unopposed			
1989 special	Craig Thomas (R).....	74,384	(53%)	(\$527,148)
	John Vinich (D)	60,845	(43%)	(\$514,629)
	Craig McCune (I).....	5,825	(4%)	
1988 general	Richard B. (Dick) Cheney (R)	118,350	(67%)	(\$161,591)
	Bryan Sharratt (D).....	56,527	(32%)	

PUERTO RICO, VIRGIN ISLANDS, GUAM, AMERICAN SAMOA

Four American insular territories are represented in Congress by elected delegates who, like the District of Columbia's representative, have floor privileges and votes on committees but may not vote on the floor of the House. They are Puerto Rico, the Virgin Islands, Guam and American Samoa.

PUERTO RICO

The largest of the United States' territories by far is Puerto Rico, a Caribbean island with about 3.6 million people—about the same population as South Carolina or Arizona (though perhaps an additional two million Puerto Ricans are on the mainland). Puerto Rico was one of Spain's last colonial possessions; the United States gained it in the Spanish-American War of 1898. Fifty years ago it was "the poorhouse of the Caribbean," heavily populated, devoted almost entirely to sugar cultivation. Then in the 1940s, 1950s and early 1960s, Puerto Rico was transformed by Governor Luis Munoz Marin and his Popular Democratic Party. Munoz initiated "Operation Bootstrap" to lure businesses to Puerto Rico with promises of low-wage labor and government assistance. Munoz also developed the commonwealth form of government—in Spanish, Estado Libre Asociado (ELA): Free Associated State—which became effective in 1952. Under commonwealth, Puerto Rico is part of the United States for purposes of international trade, foreign policy and war, but has its own separate laws, taxes and representative government, and is not subject to federal income taxes. Puerto Rico has also developed its own political parties: Munoz's Popular Democrats, the New Progressives who favor statehood, and two Independence parties. Munoz could have been reelected governor for life, but retired in 1964. His death in 1980 was an occasion for an islandwide outpouring of emotion for this man almost universally recognized as the father of his country.

In his first month in office, President George Bush reopened what has been for 50 years the

central issue of Puerto Rican politics: status. Bush, like many Republicans, has long supported statehood, but in a speech to Congress he called for a plebiscite on the issue, which has been the subject of two referenda in the past. In both of those, commonwealth prevailed, with statehood, which would deprive Puerto Rico of its tax exemptions and threaten the recognition of Spanish as the official language, a decided second choice. Independence, which some outsiders suppose Puerto Ricans long for, was the choice of fewer than 10% of the voters; nor were there any large number of independence-minded abstentions. Voter turnout is much higher even in the poorest parts of Puerto Rico than in the richest neighborhoods of the U. S. mainland.

Since Bush's speech, Congress and Puerto Rico have been struggling to address the status question—with no great success. The issue in Congress, over which the Puerto Rican parties naturally tussled, was what would be the terms of a referendum. Senate Energy Committee Chairman Bennett Johnston—Energy, the descendant of the old Interior Committee, has jurisdiction over Puerto Rico—worked hard to pass a bill that would spell out exactly what each of three alternatives—statehood, commonwealth, independence—would mean and that would be self-executing: if Puerto Rico voted for statehood, it would become a state. His Senate bill dismayed Governor Rafael Hernandez Colon and his Popular Democrats, who felt it promised more federal aid and lower federal taxes for statehood and not enough autonomy for the “enhanced commonwealth” they favored, and they helped to get it defeated in the House, where the PPD's Jaime Fuster is Puerto Rico's Resident Commissioner. Fuster's referendum bill does not spell out the consequences of each option and is not self-executing. The result was no bill at all in 1990. In March 1991, Johnston's committee killed his measure though he still supported a referendum. Key votes were cast by Republicans: James McClure of Idaho, who had been ranking Republican and had worked closely with Johnston, retired in 1990 and his replacement Malcolm Wallop did not share his willingness to commit to Puerto Rican statehood. Wallop felt Puerto Rico should have a referendum independent of the U.S. Congress. The Republicans were especially put off that Hernandez Colon's PPD Senate had just affirmed Spanish as the language of Puerto Rico: the specter of a Spanish-speaking, heavily Democratic new state with enough people for five or six congressional districts did not appeal to the Republicans, despite Bush's promises. Their action essentially defers the issue until after Puerto Rico's 1992 elections.

How those will turn out no one can say. Polls since 1988 have swung back and forth, depending on the terms of possible status referenda. Hernandez Colon, elected in 1972, beaten by the PNP's Carlos Romero Barcelo in 1976 and 1980, then reelected in 1984 and 1988, seemed to be in a good position, despite problems of crime, drugs, and AIDS, Puerto Rico's economy has grown in the late 1980s and jobs increased. Even so, more than one-third of jobs are in government and many manufacturing jobs, notably in pharmaceuticals, depend on Section 936 of the Internal Revenue Code which shelters profits from federal taxes. Hernandez Colon argued that without 936 these jobs would disappear and Puerto Rico's economy would collapse; his great achievement was preserving 936 in the tax reform law of 1986, despite reformers' desire to delete it. He did this by tying it to the Reagan Administration's Caribbean Basin Initiative and using 936-generated bank deposits to fund Grenada, Dominica and other friendly Caribbean countries. The PNP argued that settling on statehood would generate so much confidence in Puerto Rico that its private economy would boom, an argument the island's more affluent and urban voters evidently buy, since they usually vote PNP. Romero seems unlikely to run again in 1992 and pediatrician Pedro Rossello, who replaced Romero Barcelo as PNP president in June 1991, will most likely be his party's nominee. Hernandez Colon remains undecided as does Fuster. The leading PPD candidate seems to be Victoria Munoz, daughter of Don Luis.

In the House, Jaime Fuster is the only member of Congress with a four-year term. Elected in his early 40s, he already had a distinguished career as a lawyer and educator and is part of that class of Puerto Rican leaders familiar with politics and government. He sits in Congress as a

Democrat, and has a seat on Interior and Insular Affairs, as representatives of the territories typically do; he also sits on the Foreign Affairs and Education and Labor Committees. Naturally he spends most of his time on Puerto Rico issues: he is proud of having raised or eliminated the federal ceilings on medicaid and AFDC, of getting non-earmarked money for highways and airports and of getting some \$550 million for federal water projects. In straight ticket Puerto Rico, Fuster has won by narrow margins: in 1984 when Hernandez Colon won 48%–45%, Fuster won 49%–46%; in 1988, Hernandez Colon won 49%–46% and Fuster 49%–47%. He has not ruled out running for Governor in 1992.

Puerto Rico does not vote for President in November, but it does choose delegates to the parties' national conventions. It elects only a few Republicans, but its Democratic delegation is larger than that of 25 states and is invariably made up of backers of a single person, it casts a bigger margin for its candidate than all but a few of the larger states. The Democratic delegates for 1988 were chosen in a contest with a huge turnout in which Hernandez Colon's Popular Democrats beat Romero Barcelo's New Progressives and swept all the seats; Hernandez Colon controlled the whole delegation and committed it to Michael Dukakis in April. This antagonized Jesse Jackson, who had won a much lower turnout in the meaningless "beauty contest" primary with a small plurality; Hernandez Colon eventually agreed to release a half dozen votes to Jackson.

Rep. Jaime B. Fuster (D)



Elected 1984; b. Jan. 12, 1941, Guayana; home, San Juan; U. of Notre Dame, B.A. 1962, U. of PR, J.D. 1965, Columbia U., LL.M. 1966; Roman Catholic; married (Mary Jo).

Career: Prof., U. of PR Law Sch., 1966–73, Dean 1974–78; Practicing atty., 1978–80; Dpty. Asst. Atty. Gen., U.S. Dept. of Justice, 1980–81; Pres., Catholic U. of PR, 1981–84.

Offices: 427 CHOB 20515, 202-225-2615. Also P.O. Box 4751, Old San Juan Station, San Juan 00902, 809-723-6333.

Committees: *Education and Labor* (25th of 26 D): Elementary, Secondary and Vocational Education. *Foreign Affairs* (15th of 28 D): Africa; Western Hemisphere Affairs. *Interior and Insular Affairs* (16th of 29 D): National Parks and Public Lands; Insular and International Affairs.

VIRGIN ISLANDS

The United States' other insular area in the Caribbean is the Virgin Islands, a very different sort of place. It is much smaller than Puerto Rico, with a population under 100,000, although it is made up of three separate islands: St. Thomas, St. John and St. Croix. Puerto Rico is multiracial and not self-conscious about it; most Virgin Islanders are black, and there is a pretty clear divide between the races, much resented by the blacks. While Puerto Rico has attracted all kinds of light industry, the Virgin Islands has lived off tourism and refineries, industries that have produced higher income levels for its few citizens but have not provided the basis for a mature economy. For years, the governor of the Virgin Islands was appointed by the President; more recently, contests have had some nasty racial overtones and produced Governor Alexander Farrelly, who cooperated with the questionable project under which District of Columbia officials went down to the Islands for months supposedly to assist in job reclassifications. The

Virgin Islands' Democratic primary voters went 85% for Jesse Jackson.

The delegate from the Virgin Islands is Ron de Lugo, who is a Democrat. Like Ronald Reagan, he got his start in radio, inventing a character called Mango Jones on the first Virgin Island radio station in 1950; in 1952, he revived the Virgin Islands' carnival. First elected to Congress in 1968, he lost a race for governor in 1978, then came back to Washington in 1980: he is now the senior member from the territories. He serves on the Interior and Insular Affairs Committee, Post Office and Civil Service, and Public Works and Transportation; importantly, he chairs the Interior Subcommittee on Insular and International Affairs. In that capacity, he must work on other insular matters, like Puerto Rico's status referendum, the Palau Compact of Free Association, and Guam's commonwealth proposal. The Virgin Islands suffered severe damage from Hurricane Hugo in September, 1989, and much of de Lugo's time has been spent steering Federal dollars there. He has also strongly opposed duty-free status for Mexican rum, explaining that the cheaper Mexican product would threaten the estimated \$30 million in federal rebates for the Virgin Islands rum industry each year.

Rep. Ron de Lugo (D)



Elected 1980; b. Aug. 2, 1930, Englewood, NJ; home, Christiansted; Col. San Jose, PR; Roman Catholic; married (Sheila).

Career: Army, 1948-50; Radio broadcaster, 1950-56; VI Senate, 1956-66; VI Rep., Washington, DC, 1968-73; U.S. House of Reps., 1972-79; Dem. Candidate for Gov., 1978.

Offices: 2238 RHOB 20515, 202-225-1790. Also Sunny Isle Box 5998, Christiansted, St. Croix, VI 00823, 809-778-5900.

Committees: *Education and Labor* (24th of 26 D): Human Resources. *Interior and Insular Affairs* (9th of 29 D): National Parks and Public Lands; Insular and International Affairs (Chmn.). *Public Works and Transportation* (8th of 36 D): Aviation; Surface Transportation. *Select Committee on Narcotics Abuse and Control* (18th of 21 D).

GUAM

It takes some 19 hours to fly from Washington, D.C., to Guam, the place where, as viewers of political conventions for years have been informed, America's day begins. Guam lies just west of the International Date Line, and it is indeed the early hours of Tuesday there when the rest of us are just trying to get through Monday afternoon. Geographically in the center of the Marianas, Guam is judicially separate; it is an integral part of the United States, while the Marianas and other nearby islands were for years United Nations territories administered by the United States and became a Commonwealth in 1976. With a population of about 140,000, Guam is a more advanced society than the Marianas, but economically it is not yet self-supporting. Many of the workers are employed by the Guamanian or federal government (there are big defense bases here). The people are of mixed ethnic stock (Spanish and Pacific Islander), their religion is almost always Catholic, and they speak English, Spanish and a local language called Chamorro.

In Congress, Guam's major cause is a commonwealth bill introduced by Delegate Ben Blaz. It would not only grant commonwealth status, but would allow Guam's government to control immigration (preventing the Chamorros from becoming a minority), exempt Guam from federal taxes, trade laws and regulations, and give Guam the right of approval over treaties that affect it.

Guam's voters have twice approved the Guam Commonwealth Act, and there is speculation that commonwealth status could be granted by the end of 1991; there is, of course, a bureaucratic maze to go through first.

Blaz is the product of Guam's two-party politics which is vibrant to the point of turbulence. The party labels seem to matter less than personal reputations and alliances in a community that is small enough for almost everyone to know almost everyone else's business. The 1986 gubernatorial election saw Democratic incumbent Ricardo Bordallo indicted just before the election, defeated by Republican Joseph Ada, convicted in February 1987 of bribery and extortion; Bordallo killed himself in a busy intersection in January 1990. Guam attracted attention in 1990 when it passed a strong anti-abortion law allowing abortions only in life-threatening cases upon approval of two independent doctors. In February 1990, Ada informed Defense Secretary Cheney that even if all 50 states wanted to keep their military bases, Guam wanted its Naval Air Station closed and returned to Guam. Blaz is a Republican, a former Marine Corps general who in 1984 upset veteran Democrat Antonio Borja Won Pat by 354 votes. Blaz has seats on Armed Services, Foreign Affairs and, of course, Interior.

Rep. Ben Blaz (R)



Elected 1984; b. Feb. 14, 1928, Ordot; home, Ordot; U. of Notre Dame, B.S. 1951, George Washington U., M.A. 1963, Naval War Col., 1971; Roman Catholic; married (Ann).

Career: Marine Corps, 1951-80; Prof., U. of Guam, 1983-84.

Offices: 1130 LHOB 20515, 202-225-1188. Also 176 Sereno Ave., Tamuning, GU 96911, 671-646-6800.

Committees: *Armed Services* (10th of 21 R): Procurement and Military Nuclear Systems; Seapower and Strategic and Critical Materials; Research and Development; Military Installations and Facilities. *Foreign Affairs* (14th of 18 R): Asian and Pacific Affairs; International Economic Policy and Trade; Africa. *Interior and Insular Affairs* (6th of 17 R): Water, Power and Offshore Energy Resources; Insular and International Affairs; Energy and the Environment; General Oversight and California Desert Lands. *Select Committee on Aging* (11th of 28 R): Housing and Consumer Interests; Human Services.

AMERICAN SAMOA

In the 1980s, for the first time, American Samoa had representation in Congress. That has not been an entirely happy experience for this Southern Pacific island which, unlike Guam, has been little influenced by western settlers and remains almost as Polynesian as it was when the United States took possession in 1900. Three-term Delegate Fofu I.F. Sunia pleaded guilty in August 1988 to \$130,000 in payroll fraud, resigned from Congress in September, and his administrative assistant was sent to jail. Elected to succeed him in the November 22, 1988, runoff was lieutenant governor Eni F. H. Faleomavaega, a Democrat, who beat former lieutenant governor Tufele Li'a. Faleomavaega serves on the Merchant Marine, Foreign Affairs and Interior Committees. He advanced one of the truly bad ideas of the 101st Congress, a proposal that American Indians be given four non-voting delegates in the House.

American Samoa staged a Democratic presidential primary in 1988, and it was gravely

reported that Michael Dukakis beat Richard Gephardt by a 39%-22% margin. The significance of this result must be discounted, however, by the fact that exactly 36 votes were cast in the contest. None of the candidates campaigned in person.

Rep. Eni F. H. Faleomavaega (D)



Elected 1988; b. Aug. 15, 1943, Vailoatai; home, Pago Pago; Brigham Young U., B.A. 1972, U. of CA, LL.M. 1973; Mormon; married (Hinanui).

Career: Army, 1966-69; A.A. to U.S. Rep. from AS., 1973-75; Counsel, U.S. House Cmtee. on Interior and Insular Aff., 1975-81; AS Dpty. Atty. Gen., 1981-84; Lt. Gov. of AS, 1984-89.

Offices: 413 CHOB 20515, 202-225-8577. Also P.O. Drawer X, Pago Pago, AS 96799, 684-633-1372.

Committees: *Foreign Affairs* (21st of 28 D): Arms Control, International Security and Science; Asian and Pacific Affairs; International Operations. *Interior and Insular Affairs* (22d of 29 D): Insular and International Affairs; General Oversight and California Desert Lands. *Merchant Marine and Fisheries* (29th of 29 D): Fisheries and Wildlife Conservation and the Environment. *Select Committee on Hunger* (14th of 20 D).

Congressional Quarterly's

POLITICS

IN

AMERICA

1992

THE 102nd CONGRESS

*By CQ's Political Staff
Phil Duncan, Editor*

CQ
PRESS

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1414 22nd Street N.W., Washington D.C. 20037

Non-Voting Representatives in the House

They are not exactly members of the House, but they are a part of the legislative process. They make speeches, serve on committees and hold chairmanships, and one of them — Ben Blaz of Guam — was president of the freshman Republican class of 1984. The only thing they are not allowed to do is vote on the House floor.

They are the five people sent to Capitol Hill from American Samoa, the District of Columbia, Guam, Puerto Rico and the Virgin Islands. Four are known officially as "delegates." Puerto Rico sends a "resident commissioner," who, unlike the others, serves a term of four years instead of two.

These positions have existed in some form or other since 1794, when the House received James White as the non-voting delegate from

the Territory South of the Ohio River, later to become the state of Tennessee. But most of the current delegates are products of the 1970s.

Because the House Interior Committee has jurisdiction over U.S. territorial affairs, the representatives from Puerto Rico, American Samoa, Guam and the Virgin Islands all serve there.

Ron de Lugo of the Virgin Islands chairs the Insular and International Affairs Subcommittee of Interior. The only newcomer in the 102nd Congress is Eleanor Holmes Norton of the District of Columbia. She replaces Walter E. Fauntroy, who left his seat for an unsuccessful try for the mayoralty of the District of Columbia.

Following are the capsule profiles of those who serve in the House on a non-voting basis.

Ben Blaz (R)

Of Guam — Elected 1984

Born: Feb. 14, 1928, Agana, Guam.

Education: U. of Notre Dame, B.S. 1951; George Washington U., M.A. 1963; attended Naval War College, 1971.

Military Service: Marine Corps, 1951-80.

Occupation: Retired brigadier general.

Family: Wife, Ann Evers; two children.

Religion: Roman Catholic.

Political Career: No previous office.

Capitol Office: 1130 Longworth Bldg. 20515; 225-1188.



Ron de Lugo (D)

Of the Virgin Islands — Elected 1972

Did not serve 1979-81.

Born: Aug. 2, 1930, Englewood, N.J.

Education: Attended Colegio San Jose.

Military Service: Army, 1948-50.

Occupation: Broadcast journalist.

Family: Wife, Sheila Paiewonsky; two children, two stepchildren.

Religion: Roman Catholic.

Political Career: V.I. Senate, 1956-66; Democratic National Committee member, 1959-61; St. Croix administrator, 1961; Washington representative for the Virgin Islands, 1969-73; candidate for governor, 1978.

Capitol Office: 2238 Rayburn Bldg. 20515; 225-1790.



Eni F.H. Faleomavaega (D)

Of American Samoa — Elected 1988

Born: Aug. 15, 1943, Vailoatai, American Samoa.

Education: Brigham Young U., B.A. 1966; U. of Houston, J.D. 1972; U. of California, Berkeley, LL.M. 1973.

Military Service: Army, 1966-69; Army Reserve, 1983-present.

Occupation: Lawyer.

Family: Wife, Hinanui Bambridge Cave; five children.

Religion: Mormon.

Political Career: Lieutenant governor, 1985-89; Democratic candidate for U.S. House delegate, 1984.

Capitol Office: 413 Cannon Bldg. 20515; 225-8577.



Jaime B. Fuster (Pop. Dem.)

Of Puerto Rico — Elected 1984

Resident Commissioner

Born: Jan. 12, 1941, Guayama, Puerto Rico.

Education: U. of Notre Dame, B.A. 1962; U. of Puerto Rico, J.D. 1965; Columbia U., LL.M. 1966; attended Harvard U., 1974.

Occupation: Law professor; university administrator; lawyer.

Family: Wife, Mary Jo Zalduondo; two children.

Religion: Roman Catholic.

Political Career: U.S. deputy assistant attorney general, 1980-81.

Capitol Office: 427 Cannon Bldg. 20515; 225-2615.



Eleanor Holmes Norton (D)

Of Washington — Elected 1990

Born: June 13, 1937, Washington, D.C.

Education: Antioch College, B.A. 1960; Yale U., M.A. 1963, LL.B. 1964.

Occupation: Professor of law; lawyer.

Family: Separated; two children.

Religion: Episcopalian.

Political Career: No previous office.

Capitol Office: 1631 Longworth Bldg. 20515; 225-8050.



Man hat behauptet, die Welt werde durch Zahlen regiert:
das aber weiss ich, dass die Zahlen uns belehren, ob sie gut
oder schlecht regiert werde. GOETHE

Editors

Frederick Martin	1864-1883
Sir John Scott-Keltie	1883-1926
Mortimer Epstein	1911/27-1946
S. H. Steinberg	1946-1969
John Paxton	1963/69-1990
Brian Hunter	1990-

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THE STATESMAN'S YEAR-BOOK

STATISTICAL AND HISTORICAL ANNUAL
OF THE STATES OF THE WORLD
FOR THE YEAR

1992-1993

EDITED BY
BRIAN HUNTER

ST. MARTIN'S PRESS
NEW YORK

26/11/92

REPUBLIC OF BELAU (PALAU)

HISTORY. Spain acquired sovereignty over the Palau Islands in 1886, but sold the archipelago to Germany in 1899. Japan occupied the islands in 1914, and in 1921 they were mandated to Japan by the League of Nations. Captured by Allied Forces in 1944, the islands became part of the UN Trust Territory of the Pacific Islands created on 18 July 1947 and administered by the USA. Following a referendum in July 1978 in which Palauans voted against joining the new Federated States of Micronesia, the islands became an autonomous republic from 1 Jan. 1981, but acquisition of a free-association status with the USA was delayed by disputes over US intentions to base nuclear weapons on the islands. The first President, Haruo Remeliik, was assassinated on 28 Aug. 1985, and his successor, Lazarus Salii, committed suicide on 20 Aug. 1988.

AREA AND POPULATION. The archipelago lies in the Western Pacific and has a land area of 488 sq. km (188 sq. miles). It comprises 26 islands and over 300 islets, the largest being Babelthup (368 sq. km) with 3,400 inhabitants in 1980, but most inhabitants (9,442 in 1986) live on the small island of Koror (8 sq. km) to the south, containing the present headquarters (a new capital is being built in eastern Babelthup). The local language is Palauan; both Palauan and English are official. The total population (1986 Census) was 13,873; estimate (1989) 14,208.

CONSTITUTION AND GOVERNMENT. The Constitution was adopted on 2 April 1979 and took effect from 1 Jan. 1981. The Republic has a bicameral legislature comprising a 16-member Senate (one from each of the Republic's 16 component states) and an 18-member House of Delegates, both elected for a term of 4 years as are the President and Vice-President; latest elections were in Nov. 1988.

President: Ngiratkel Etpison (elected 2 Nov. 1988).

Vice-President: Kuniwo Nakamura.

BANKING. The National Development Bank of Palau is situated in Koror.

FISHERIES. Catch (1988) 1,400 tonnes.

COMMERCE. Imports (1984) US\$25.1m.

COMMUNICATIONS

Roads. In 1986 there were 26 km of roads and 1,687 motor vehicles.

Shipping. In 1985, 56,000 tonnes of cargo were discharged and 2,000 tonnes were loaded.

Telecommunications. In 1988 there were 1,500 telephones. In 1989 there was a television station with 1,600 receivers, and a radio station with 9,000 receivers.

JUSTICE, RELIGION, EDUCATION AND WELFARE

Justice. There is a Supreme Court and various subsidiary courts.

Religion. The majority of the population are Roman Catholic.

Education. In 1987 there were 2,784 pupils in 26 primary schools, 1,009 pupils in 6 secondary schools and 382 students (1984) in a technical school.

Health. In 1986 there were 10 doctors, 3 dentists, 1 pharmacist, 82 nursing personnel and a hospital with 70 beds.

THE NORTHERN MARIANAS

HISTORY. In 1989 Spain ceded Guam (largest and southernmost of the Marianas Islands) to the US and sold the rest to Germany. Occupied by Japan in 1914, the

islands were administered by Japan under a League of Nations mandate until occupied by US forces in August 1944. In 1947 they became part of the US-administered Trust Territory of the Pacific Islands. On 17 June 1975 the electorate adopted a covenant to establish a Commonwealth in association with the US; this was approved by the US government in April 1976 and came into force on 1 Jan. 1978. In Nov. 1986 the islanders were granted US citizenship. The UN terminated the Trusteeship status on 22 Dec. 1990.

AREA AND POPULATION. The Northern Marianas form a single chain of 16 mountainous islands extending north of Guam for about 560 km, with a combined land area of 477 sq. km (184 sq. miles) and a population (1980 Census) of 16,780; estimate (1990) 23,300.

The areas and populations of the islands are as follows:

Island(s)	Sq. km	1980 Census	1988 Estimate
Northern Group ¹	171	104	133
Saipan	122	14,585	19,156
Tinian (with Aguijan)	101 ²	899	949
Rota	83	1,274	1,539

¹ Pagan, Agrihan, Alamagan and 9 uninhabited islands. ² Including uninhabited Aguijan.

In 1980, 55% spoke Chamorro, 11% Woleaian and 13% Filipino languages, but English remains the official language. The largest town is Chalan Kanoa on Saipan. In 1987 births numbered 958 and deaths 115.

CONSTITUTION AND GOVERNMENT. The Constitution was approved by a referendum on 6 March 1977 and came into force on 9 Jan. 1978. The legislature comprises a 9-member Senate, with 3 Senators elected from each of the main 3 islands for a term of 4 years, and a 15-member House of Representatives, elected for a term of 2 years. The Commonwealth is administered by a Governor and Lieut.-Governor, elected for 4 years.

Governor: Lorenzo Guerrero.

Lieut.-Governor: Benjamin Manglona.

Flag: Blue, with a five-pointed white star superimposed on a grey latte stone in the centre.

AGRICULTURE. In 1976 there were 7,196 cattle, chiefly on Tinian.

COMMERCE. In 1988 imports totalled US\$242m.; exports in 1985 were US\$12.3m.

TOURISM. In 1984 there were 104,156 visitors.

COMMUNICATIONS

Roads. There are about 300 km of roads (54 km paved).

Civil Aviation. Air Micronesia provides inter-island services.

Telecommunications. In 1989 there were 10,500 radio and 4,100 television receivers, 3 radio stations and a 15-channel cable TV station in Saipan. Telephones (1987), 4,900.

RELIGION, EDUCATION AND WELFARE

Religion. The population is predominantly Roman Catholic.

Education. In 1989 there were 18 primary schools with 4,882 pupils and 9 secondary schools with 2,075 pupils. The tertiary college on Saipan had 1,097 students.

Health. In 1986 there were 23 doctors, 4 dentists, 103 nursing personnel, 2 pharmacists and 2 midwives. In 1988 there was 1 hospital with 70 beds.

LEVEL 2 - 140 OF 275 STORIES

The Associated Press

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March 28, 1992, Saturday, AM cycle

SECTION: Political News

LENGTH: 165 words

HEADLINE: Clinton Wins Lone Virgin Islands Delegate, Uncommitted Gets Two

DATELINE: CHRISTIANSTED, St. Croix

KEYWORD: Virgin Islands Caucus

BODY:

Democratic front-runner Bill Clinton picked up the commitment of one more national convention delegate Saturday and two went to uncommitted at the U.S. Virgin Islands' party caucus.

Caucus coordinator St. Claire Williams said 42 percent of the participants favored Clinton, earning him one of the three Virgin Islands delegates at stake in the caucus. He said uncommitted got 58 percent.

Former California Gov. Jerry Brown received no votes, Williams said.

A little more than 300 party members participated in the caucus.

Besides the three delegates at stake in the caucus, the Virgin Islands party leadership also has a single delegate vote as does Virgin Islands congressional Delegate Ron de Lugo. They are uncommitted.

Although the Virgin Islands, a U.S. territory, is represented at the party convention, its residents are not eligible to vote in presidential elections. There are more than 19,000 registered Democrats in the islands, and between 2,000 and 3,000 Republicans.

LEVEL 2 - 138 OF 275 STORIES

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Roll Call

April 2, 1992

LENGTH: 534 words

HEADLINE: Gilman, Alexander Legislation Creates a New Non-Voting Delegate for Americans Overseas

BYLINE: By Karen Foerstel

BODY:

Two Congressmen want to give US citizens living abroad their own delegate in the House.

Reps. Bill Alexander (D-Ark) and Ben Gilman (R-NY) introduced legislation March 15 to establish the post of non-voting Delegate, to be chosen by Americans living outside the United States who, under the Uniformed and Overseas Citizens Absentee Voting Act, currently have the right to vote for Members of Congress in their home states by absentee ballot.

Gilman said there are about three million Americans currently living abroad, most of whom are provided little or no representation by their elected Congressional officials back in the United States.

"Most of us (Members) only have a few constituents living abroad," Gilman said this week. "They feel they've been disenfranchised."

Gilman said the new delegate would represent all overseas citizens, whether they work for the government or not.

He added that the citizens would have the option of voting either for their home-district Representative or for the delegate.

Under the bill, candidates eligible for the new delegate office must be 25 years or older, cannot be a candidate for any other office, must be a US citizen for at least seven years prior to being elected as delegate, and must have resided outside of the United States for at least six months before the date of election.

Alexander's and Gilman's bill also calls for a three-member commission, appointed by the president, to set the exact procedures and regulations for the election, including determining special elections to fill vacancies and setting the order of names on the election ballot.

The delegate would receive the same salary and benefits afforded other Members of the House, and, according to the bill, "be entitled to whatever privileges and immunities that are, or hereafter may be, granted to the Delegate from Guam."

There are currently five non-voting delegates in the House - from Guam, the Virgin Islands, American Samoa, Puerto Rico, and the District of Columbia. The Puerto Rican delegate is called resident commissioner.

Roll Call, April 2, 1992

The delegates may vote in their capacity as committee members but may not vote on the floor.

Currently, the Democratic party (but not the Republican) allows overseas Americans to elect delegates to the quadrennial national convention.

The Democrats Abroad caucus took place March 7 to 9 and chose 14 delegates to the Democratic National Convention which convenes in New York City July 13 to 16.

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Copyright 1992 Chicago Tribune Company
Chicago Tribune

December 20, 1992, Sunday, FINAL EDITION

SECTION: PERSPECTIVE; Pg. 3; ZONE: C

LENGTH: 857 words

HEADLINE: A cry for inclusion from the territories

BYLINE: David Broder, (copyright) 1992, Washington Post Writers Group.

DATELINE: WASHINGTON

BODY:

Early next month when Congress reconvenes, if all goes according to plan, the Democrats who control the House of Representatives will vote themselves five extra votes on the floor of the House. They will do that by amending the rules to allow the delegates from the District of Columbia, American Samoa, Guam and the Virgin Islands and the resident commissioner from Puerto Rico, all of whom happen to be Democrats, to vote for the first time when the House is sitting as "the committee of the whole."

Most of the time the House is in session it is sitting as "the committee of the whole." Custom and convenience dictate that's where virtually all debate and amending of legislation take place. So this proposal would give the five delegates parity with the 435 members elected from the states on all but the final votes on each piece of legislation.

Naturally, the Republicans are screaming foul and claiming that the Democrats are attempting a power play that would, at a stroke, wipe out half the 10-seat gain the GOP scored in last month's House elections. They are making enough of a racket that Speaker of the House Thomas S. Foley (D-Wash.) is showing some nervousness about attempting to ram the plan through on opening day. "The issue will be revisited," his spokesman, Jeffrey Biggs, told me when I asked about Foley's reaction to a letter of protest he had received from Minority Leader Robert H. Michel (R-Ill.).

For those of us on the sidelines, without a partisan horse to ride, the issue is intriguing both substantively and politically. It sheds light on a largely unexamined corner of the Constitution and reveals much about the tensions on Capitol Hill awaiting President-elect Clinton and his administration.

The move to get floor votes for the delegates began with Eleanor Holmes Norton, the highly capable lawyer who represents the District of Columbia in Congress. For many years, the District's and the territories' delegates have been allowed to vote in House committees, where legislation is shaped before being sent to the floor. In a legal memo last September, Norton argued that law and equity supported extending the same privilege to "the committee of the whole," i.e., the House floor. She argued that was especially true for the District, whose citizens, she noted, now "are subject to every obligation of citizenship - most notably federal taxation - but remain barred from sending voting representatives to Congress."

Chicago Tribune, December 20, 1992

Foley and the other House Democratic leaders agreed to Norton's plea for the District and decided that the four territories should be given the same status. The decision was ratified early this month in the House Democratic caucus - a move that brought the Republicans up in protest.

Norton told me in an interview the other day that "Republicans are making it a political issue when there is no legal or constitutional issue." But it is not quite that simple. Her brief supports the case for floor voting by delegates, but several authorities are unpersuaded.

A Congressional Research Service memo last November found that such a rules change might controvert an 1817 statute providing territorial delegates with "the right of debating but not of voting." As to the Constitution, the same memo said that "although delegates have had the authority to participate in the legislative process for years, no court appears to have addressed the question as to the constitutional implications of these practices."

When House parliamentarian William Holmes Brown was asked for his opinion last October, he said, "The proposal has been discussed before and several basic arguments against giving delegates this authority remain persuasive to me."

Somewhat to Foley's embarrassment, the research on legal precedents turned up this comment from him during the 1970 debate on letting Puerto Rico's resident commissioner vote in House committees: "Now it is very clear, as the resident commissioner has said, that a constitutional amendment would be required to give the resident commissioner a vote in the committee of the whole or the full House."

Asked about that comment this week, Foley's spokesman Biggs said simply: "He's changed his mind."

Republicans make other arguments. The one-man-one-vote principle is basic to the apportionment of House seats, they note. But while the average member of the House represents 519,235 people, American Samoa's delegate has only 32,395 constituents, Virgin Islands' 95,214, and Guam's 105,816. Residents of those territories and Puerto Rico pay taxes into territorial treasuries, but not to the U.S. Treasury.

With Clinton hoping for a smooth start next month and even some bipartisan support for his key economic measures, Foley is not eager for a knockdown fight with the Republicans about this issue. He knows some of his own moderate and conservative Democrats have qualms about the move. But he is under pressure from Norton and other liberals not to back down.

The search is on for a compromise, but as with much bigger issues that will come along after Clinton's inaugural, the speaker is walking a tightrope.

TERMS: CONGRESS; LEGISLATION; INCREASE; GROUP; ISSUE

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Copyright 1993 The New York Times Company
The New York Times

January 5, 1993, Tuesday, Late Edition - Final

SECTION: Section A; Page 14; Column 4; Editorial Desk

LENGTH: 360 words

HEADLINE: What House Votes for Delegates Mean

BODY:

To the Editor:

"House Democrats have just awarded themselves five more votes, " you state in "Have the House Democrats No Shame?" (editorial, Dec. 29). The Democratic Caucus has recommended that the delegates from the District of Columbia, Puerto Rico, Guam, the Virgin Islands and American Samoa be given a vote in the House Committee of the Whole. This committee is advisory; its decisions are not binding and become law only when voted by the formal, constitutionally prescribed House, where the delegates will not be able to vote.

The request for the vote came from the delegates last summer, and the legal and constitutional issues have been extensively researched.

The caucus committee sought a legal opinion from the Congressional Research Service's American Law Division. The opinion concluded that since Congress has always functioned in the Committee of the Whole "as if it were not the full House for purposes of a quorum and since Congress has previously allowed delegates to vote in committees, allowing a delegate to vote in the Committee of the Whole is apparently consistent with present Congressional interpretation of its constitutional authority."

Delegates have long voted in standing committees, introduced legislation and debated on the House floor. There is no constitutional bar to their voting in the largest committee of all -- the Committee of the Whole.

The objections to delegate voting, mostly and predictably from Republicans, are entirely political. Their complaint about the varying sizes of populations of the five territories on a one-person one-vote basis applies as well in committees, where delegates have long voted, and is even less compelling in the much larger Committee of the Whole. The votes of five delegates will hardly dilute votes in a large body of 440, the size the Committee of the Whole will become.

Moreover, the proposed delegate voting rights will carry a proviso that the vote can be retaken in such instances (historically they have been few) where votes are exceptionally close or decisive.

DAVID BONIOR
Majority Whip
U.S. House of Representatives
Washington, Dec. 31, 1992

The New York Times, January 5, 1993

TYPE: Letter

SUBJECT: LAW AND LEGISLATION; COLONIES AND TERRITORIES; UNITED STATES POLITICS
AND GOVERNMENT

ORGANIZATION: DEMOCRATIC PARTY; CONGRESS (US); HOUSE OF REPRESENTATIVES (US);
REPUBLICAN PARTY

NAME: BONIOR, DAVID (REPR)

GEOGRAPHIC: UNITED STATES; WASHINGTON (DC)

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Copyright 1993 News World Communications, Inc.
The Washington Times

January 13, 1993, Wednesday, Final Edition

SECTION: Part G; COMMENTARY; Pg. G1

LENGTH: 1687 words

HEADLINE: Setting a risky precedent on votes

BYLINE: Bruce Fein

BODY:

On Jan. 5, the House of Representatives adopted a rule that established a frightening constitutional precedent.

Voting along party lines, the House empowered delegates from the District, Guam, the Virgin Islands, American Samoa, and the resident commissioner from Puerto Rico to cast votes in the Committee of the Whole, subject to a new vote without their participation if their votes are determinative of the outcome.

The constitutional theories advanced by the Democrats to sustain their partisan power grab are daggers to the rule of law; they could be wielded in times of strife to exclude blacks, women, Hispanic-Americans, Asian-Americans, or members of a particular political party from participation in the critical preliminary legislative steps to House floor votes. To borrow from Supreme Court Justice Robert Jackson in *Korematsu vs. U.S.* (1944), the principle enshrined by the rule will lie "about like a loaded weapon ready for the hand of any authority that can bring forward a plausible claim of an urgent need."

Article I, Section 1 of the Constitution entrusts all federal "legislative" power to the Senate and House of Representatives. Article I, section 2 confines membership in the House to persons chosen biannually "by the People of the several states" from equally populous districts, as the Supreme Court declared in *Westberry vs. Sanders* (1964). In other words, the legislative powers of the House may be exercised only by persons elected by voters in the various states and representing equal numbers of citizens. Persons representing territories of the United States, the District of Columbia, the president of the United States, foreign governments, the Vatican, or otherwise do not satisfy that constitutional requirement.

Under House Rules, the Committee of the Whole manifestly exercises legislative power. For example, if it declines to report an amendment to the House, that decision cannot be overruled by the House.

Rule proponents, nevertheless, insist on its constitutionality because the four delegates and resident commissioner have exercised similar legislative power under House rules for years: they vote in standing committees, introduce legislation, debate on the House floor, and make committee reports. But these powers have never been blessed in court; they are as constitutionally suspect as their new power to vote in the Committee of the Whole.

The Washington Times, January 13, 1993

The Supreme Court has repeatedly denied that constitutional transgressions by Congress are immunized from challenge by long repetition. Thus, the court held legislative vetoes unconstitutional in *INS vs. Chadha* (1983) despite their routine enactment by Congress for a half-century. Similarly, the court denied Congress the power to levy a federal income tax in *Pollock vs. Farmers' Loan & Trust Co.* (1895) although an income tax had been levied without successful constitutional challenge during the Civil War. In sum, long congressional usage or custom is no proof of a rule's constitutionality.

Defenders of the new House rule also argue that since the introduction of bills and votes in standing committees and the Committee of the Whole are only preliminary to final legislative action on the House floor (and can theoretically be reversed), those powers can be exercised by nonmembers. But that argument exalts form over substance, and founders on experience.

Committee decisions to reject or approve bills or amendments are seldom reversed on the House floor because of customary deference to committee interest or expertise or procedural barriers. Indeed, that explains the heady enthusiasm exhibited by the four delegates and resident commissioner for committee voting rights.

If the law believes their committee votes are advisory only without pivotal influence over House legislation, then "the law is a ass, a idiot," to quote Mr. Bumble's advocacy in *Oliver Twist*. The Supreme Court, moreover, would reject such sophistry reminiscent of white, racist and Democratic Party politics in the South for too many years.

In *Terry vs. Adams* (1953), white Democrats in Texas sought to evade the constitutional prohibition against racial discrimination in setting voter qualifications. They formed a private club consisting of all white voters in 1889 - the Texas Jaybird Association - with no recognized status under state law. The club's purpose was to reach a consensus on Democratic candidates for primary and general elections. Although technically the club's candidate endorsement was only advisory, in practice it was decisive.

Writing for the court, Justice Hugo Black explained: "The only election that has counted in this Texas county for more than 50 years has been that held by the Jaybirds, from which Negroes were excluded. The Democratic primary and the general election have become no more than the perfunctory ratifiers of the choice that has already been made in Jaybird elections from which Negroes have been excluded. . . . The effect of the whole procedure, Jaybird primary plus Democratic primary plus general election, is to do precisely that which the Fifteenth Amendment forbids - strip Negroes of every vestige of influence in selecting the officials who control the local county matters that intimately touch the daily lives of citizens."

In sum, to characterize standing committee and Committee of the Whole votes as "advisory" is to close one's eyes to what everyone else can see - namely, that they are ordinarily crucial in the House of Representatives to the fate of legislation, and thus must be constitutionally confined to members elected from the several states.

In debating the new Committee of the Whole rule, House Democrats repeatedly confessed their attempt to elevate the status of delegates and the resident commissioner to approach that of members. Thus, Democratic Reps. Bill

The Washington Times, January 13, 1993

Richardson of New Mexico, Louise Slaughter and Jose Serrano of New York, Steny Hoyer of Maryland, E. "Kika" de la Garza of Texas and David Bonior of Michigan, and Resident Commissioner Carlos Romero-Barcelo of Puerto Rico defended the rule on the ground that all U.S. citizens should be equally represented in the House if they fight in wars and pay federal or local taxes. Mr. De La Garza elaborated: "My interpretation is if you are born enfranchised a U.S. citizen by birth or by acquisition, that gives you full equality with every other American and we should not be talking about numbers." Mr. Hoyer declared: "[T]he substance of this proposal says . . . that nonState territories ought to be represented in this body." Mr. Bonior elided the constitutional issue by appeal to a "higher" law of morality: "Are we to say to [the] survivors [of dead Vietnam Veterans from the territories and the District of Columbia] that those soldiers were good enough to fight and to die for their country but not good enough to be represented here? Are we to say to those survivors and their families, 'We appreciate your sacrifice, but we can note it only on a monument, not in the Committee of the House of Representatives?' "

Mr. Bonior's appeal to a higher law is not novel. It echoes Sen. William Seward's identical appeal to "a higher law than the Constitution" to prohibit slavery in the territories, an argument that bolstered the advocates of secession, notwithstanding the Constitution. A nationwide ban on slavery was achieved by the 13th Amendment, following proper constitutional processes. Similarly, the Constitution provides in Article IV, section 3 for the admission of new states and representation in the House through congressional legislation but not through House rules that escape Senate concurrence and political presidential vetoes. (A constitutional amendment is probably required for D.C. statehood because of its unique constitutional status).

To recapitulate: Delegate and resident commissioner House voting privileges play dangerously fast and loose with constitutional principles and judicial precedents. If expansion of committee voting rights beyond members is permissible because committee votes are advisory and subject to reversal on the House floor, then contraction of committee voting rights to exclude some members would seem equally defensible. Thus, a House rule might deny members committee voting rights based on their race, ethnicity, religion, gender, political party affiliation, ideological viewpoint or pestiferousness. The denials could be defended on the theory that committee votes are simply advisory, are bereft of meaningful legislative consequence, and are thus noninjurious to the political clout of members who are disenfranchised in committees but not on the House floor.

Last week, House Republicans filed suit challenging the constitutionality of delegate and resident commissioner voting rights in the Committee of the Whole in the U.S. District Court for the District of Columbia (Michel vs. Anderson). The likelihood of success is great. Judges are more heedful than partisan legislators of Sir Thomas More's wisdom: "The law Roper, the law. I know what's legal, not what's right. And I'll stick to what's legal. . . . I'm not God. The currents and eddies of right and wrong, which you find such plain-sailing, I can't navigate, I'm no voyager. But in the thickets of the law, oh there I'm a forester. . . . What would you do? Cut a great road through the law to get after the Devil? . . . And when the last law was down, and the Devil turned round on you - where would you hide, Roper, the laws all being flat? . . . This country's planted thick with laws from coast to coast - man's laws, not God's - and if you cut them down . . . d'you really think you could stand upright in the winds that would blow then? . . . Yes, I'd give the Devil benefit of law, for

The Washington Times, January 13, 1993

my own safety's sake."

Bruce Fein is a lawyer and free-lance writer specializing in legal issues.

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The Associated Press

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March 9, 1993, Tuesday, PM cycle

SECTION: Washington Dateline

LENGTH: 315 words

HEADLINE: Judge Declines to Block Voting by Territorial Delegates to House

DATELINE: WASHINGTON

KEYWORD: Delegate Voting

BODY:

Delegates from the territories and the District of Columbia may vote on the floor of the House of Representatives as long as their votes do not affect the outcome of legislation, a federal judge says.

U.S. District Judge Harold H. Greene held in his decision Monday that because any roll call in which the five delegates' votes are decisive will be retaken without them, they "cannot ... affect the ultimate result."

Allowing them to vote "undoubtedly gave the delegates greater stature and prestige in Congress and in their home districts" even though "the votes ... are meaningless," Greene said.

When Congress convened in January, Democratic leaders originally sought to give the delegates from Puerto Rico, Guam, the U.S. Virgin Islands, American Samoa and the District of Columbia - all Democrats - an unfettered vote in the Committee of Whole, the parliamentary mechanism under which the House debates and amends major pieces of legislation short of final passage.

When conservatives in their own party balked, Democratic leaders altered the rule to make any roll call decided by less than five votes a straw vote to be followed automatically by a second roll call in which the delegates cannot vote.

Republicans, nonetheless, sued in Greene's court, accusing Democrats of attempting to increase their majority by five votes by letting delegates from "non-states" vote in violation of the Constitution.

Greene agreed that without the second vote in close calls, the change "would have plainly been unconstitutional."

David Aufhauser, a lawyer who represented House Republicans in the suit, said the judge's ruling was nothing more than a Pyrrhic victory for Democrats.

"As far as we're concerned, we won," Aufhauser said. "The opinion adopted virtually every argument that we made and puts the reins on the Democratic majority from investing the delegates with more."

LEVEL 2 - 1 OF 275 STORIES

Copyright 1993 The Dallas Morning News
THE DALLAS MORNING NEWS

May 23, 1993, Sunday, HOME FINAL EDITION

SECTION: VIEWPOINTS; George Will; Pg. 5J

LENGTH: 809 words

HEADLINE: Guess what has become nation's biggest special interest?

BYLINE: George Will

BODY:

An administration, defining itself by thousands of actions, is like a pointillist painting: One must stand back to see the pattern.

The Clinton administration's emerging self-portrait is not a pretty picture, but it is becoming a clear one. It is a picture of an aggressive and comprehensive power grab.

Under the "motor voter" law, states are required to allow people to register to vote while applying for a driver's license or at welfare agencies. People who will get registered only at such places are apt to be disposed to vote for a giving government -- for Democrats. An election official in California, where a ninth of the nation's electorate lives and which has a fifth of the electoral votes needed to win the White House, expects "motor voter" to increase the state's registration by 15 percent -- 3 million people.

Big government itself has become the nation's biggest special interest; public employees unions provide virtually all the growth of organized labor; government workers are one of the Democratic Party's two mainstay constituencies (the other being African-Americans). So Congress is liberalizing the Hatch Act, which since 1939 has restricted political activities by federal employees. Congress passed that act to end the Roosevelt administration's coercion of federal workers into partisan activities. Making political activity permissible may make it semiobligatory. And the person who audits your tax return will be able, after work, to solicit a political contribution from you.

Mr. Clinton's campaign "reform" plan would enhance the already substantial activities of incumbents, most of whom are Democrats. It would use coercive "incentives" to compel candidates to accept public financing coupled with "voluntary" limits on campaign spending.

Spending limits generally hurt challengers because only by spending on media exposure can they compensate for such incumbents' advantages as name recognition, access to media, franked mail and the political use of the government's \$ 1.5 trillion-a-year budget.

"Soft money" is the term for donations currently given to parties and other groups to get around limits on giving to candidates. Mr. Clinton's plan only limits soft money given to parties, a traditional Republican advantage. It does not limit, or even require the reporting of, soft money given to labor unions, faithful servants of the Democratic Party.

THE DALLAS MORNING NEWS, May 23, 1993

In November, Republicans gained five seats in the House. House Democrats promptly gave the five delegates (all Democrats) from Guam, American Samoa, the U.S. Virgin Islands, Puerto Rico and the District of Columbia the right to vote on the floor when the House is functioning as a "committee of the whole," the mode it is in when most significant decisions are taken.

This year in the House, more than ever before, members of the minority party, and Democrats dissenting from liberal orthodoxy, are being prevented from offering amendments to major bills. They are prevented by the Democrat-controlled Rules Committee, which adopts "restrictive" or even "closed" rules rather than "open" rules for particular bills heading for the floor.

By making lobbyists Ron Brown and Mickey Kantor commerce secretary and trade representative respectively, Mr. Clinton put policy in the hands of two people with -- to put it politely -- no principled objection to government parceling out presents to special interests.

Protectionism and "industrial policy" can transform entire sectors of the economy, and even particular firms, into wards of the state. The automobile, airline and aerospace industries already are pleading for the status of dependents, and others will follow them.

The administration's perversion of the idea of enterprise zones is a form of industrial policy. Enterprise zones were proposed in the 1970s as an alternative to such Washington-driven debacles as "model cities" and "urban renewal." Such zones were to invigorate inner-city areas where tax breaks for job-creating investments would unleash entrepreneurial energies. But under Mr. Clinton's plan, Washington would micromanage local zones, requiring local officials to satisfy a federal "enterprise board" about a "coordinated economic, human, community and physical development plan." This would enable Washington to dictate even more political favors.

Ronald Reagan assembled his majority from people who believed government was, on balance, becoming an impediment. Mr. Clinton is in a four-year dash to cobble together a majority composed of groups eager to be, or reconciled to being, wards of government. This is the core of Clintonism. It is an ideology demanding a vast expansion of government power so that those doing the expanding may never have to relinquish that power.

George Will's column is distributed by the Washington Post Writers Group.



OTIA FLASH FAX



An update by the Office of Territorial and International Affairs on issues,
events, and activities affecting the U.S. insular areas.

June 10, 1994

SECRETARY BABBITT TO VISIT GUAM AND CNMI

On July 4 and 5, Secretary of the Interior Bruce Babbitt, accompanied by Assistant Secretary Leslie Turner, will make an official visit to Guam and the Commonwealth of the Northern Mariana Islands (CNMI) to confer with island leaders on federal territorial relations. During their visit they will also participate in ceremonies marking the 50th anniversary of the liberation of those islands by U.S. forces during World War II. **OTIA contact: Danny Aranza at (202) 208-4822.**

FY'95 BUDGET MARK-UP AND FY'96 BUDGET FORMULATION

The House Appropriations Subcommittee on Interior and Related Agencies scheduled a June 9-10 mark-up on the Fiscal Year 1995 budget bill. Full committee mark-up is set for June 17 and floor action is likely to occur shortly thereafter. The mark-up will make decisions on changes to the President's request for \$65.2 million in discretionary funding for OTIA's insular programs. Several hundred million in mandatory funds for the islands, also managed by OTIA, are not affected by the mark-up. OTIA has begun preliminary work on the Fiscal Year 1996 budget. Insular area governments have been asked to provide recommendations on their needs and priorities by June 17. **OTIA contact: Dave Heggstad at (202) 208-6971.**

SPECIAL INSULAR FUNDING IN SAFE DRINKING WATER ACT

The Senate recently passed an amended Safe Drinking Water Act that retains Administration recommendations for special grant funding for insular area projects. Funding of potable water projects under the bill, S. 2019, is accomplished through a State Revolving Fund, in which funds loaned to water utilities must be repaid to the fund. The Administration recommended the insular areas be exempted from this process because the island utilities are owned by their local governments. Under the Senate version, an insular areas' share of the State Revolving Fund would be provided as grants. House floor action is not yet scheduled. **OTIA contact: Frank Quimby at (202) 208-4754.**

CLEAN WATER ACT SPECIAL FUNDING

The Administration also recommended retention of a special insular area funding provision in the Water Quality Act of 1994, H.R. 3948,

also known as the Clean Water Act, which deals with waste water projects. The water resources Subcommittee of the House Committee on Public Works and Transportation held hearings on that measure last week and full committee action is expected before the August recess. Senate floor action on a companion measure is tentatively scheduled for June 14. **OTIA contact: Frank Quimby at (202) 208-4754.**

EDUCATION GRANTS FOR ISLAND STUDENTS

OTIA has awarded a technical assistance grant of \$1,025,000 to the Close Up Foundation for its civic education programs in the U.S. affiliated Pacific islands. These programs provide study tours in the United States for students and educators from Guam, the Commonwealth of the Northern Mariana Islands, American Samoa, the Federated States of Micronesia, the Republic of the Marshall Islands, and the Republic of Palau. Last year's funding allowed 168 students and 65 teachers to attend week-long sessions in Washington, D.C., Philadelphia, and New York. **OTIA contact: Darla Knoblock at (202) 208-4707.**

GATT WILL NOT AFFECT TUNA TARIFFS

Recently concluded international trade negotiations should not adversely affect American Samoa's tuna processing industry. According to Commerce Deputy Assistant Administrator for Fisheries, Nancy Foster, the Uruguay Round of the General Agreement on Tariffs and Trade (GATT) has not changed the status of U.S. tariffs on tuna. Though several Asian nations sought to have tariffs on tuna lowered or eliminated under GATT, the European Community resisted the move and the United States, in turn, refused to make any adjustments. For further information contact, Jerry Norris at the Pacific Basin Development Council (808) 533-6336 or **OTIA's contact: Richard Miller at (202) 208-3556.**

PALAU SALARY ACT TAKES EFFECT

After extensive review by Assistant Secretary Leslie Turner, Palau Public Law 4-21, The National Government Salary and Wage Act of 1994, was signed into law. The measure provides for a pay raise for Palau career-service government workers. The Palau government provided a detailed Funds Availability Analysis to ensure that sufficient revenues were in hand to provide the salary increases. The act took effect with other provisions on June 9, 1994. Under Secretarial Order 3142, while Palau is a trusteeship, national government legislation and state budget laws must be reviewed by

the OTIA Assistant Secretary to ensure that trusteeship obligations are being met. **OTIA contact: Joe McDermott at (202) 208-6816.**

STREAMLINING INSULAR AUDITS

OTIA has won approval for a proposal to streamline the federal review process for the audits of insular government financial conditions. The new policy would simplify the resolution process by which the Interior Department's Inspector General (IG) reviews annual audits by independent auditors. The audits are required by the Single Audit Act of 1984. Among other improvements, the streamlining would allow the IG's regional Audit Manager to meet with appropriate insular government officials to discuss findings and recommendations. **OTIA contact: Rosie Babel at (202) 208-6971.**

GUAM ECONOMIC CONFERENCE

Guam Delegate Robert Underwood will host a June 15 Economic Conference for Guam businessmen and women in Washington, D.C. The one-day session will bring together Guam entrepreneurs and federal officials to discuss a spectrum of current issues affecting Guam's economic development including: trade, telecommunications, transportation, immigration, labor, tourism, and fishery policies. Guam Legislature Speaker Joe T. San Augustin will head a delegation of Guam government and business leaders at the conference. For more information contact Delegate Underwood's office directly at (202) 225-1188 or **OTIA contact: Danny Aranza at (202) 208-4822.**

GUAM COMMONWEALTH MEETINGS

A Guam Commonwealth interagency group concluded its first round of meetings June 7. The federal group had been meeting for the past two months to examine departmental and agency views on a number of outstanding issues in the Guam Commonwealth Bill, H.R. 1521. The group is chaired by the Department of the Interior's Associate Solicitor for General Law, Wilma Lewis. She has been working with Special Representative Michael Heyman to develop the Administration's views of the legislation. **OTIA contact: Danny Aranza at (202) 208-4822.**

STAYMAN PRESENTS PALAU REPORT TO UN

The 1993 annual report on the Trust Territory of the Pacific (Palau) was officially presented by OTIA Deputy Assistant Secretary Allen Stayman at the United Nations last week. The document, covering fiscal year 1993, is the forty-sixth annual report by the United States to the United Nations. Compiled by the Government of Palau, the report details social, economic, and political developments in the islands. Copies can be obtained from **OTIA contact: Joseph McDermott at (202) 208-6816.**

STATE OF THE ISLANDS REPORT

The Department of the Interior's Third Annual State of the Islands report was transmitted to Congress this week. The 129 page report, mandated by Congress, describes the Department of the Interior's current role and responsibility. The report also details current economic, social, and political developments in the islands. Updated Capital Improvement Program and Technical Assistance project lists and tables of current economic data and indices are appended to the report. **OTIA contact: Richard Miller at (202) 208-3556.**

UPDATE ON INSULAR STATUS BILL

A week before the scheduled May 24th hearing on H.R. 3715, Congressman Don Young introduced a substitute bill - H.R. 4442. Much of the testimony on that measure was devoted to Puerto Rico status issues. Assistant Secretary Turner, in written testimony, endorsed the idea of establishing a future political status process that will be clearly understood by insular and federal leaders. However, she recommended that the views of the insular leaders should be fully acknowledged and considered before action is to be taken on H.R. 4442. **OTIA contact: Stephen Sander at (202) 208-4754.**

HEADS-UP

OTIA Deputy Assistant Secretary Allen Stayman will be traveling to Saipan for ceremonies commemorating the 50th Anniversary of the invasion of Saipan on June 15, and to Palau for the annual conference of the Pacific Islands Training Initiative on June 20-22.

The Commerce-Interior initiative to review Exclusive Economic Zone fishery policies has scheduled a meeting with insular representatives under the auspices of the Western Pacific Regional Fisheries Management Council on July 28-29 in Hawaii. **OTIA contact: Frank Quimby at (202) 208-4754.**

OTIA'S LARRY MORGAN TO RETIRE

OTIA Director of Legislative and Public Affairs Larry Morgan is scheduled to retire from federal service June 30, 1994. He has been head of the Legislative and Public Affairs division since 1983, when he joined the Department of the Interior. His responsibilities also included liaison work with the Bikinians and other Marshall Island groups affected by U.S. nuclear tests in the islands.

Before coming to Interior, Mr. Morgan worked in the House and Senate for three members of Congress, serving as Chief-of-Staff for two and Press Secretary for the third. He is an Air Force veteran.

Mr. Morgan's dedication and service to OTIA and the Department is greatly appreciated. He will be missed by all. **GOOD LUCK LARRY!!!**



OTIA FLASH FAX



An update by the Office of Territorial and International Affairs on issues,
events, and activities affecting the U.S. insular areas.

May 24, 1994

U.S. ADOPTS BARBADOS ACTION PLAN

The U.S. Government has agreed to an internationally-crafted Program of Action for Sustainable Development of Small Island Developing States. Adopted at an April U.N. conference in Barbados, the blueprint sets out cooperative strategies and recommendations for fourteen sectoral areas, including fisheries, tourism, and agriculture. Representatives from American Samoa, the Republic of Palau, and Hawaii attended the conference as members of the U.S. delegation. Guam and the U.S. Virgin Islands were invited to attend as members of the U.S. delegation but chose to attend as observers.

Insular representatives also met privately with Tim Wirth, Under Secretary for Global Affairs at the Department of State, and expressed an interest in working with U.S. officials in implementing the Program of Action as well as in serving as models for some of the sectoral plans and cooperative arrangements. Copies of the Program of Action can be obtained from OTIA Contact: Nancy Fanning, Director, Territorial Liaison, 208-6816.

HEARING SCHEDULED FOR H.R. 4442

The House Subcommittee on Insular and International Affairs will hold a May 24 hearing on H.R. 4442, Rep. Don Young's revised bill to establish a status negotiation process for insular areas. The measure aims to provide "a process whereby citizens of the United States insular areas can achieve a full measure of self-government through political integration into the United States or through another arrangement with the United States."

OTIA Assistant Secretary Leslie Turner submitted written testimony on the measure, commending Rep. Young for addressing a critical issue in Federal relations with the insular areas. The need to establish a status negotiation process through Congressional legislation is long overdue, Turner said. However, Turner recommended that greater consultations with insular area leaders would be needed to address the issue. OTIA Contact: Larry Morgan, Director, Legislative and Public Affairs, 208-3003.

HEARING SET FOR JUNE 16

A bill that would affect insular areas is scheduled to be heard June 16 by the House Insular and International Affairs Subcommittee. Rep. Elton Gallegly's proposal, H.R. 3797, would transfer budget

and grant monitoring authorities and functions for the U.S. insular areas and freely associated states from the Interior Department to the Commerce and State Departments.

Interior Secretary Bruce Babbitt, responded with, "OTIA, as an agency exclusively dedicated to insular concerns, serves as an important conduit within the Executive branch for focusing attention and resources on island issues."

Secretary Babbitt also pointed out that the insular areas cannot vote for President and do not have representation in the Senate nor full voting representation in the House, any change in the federal/territorial relationship must ensure that the territories' concerns are properly voiced within the Federal government. OTIA Contact: Larry Morgan, Director, Legislative and Public Affairs, 208-3003.

INS ISSUE IN CNMI RESOLVED

A disputed interpretation of a section of the CNMI Covenant dealing with citizenship has been resolved. The U.S. Immigration and Naturalization Service's Honolulu regional office had issued a decision to stop granting U.S. residency or citizenship to immediate relatives of CNMI residents who became U.S. citizens when the covenant took effect, November 4, 1986.

That decision was based on an interpretation of Section 506(c) which held that only those aliens certified by the CNMI as "immediate relatives" of U.S. citizens as of November 4, 1986, qualified for status as lawful permanent residents of the United States and naturalization in the CNMI.

After reevaluating that decision, the INS on April 14 reversed that interpretation. The INS now interprets 506(c) to relate "to any immediate relative of a U.S. citizen residing in the CNMI regardless of whether such a person was present in the CNMI on November 4, 1986." CNMI Washington Resident Representative Juan Babauta credited Interior Assistant Secretary Leslie Turner as the catalyst who helped resolve the problem. OTIA Contact: Debbie Subera, CNMI Desk Officer, 208-6816.

U.N. TRUSTEESHIP COUNCIL MEETING

The prospects for implementing Palau's Compact of Free Association and ending the world's last trusteeship will be major

topics of discussion at the annual United Nations Trusteeship Council meeting May 24 and 25.

Palau's delegation is expected to be headed by President Kuniwo Nakamura. The U.S. team will be led by Ambassador Rick Inderfurth and include OTIA's Deputy Assistant Secretary Allen Stayman and State's Pacific Islands Director Lynne Lambert.

The U. S. will present its annual report on the administration of the Trust Territory, and Palauan and U.S. representatives will outline the steps that have been taken toward the Compact's entry into force since Palau's voters approved the agreement last November.

Among major requirements that must be completed are resolution of legal challenges to the Compact, Palau's completion of a National Development Plan, and sending an implementation agreement to the Congress, which has 30 legislative days to review the document. **OTIA Contact: Joseph McDermott, Freely Associated States Desk Officer, 208-6816.**

SECOND ANNUAL NATIONAL CONFERENCE ON INSULAR AREAS

"Looking to the Future": Relations Between the United States and American Samoa, Guam, the Northern Marianas, Puerto Rico, and the United States Virgin Islands." That is the theme of the Second Annual National Insular Conference, May 24-27, at the Sheraton Washington Hotel. The conference is sponsored by several insular area universities, colleges and the Office of Territorial and International Affairs, in cooperation with a consortium of Washington metropolitan universities.

Insular leaders expected to attend include: Governors Joseph F. Ada, of Guam, and Alexander A. Farrelly, of the U.S. Virgin Islands; Lt. Governors Jesus C. Borja of the Northern Marianas, and Tauese P. Sunia of American Samoa; and Baltasar Corrada del Rio, Secretary of State of the Commonwealth of Puerto Rico.

U.S. Congressional leaders participating in the conference include House Natural Resources Chairman George Miller, Senate Energy Subcommittee Chairman Daniel Akaka, House Insular and International Affairs Subcommittee Chairman Ron de Lugo, Guam Delegate Robert Underwood, and Resident Commissioner of Puerto Rico Carlos Romero Barcelo. Resident Representative of the Northern Marianas, Juan N. Babauta, and many other insular leaders will also participate.

Assistant Secretary Leslie Turner will deliver a luncheon speech on May 25 concerning OTIA's evolving role in the insular areas. Michael Heyman, Counselor to the Secretary of the Interior, will discuss on May 26 recent developments in Guam's Commonwealth proposal. Later that day, Deputy Assistant Secretary Allen Stayman will discuss Federal Governmental Structure and the Insular Areas on May 26. **OTIA Contact: Nancy Fanning, Director, Territorial Liaison, 208-6816.**

DEL. UNDERWOOD'S SECOND LAND CONFERENCE

The Department of Defense's (DoD) future land use requirements on Guam and the impact of a National Wildlife Refuge Overlay on future excess federal lands will be the focus of discussion at Guam Delegate Underwood's Second Guam Land Conference on May 23. The session will continue the Guam-Federal dialogue aimed at finding comprehensive resolutions to Guam land issues.

DoD recently estimated there were 8,100 acres of Federally-held land on Guam which are potentially releasable. A major refuge issue is the disposition of releasable Defense lands now part of the overlay. The "overlay" places a secondary wildlife habitat preservation interest on Defense lands covered by the refuge.

The Underwood conference also will review a preliminary report on the Guam Land Use Plan required by the Delegate's excess lands bill, H.R. 2144, and discuss the process which will be used to transfer the excess lands identified in this report. H.R. 2144, awaiting final approval in the Senate, would transfer to the Government of Guam about 3,200 acres of excess Federal land. OTIA worked with Delegate Underwood in facilitating and coordinating federal participation in the conference. **OTIA Contact: Special Assistant Danny Aranza, 208-4822.**

OTIA ADOPTS SALT RIVER BAY NATIONAL HISTORICAL PARK

While in St. Croix to deliver a May 22nd commencement address at the University of the Virgin Islands, Assistant Secretary Leslie Turner participated in ceremonies at the recently dedicated Salt River National Park and Ecological Preserve. In the spirit of President's Clinton's proclamation of May 22 - 29 as National Park Week, on behalf of OTIA, Turner adopted the Salt River National Park.

Turner said, OTIA is dedicated to assisting the USVI in its economic development and that the park is an opportunity for conservation and eco-tourism.

HEADS UP

The Pacific Basin Development Council has scheduled its next Board of Directors meeting for July 29 through August 2 in Hawaii. The Board is composed of the Governors of Guam, American Samoa, the Commonwealth of the Northern Marianas Islands, and Hawaii.

Deputy Assistant Secretary Allen Stayman will represent OTIA at the dedication of American Memorial Park in Saipan June 12 through 14.

OTIA is working with the Government of the Virgin Islands Public Works Department to implement a trash pick up program on Water Island as part of an island-wide cleanup effort.

CREATING A GOVERNMENT THAT WORKS BETTER AND COSTS LESS

**REINVENTING OTIA: A Team Approach to
Planning and Implementing Our Partnership Mission**

**LESLIE M. TURNER
ASSISTANT SECRETARY
TERRITORIAL AND INTERNATIONAL AFFAIRS**

**Phase One Report
May 12, 1994**

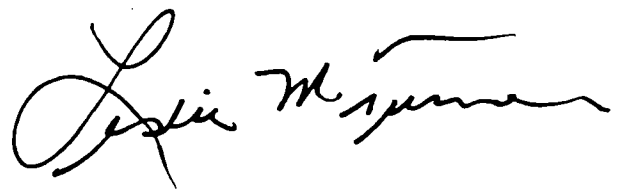
To Employees of the Office of Territorial and International Affairs:

In his inaugural address, President Clinton said, " Thomas Jefferson believed that to preserve the very foundations of our Nation, we would need dramatic change from time to time. Well, my fellow Americans, this is our time. Let us embrace it...." The President's word ring loud and true for us. The time has come for a change in the Office of Territorial and International Affairs.

During my first meeting with Secretary Babbitt, the Secretary said that it was time for OTIA to adopt a new vision. Old roles, old ways of thinking and old ways of doing business must give way to bold new initiatives. As we cross over to our new vision, we must be willing to examine our internal organizational structure and standards of operation. And where it is needed, OTIA will change what it does and the way in which it operates.

There is a need for a fundamental change in the way the Federal Government conducts its affairs with the insular areas. We are striving to implement an acceptable mechanism that ensures a consistent and coordinated executive branch policy towards the insular areas. Any mechanism that is implemented must answer the President's call for a more inclusive approach towards insular leaders and representatives. Similarly, our responsibilities in the international arena are under review and we are striving to improve the coordination of the Department's domestic responsibilities, Congressionally mandated activities and U.S. foreign policy objectives.

During our annual winter meeting, we spent a substantial amount of time examining our organizational culture and values. We developed a consensus vision and mission statement that will serve as a blueprint for the strategic planning process in OTIA. It is important that all of us have a common understanding of OTIA's basic purposes and objectives. We should always keep in mind that we have a shared commitment to creating a government that works better and costs less. Set forth in this report is the consensus vision and mission that we developed based on the comments, recommendations and suggestions that were shared during our winter meeting.

A handwritten signature in black ink, appearing to read "Leslie M. Spurr". The signature is fluid and cursive, with a long horizontal line extending from the end.

OFFICE OF TERRITORIAL AND INTERNATIONAL AFFAIRS

The following vision and mission statement will be the blueprint to guide all OTIA employees as we learn to work together as a cohesive and effective team with common purposes and objectives

VISION

Our efforts must always be guided by the creation of "Partnerships facilitating empowerment."

MISSION

Our mission with respect to the insular areas is to: "Build mutually beneficial partnerships to attain locally determined economic, social, and political goals in the insular areas.

Our mission with respect to our international responsibilities is to: "Coordinate the international activities of the Department of the Interior."

OFFICE STRUCTURE: ON-GOING REINVENTION ACTIVITIES

We must now move on to the tasks of determining our future activities and priorities as well as the future organizational structure of the office. The process in identifying and implementing a change in direction is not always smooth and easy. We still have much work to do and I have every confidence that we will bring that work to completion. Over the past few weeks and over the coming weeks, we will all have had an opportunity to discuss and comment on the new direction of our office. As we move forward, please be assured that:

- our office shall be structured to achieve our vision and mission in the most effective and efficient ways possible;
- our office shall be structured with due regard for the views and concerns of all employees and with specific input from our employee follow-up teams, our senior staff and division chiefs and the front office; and
- our office structure shall be guided by the priorities and needs of our customers, especially the insular areas which form the core patrons of our services.

The Department of the Interior's Role in the Insular Areas

1.1 DOI Involvement in the Insular Areas

The Department of the Interior's (DOI) relationship with the U.S. insular areas has changed markedly over the years. In the past few decades, as the insular areas achieved greater degrees of self-government, DOI's role has evolved from one of administrator of territories to one of facilitator of federal relations and assistance. Yet there has been a lag in the recognition of, and adjustment to, these significant changes in the relationship.

Today, as part of President Clinton's and Vice-President Gore's initiative of reinventing government to make it work more efficiently and effectively for its constituents, DOI is engaged in reinventing its relationship with the islands. We are working with island representatives and Congressional leaders to develop more efficacious means to fulfill our responsibilities.

The DOI began its involvement with the insular areas in 1931 with the transfer from the Navy Department of jurisdiction for the U.S. Virgin Islands (USVI). Guam, which had been under Navy control since its seizure during the Spanish American War in 1898, was transferred to the DOI's jurisdiction in 1950. American Samoa, parts of which had been ceded to the United States as early as 1900, was similarly transferred from the Navy to the DOI in 1951.

In the past, the Secretary of the Interior exercised broad authority in the insular areas. Chief executives of the insular governments were appointees of the President or the Secretary, and the Secretary had by law the authority to supervise and give binding directions to them. Since the installation of popularly elected governors (Guam 1971, USVI 1971, American Samoa 1978, Commonwealth of the Northern Mariana Islands 1979), each of the U.S. insular areas has become responsible for the administration of local government functions.

Although the Congress has placed with the Secretary certain continuing authority and responsibility concerning the insular governments, those governments are not entities of the DOI, nor are they agencies or instrumentalities of the Federal government.

The Northern Mariana Islands, Palau, the Marshall Islands, and the Caroline Islands were grouped into the Trust Territory of the

Pacific Islands (TTPI) by the United Nations in 1947. Under the terms of the Trusteeship Agreement with the U.N. Security Council, the United States exercised administrative jurisdiction over the TTPI. The Navy administered the TTPI until 1951, when that authority was given to the Secretary of the Interior.

The Northern Marianas, following an act of self-determination by its voters, became a U.S. Commonwealth in 1976. The Covenant between the Commonwealth of the Northern Mariana Islands (CNMI) and the United States became fully effective by Presidential Proclamation in 1986. In the same year, the Republic of the Marshall Islands (RMI) and the Federated States of Micronesia (FSM) became sovereign states in free association with the United States. The Republic of Palau is the only remaining area of the TTPI.

Under the trusteeship, the Secretary retained the authority directly to affect the activities of the Palau government. However, because Palauan voters approved the Compact of Free Association in November, 1993, DOI's trusteeship role is ending. Palau is expected soon to join the international community as a sovereign state in free association with the United States.

1.2 The Office of Territorial and International Affairs

The Office of Territorial and International Affairs (OTIA) was established by Secretarial Order No. 3046 on February 14, 1980. Headed by the Assistant Secretary for Territorial and International Affairs, OTIA carries out the Secretary's responsibilities related to the U.S. insular areas.

The OTIA also has been assigned the Secretary's responsibilities for Palau, the remaining political entity of the TTPI. In addition, the OTIA carries out the Secretary's coordination and monitoring responsibilities for the funds annually appropriated by Congress for the Marshalls and the FSM. However, these Freely Associated States are not specifically a subject of this report.

The OTIA's most important goal in 1994 is to translate the DOI's reinvention initiative into effective federal policies, programs, and projects for the insular areas. That mission can be summed up as:

PARTNERSHIPS FACILITATING EMPOWERMENT.

The goal is to build mutually beneficial partnerships with the insular area governments to achieve locally-determined economic, political, and social objectives. These partnerships are flexible frameworks in which federal agencies and insular governments can work cooperatively, seeking mutually beneficial resolution of specific issues between them.

While an administrative role may have been necessary for the DOI years ago, when the insular areas did not have their own locally-elected governments, such a role is incompatible with the level of self-government each territory currently exercises. An appropriate function for the OTIA is facilitating federal actions and assistance for the insular areas.

By facilitating empowerment, the OTIA aims to help enable the insular areas to develop politically and economically and thus to further determine their own affairs. The OTIA role is to help the insular areas move to a position of self-reliance.

1.3 Major Issues and Initiatives in Insular Area Relations.

In carrying out this mission, the DOI through the OTIA, at the request of insular governments, and in cooperation with them and Congressional oversight committees, has launched joint initiatives aimed at addressing insular area concerns. Among the major initiatives are the following:

Guam Political Status Policy Review.

In November, 1993, in response to a request from the Guam Commission on Self-Determination, Secretary of the Interior Bruce Babbitt, with the concurrence of President Clinton, appointed I. Michael Heyman as the Administration's Special Representative for Guam Commonwealth issues. The announcement followed an Administration review of Guam's draft Commonwealth legislation and previous federal task force reports on the measure. Mr. Heyman, who is Counselor to the Secretary, commenced discussions with Governor Joseph F. Ada and other Guam representatives in December, 1993. His goal is to make recommendations on Guam's commonwealth proposal to the White House. The Administration's comments and recommendations on the bill will then be sent to the Congress.

Federal Fisheries Policy Review.

Interior Secretary Babbitt and Commerce Secretary Ron Brown have initiated a review of U.S. Exclusive Economic Zone fisheries policies as they effect U.S. insular areas, particularly the CNMI, Guam and American Samoa. Insular leaders have for several years requested that federal fisheries policies be made more appropriate to the islands. Insular representatives have joined federal officials in a working group to explore the development of a proposal that would provide the islands greater benefits in the EEZ within the context of the Magnuson Act. The goal of the joint effort will be to better define U.S. fisheries policies for the region and to develop recommendations with respect to the reauthorization of the Magnuson Act.

American Samoa Fiscal Management Improvement.

In response to requests from Governor A.P. Lutali and other local leaders for assistance to improve the fiscal management and accountability capabilities of the American Samoa Government (ASG), the OTIA concluded several partnership agreements between the ASG and federal agencies. The principal partnership is a joint working group to prepare a long-term financial recovery plan.

A team from the Department of Justice, in cooperation with ASG, is conducting an assessment of white collar crime involving public funds and the need for investigative and prosecutorial assistance to supplement local capabilities. In addition, a team from the Internal Revenue Service is setting up a training program for local officials in tax collection and enforcement. The ASG and the OTIA also are working together to establish a cooperative management and maintenance program to improve medical services in the local hospital.

Disposition of Federal Lands in the Insular Areas.

In the USVI, the disposition of Water Island has been an important policy initiative. The OTIA has been working to dispose of federal title to this 500-acre island, the fourth largest island in the USVI. A 40 year-lease, signed in December, 1952, has expired and the Federal Government has been negotiating with the holder of the master lease and 140 sub-leaseholders who have an interest in the disposition of the property.

Excess federal land disposition also is a policy issue in Guam. About 3,200 acres of Department of Defense (DOD) land are currently excess and additional land is expected to be declared excess in 1994. At the request of Guam and federal officials, the OTIA facilitated high-level federal agency participation in an excess lands conference on Guam in January, 1994. The conference, proposed by Guam Delegate Robert Underwood, is an attempt to find solutions to several interrelated issues which involved several federal civilian and military agencies: National Park Service, the Fish and Wildlife Service, the General Services Administration, and the Department of Defense.

Although the OTIA did not have a direct responsibility for the issues in question, it assisted by focusing time, attention, and resources within the Executive Branch on the proposal, in coordinating the development of the Federal response, and in organizing Federal participation in the conference. In addition, the OTIA helped coordinate the Administration's position on legislation to provide for the transfer of the 3,200 acres of DOD excess lands to the Government of Guam for public purposes.

Inter-Agency Insular Affairs Coordination.

The DOI's OTIA is only one component in the larger framework of a Federal Government relating to the U.S. insular areas. Within the Executive Branch, the White House and other federal agencies must also play a role. In response to both insular concerns and Congressional legislative initiatives, the DOI and the OTIA have been working to review how the Federal Government as a whole could best restructure its relationship with the insular areas.

Several interagency groups or councils have been proposed and there are several options for how these groups should interface and function within the Executive Branch. The goal is to create a more effective method of developing and implementing federal policy to address insular area issues.

Health Care Improvement.

The overall improvement in health care available to the insular areas has been a major initiative in OTIA during FY 1994. Through representation in the Health Care Reform Task Force, the U.S. insular areas were included in the proposed Health Security Act.

OTIA has worked with the Pacific Island Health Officers Association to develop priority regional health programs and locate resources to address needs. OTIA worked closely with Public Health Service Region IX, the Centers for Disease Control and Prevention, and other health agencies, to provide health care resources to the areas. These Federal health agencies now have a new awareness of the unique health care situations in the insular areas and the need for flexibility in public health service grants and programs.

Training workshops have been provided in health statistics and data collection. This training will enable local personnel in the health departments to improve health data collection and utilization. In response to the insular areas' desire to improve overall health care data management, OTIA is investigating systems that can integrate data collection, reporting, and management in both the hospital and the public health departments.

Along with data management, a major focus of OTIA is the improvement in telecommunications capability. We are investigating the potential for an interactive audio/video/data telecommunications system. This improved technology for the insular areas can be a major breakthrough in medicine, education, training, and financial management.

There remain significant health care improvement needs in the insular areas. These include quality assurance, infrastructure and facilities, hospital equipment, records management, immunization programs, disease surveillance and control, qualified dentists, physicians, epidemiologist, nurses, etc. All of these needs cannot be addressed by a single agency or program. OTIA can, however, through cooperative arrangements, facilitate the efforts of local health departments and hospitals to provide the best possible health care to their people.

Palau Compact Implementation.

The OTIA continued to work with Palauan leaders, State Department officials, and Congressional leaders in 1994 on transition matters to implement the Compact of Free Association for the Republic of Palau. The group is working toward an early end to the trusteeship, including United Nation's Trusteeship Council action, and establishing Palau as a sovereign state in free association with the United States.

Review of Freely Associated States Compact.

The OTIA has worked closely with the State Department and the Interagency Group on Freely Associated States to review economic development at the mid-term of the Compact. The nearly year-long review has led to a report and recommendations to refocus and improve economic performance in the FAS for the second half of the Compact. The recommendations include undertaking the annual bi-lateral consultations anticipated under the Compact and held for the first time in 1994; and the establishment of multilateral donor consultative groups and in-country economic advisory teams.

1.4 OTIA in FY 1994

In FY94, the OTIA has budget authority of \$189.1 million dedicated to activities affecting the U.S. insular areas and Palau. Of this amount, \$82.8 million is budgeted for government operation subsidies to American Samoa and Palau and capital improvement construction projects in the insular areas. The total also includes \$83.4 million in special fiscal assistance payments to Guam and the Virgin Islands. These fund transfers to the island treasuries consist of federal income tax collections from federal employees on Guam and federal excise taxes on USVI rum exports. The OTIA also has responsibility to coordinate and monitor U.S. funding for the freely associated states. For FY94, budget authority totalled \$144.6 million for the FSM and the Marshall Islands.

The OTIA had a FY94 budget of \$21.5 million. These funds include salaries and other operating expenses (\$4.5 million) and assistance funds for the insular areas, including the Technical

Assistance Fund and Maintenance Assistance Fund. There are 46 full-time positions authorized for OTIA in FY94. OTIA includes six sections which deal directly with insular issues. These are Legislative and Public Affairs, Budget, Economic Development, Technical Assistance, Territorial Liaison and Operations and Maintenance Improvement (OMIP).

OTIA also maintains offices in American Samoa, Guam, the CNMI, and the USVI, and operates the Trust Territory office in Palau. OTIA also provides support to the American Samoa judiciary. The OTIA International Affairs section coordinates the DOI's international programs.

The OTIA has a large and continuous workload because of its budgetary, financial assistance, program coordination, and other responsibilities for seven insular governments and the DOI's international programs. Several hundred grants, ranging from small technical assistance awards to major government operations and construction projects, require continuous monitoring. Program and policy coordination is carried out with virtually every federal department and agency. Continuous liaison must be maintained with insular representatives. Pending federal legislation needs to be tracked and analyzed. A stream of Federal audits must be reviewed, answered, and monitored for corrective action. Frequent public and official information inquiries must also be answered.

1.5 Major Insular Programs.

Government Operations Subsidies:

Direct support for general government operations is provided through the DOI to the Republic of Palau and American Samoa. In FY94, Palau received \$18.5 million for government operations and American Samoa received \$23 million. Support to Palau arises pursuant to the U.S. Trusteeship responsibilities to promote development, and to enable Palau to support government operations at an acceptable level.

The OTIA exercises greater oversight on the operations grant to Palau to ensure that trusteeship requirements in education, health care, public safety, and economic development are met. Although the primary allocation of funds is made through the administrative and legislative practices established under ROP law, the Secretary reserves the authority to suspend any ROP appropriations action that does not contribute to meeting trusteeship needs.

American Samoa's economy is similarly unable to generate a level of locally generated revenues to assure that essential public services are provided to its citizens. The allocation of the DOI

operations grants in American Samoa is made according to American Samoa's administrative and legislative practices.

Fiscal Assistance to U.S. Territories:

The FY94 budget estimates \$83.4 million for fiscal assistance payments to Guam and the Virgin Islands. This permanent, indefinite appropriation, authorized under the Guam and USVI organic acts, provides the mechanism to transfer to the island treasuries certain tax revenues collected by the U.S. Treasury.

For Guam these funds consist of federal income tax collections, mainly from federal employees on Guam. For the USVI, they are federally collected excise taxes on USVI rum imported into the United States customs territory.

Each year, Guam and the USVI governments estimate these tax collections for the upcoming fiscal year and are given an advance payment (before the fiscal year begins) based on that estimate. The amounts advanced for FY94 were \$46 million to Guam and \$31 million to the USVI. When actual tax collection figures are available from the U.S. Treasury, an adjustment is made to correct any under or over payment that was made in advance.

Figures included in the budget are only preliminary estimates of those advances and do not restrict in any way the final estimates developed by the governments or the amount of the advance payment.

Covenant Grants:

Section 702 of the Commonwealth Covenant (P.L. 94-241 as amended by P.L. 99-396) provided multi-year financial support to the CNMI to attain the mutual goals of the U.S. and the CNMI to improve the CNMI's standard of living, develop the CNMI economy, and lessen its dependence on U.S. assistance. The first agreement provided \$192 million from 1978 to 1985 for government operations and capital improvements.

The second multi-year agreement, covering the fiscal years 1986 through 1992, provided a total of \$228 million for government operations and capital development. The second agreement also provided that the CNMI would continue to receive the assistance provided for FY92, i.e., \$27.7 million, until the Congress provided otherwise by law.

Since a third and final multi-year agreement has not been approved by Congress, the CNMI continued to receive \$27.7 million in both FY93 and FY94. However, use of the FY94 funds is subject to the terms of the agreement made between the CNMI and the Department. These grants are subject to oversight and audit.

Capital Improvement Grants:

The DOI has annually budgeted for the construction of needed capital improvements in the insular areas when the lack of local funding poses a threat to health and safety in the insular areas or when such improvements are essential to economic development. The insular areas also request capital improvement funding from Congress.

Capital improvement funding in FY94, exclusive of CNMI Covenant funds, is \$13.6 million. American Samoa received \$5.1 million, the USVI, \$4.5 million, and Palau, \$4 million. Construction grants are made subject to terms and conditions that include the insular governments' compliance with the provisions of OMB Circular A-102, OMB Circular A-128 (requirements of the Single Audit Act), and other laws and regulations governing federal grant funds. OTIA uses the services of the Army Corps of Engineers, Honolulu Engineer District, to provide engineering expertise in its review and oversight of construction grants in the Pacific insular areas.

Technical Assistance Program:

A total of \$7.5 million was appropriated for technical assistance projects in FY94. Of that, \$1 million is dedicated to social and economic programs to alleviate the impact of the Compact of Free Association on Guam and the CNMI, and \$1.03 million is granted to the Close-Up Foundation for its citizenship education programs for insular area youth.

Technical assistance funds are used to provide the insular areas with funding for projects designed to encourage economic development opportunities, to enhance health care, to improve government productivity and efficiency, to improve education and to assist the economies in becoming self-sufficient.

Technical assistance is provided through grants, reimbursable support agreements with federal, state and local agencies, contracts with private firms, or through direct assistance by OTIA staff. It may be in the form of research, planning and programs, studies, demonstration projects or personnel services.

A primary focus of the technical assistance program is on improving financial management practices. Technical assistance has been the primary vehicle for the installation of computerized financial systems in the insular areas. Attention is now being focused on implementing audit recommendations and improving management controls to prevent waste, fraud and abuse of government resources.

Technical assistance also is provided for anti-drug programs, vocational education, mariculture and fisheries, agriculture,

health care, energy production, and environmental protection. Projects are initiated by the insular governments and OTIA. All grants are subject to Federal regulations and audit.

Operations and Maintenance Program:

In FY94 the OTIA budget included \$4.5 million for the Operations and Maintenance Improvement Program (OMIP) for the insular areas. The construction and maintenance of essential infrastructure has been a major challenge in the U.S. insular areas. The islands' geographic isolation, tropical climate, and the frequency of major storms require that construction conform to exacting standards and be optimally maintained.

The inability to network utilities to draw power or water from distant sites makes public utilities stand-alone entities which cannot rely on redundant systems in an emergency. The necessity to duplicate infrastructure in multi-island communities prohibits the economies of scale offered by large centralized facilities.

Historically, the federal government has funded insular area infrastructure, while the local governments handled their operation and maintenance. Some insular areas are now able to fund capital improvements from local resources. Yet, for other islands, these projects require continued federal funding. In many cases, insular governments have not been able to meet the challenge of maintaining key components of their infrastructure in optimum operating condition.

While the establishment of public utility authorities in the insular areas has put the provision of electricity, water, and sewer services on a more businesslike footing, in some cases, these services remain heavily subsidized and inefficient.

To address these problems, the DOI initiated the OMIP in 1989. The goals are the protection of infrastructure components and the provision of consistent and reliable utility services. Working from a 1990 baseline study of existing operations and maintenance organizations in the insular areas, the island governments targeted the infrastructure components which were to be evaluated and incorporated into the program.

The plans included detailed administrative, financial, accounting, technical, and organizational changes for improving and institutionalizing effective operations and maintenance procedures. Action plans, which are used to allocate OMIP funding, are updated yearly and periodic conferences are held for the insular areas to coordinate and share their ideas. The baseline evaluations, annual follow-up surveys, and input from the insular areas form the basis for the assessments of essential infrastructure in each insular area chapter of this publication.

Compacts of Free Association:

The OTIA also has responsibility for coordinating and monitoring appropriations made pursuant to the Compact of Free Association with the Federated States of Micronesia (FSM) and the Republic of the Marshall Islands (RMI). The relationship with these governments is defined by the Compact of Free Association Act of 1985 (Public Law 99-239). Under the Compact, the United States agreed to provide financial assistance for fifteen-years ending in 2001. Total funding for the FSM is \$1,400 million and for the RMI, about \$500 million. The FY94 funding for the FSM and RMI totals \$122.5 million.

The relationship between the United States and the Republic of Palau is defined by the Palau Compact of Free Association (P.L. 99-658). When the fifteen year, \$450 million Palau Compact is implemented, annual appropriations also will be monitored by the OTIA. The first year (FY95) appropriation will be approximately \$204 million, including \$66 million of a \$70 million investment fund designed to generate future income for a fifty year period.

REMARKS OF

LESLIE M. TURNER

ASSISTANT SECRETARY - TERRITORIAL AND INTERNATIONAL AFFAIRS
U.S. DEPARTMENT OF THE INTERIOR
BEFORE THE
SECOND NATIONAL INSULAR CONFERENCE

MAY 25, 1994

PARTNERS FOR PROGRESS

Good afternoon distinguished guests, ladies and gentlemen. Many of you have traveled long and tiring distances to participate in this Second National Insular Conference. On behalf of President Clinton, I welcome you to Washington.

I remember February of last year. I was not yet confirmed as Assistant Secretary, but I heard of the First National Insular Conference at George Washington University. Many of you were there. The theme of that first conference was "A Time of Change." I remember watching CNN's coverage and thinking, "What am I getting myself into?"

In particular, I remember watching Governor Ada making an impassioned speech about federal-territorial relationships. I heard his call for inclusion. I heard him say that the viable relationship that Guam sought with the federal government was a "Partnership". A relationship of mutuality.

It is now over a year later. The conference theme is "Looking to the Future." This morning Governor Ada and others reminded us that we have yet to forge the bond of partnership.

Your island voices tell me that I must be a tool for change. I must transform old ways of thinking and old ways of doing business. We have all seen the power of change as it swept across the globe in recent times. Nelson Mandela, who only a short time ago was imprisoned by a harsh and intransigent South African Government, is now the President of South Africa. The so-called Cold War is no more, and we now speak of the former Soviet Union. Political and business ties with Vietnam are being restored. The plight of Haitian refugees fleeing from political repression is finally being recognized. The Republic of Palau is well on its way to becoming a freely associated state.

The changes that we are seeing around the world remind me of a Chamorro proverb that I heard during one of my trips to Guam:

"I ti masusedi gi un siklu, sina ha'masusedi gi un minutu."

Translated it says - "What does not occur in a century, can occur in a minute."

When President Clinton assumed office, he challenged us to change -- not for the sake of change itself --- but to ensure life, liberty and the pursuit of happiness. At Interior, Secretary Babbitt and I are convinced that change must occur.

The core focus for change cannot be a mere rearrangement of chairs and labels in federal agencies. The change must occur in the political relationship between the federal government and the insular areas.

Insular areas still do not meaningfully participate in federal policy decisions that affect them. Residents of the insular areas cannot vote for President, they do not have senators and they do not have full-voting members in the House of Representatives.

There is a fundamental unfairness in the blanket application of federal laws, regulations and policies to islands that are geographically distant, culturally distinct, historically unique and economically separate from the United States mainland. National policies and programs that may make perfect sense for the states, may make no sense at all when applied in an inflexible manner to the insular areas.

Federal government officials often feel uncomfortable acknowledging the territories' claim of an existing colonial relationship. I understand the discomfort. The use of the word "colonial" is an emotionally charged lightning rod that can bring about construction attention to issues or it can be used to make headlines and sell newspapers. But as surely as the federal government has addressed the painful issue of civil rights and spearheaded the repeal of Jim Crow laws -- we must address this issue of colonialism.

Let me provide you with my personal definition of colonialism for the purposes of our session today. While this definition has not been cleared by OMB, my own experiences as a minority member of this great democracy tell me that a colonial structure exists whenever laws or policies are implemented without the consent or meaningful participation of those most affected.

The insular areas are asking for meaningful participation in the governing process at the federal level. Surely this great nation, led by President Clinton, can and will extend the indices of a democratic society to the members of our own political family.

Several years ago, during the first hearing on proposed Guam Commonwealth legislation, Chairman Ron de Lugo noted that the framers of the United States Constitution never envisioned that the territories would include lands located so remotely from the United

States mainland. It was presumed that continental territories would eventually become states. No thought was given to territories whose destinies did not lie in statehood.

During my first year as Assistant Secretary, my staff and I engaged in extensive discussions with island leaders. Based on these discussions, we proposed to include the federal agencies, the White House and island leaders in a consultation process to address insular policy issues. We wanted to move forward. We were ready to move forward. But we were unable to because we were perceived as empire builders. Perhaps, this perception occurred because I had not yet built the bridge of trust. Perhaps, it was because we were proposing something different.

But now, months later, we have reasoned together. We have shared hopes and dreams and frustrations. We have built that bridge of trust. It is time to define the future together. As I stand before you today, I cannot say this is the way or that is the way to our future. I have my ideas about the future of our political relationship and I know many of you have your own ideas.

We must put aside jurisdiction, power and politics. We must get on with the work at hand. I approach this work believing that however we define our future, this relationship must include (1) consultation in the halls of Executive branch decision-making for island leaders, (2) a vote for president and a voice in federal law-making by the U.S. citizens and nationals that call America home.

I realize that my approach requires action beyond the realm of the Executive branch. But if we use this conference to address the road to empowerment only in the Executive branch, it means that empowerment is incomplete. There must also be empowerment in the legislative branch. I challenge the U.S. Congress to find the means and the will to accord a modicum of legislative power to the insular areas.

It is no longer acceptable to deny the elected representatives of the insular areas the right to vote when the vote counts dearly. Indeed, the CNMI does not even have a congressional member. It is no longer acceptable to deny the insular areas a voice in the halls of the U.S. Senate.

Somehow, someday, the legislative branch must provide a voice to those who will not and perhaps cannot attain the position of statehood. I know that the Congress can rise to the challenge of inclusion.

In the interim, as we struggle to push the Executive and legislative branches toward the new political realities, we must address the tasks at hand. We must and we will redirect the focus and mission of OTIA to build **"PARTNERSHIPS FACILITATING**

EMPOWERMENT." Our actions during this interim period will support and sustain the development of the political relationship that must be put into place by this Administration.

Therefore, we will form partnerships with the insular areas based on mutual respect and cooperation. We will facilitate better communication between the federal government and territories. We will facilitate more effective allocation of federal attention and resources on the priorities of the islands. Through these efforts, we will empower the insular areas to achieve locally-determined social, economic and political development.

The words sound pretty, don't they. Slogans and catchy phrases are easy to say. Where are the actions that back up the words?

In the blue folders before you, I have enclosed a number of materials on several major partnership initiatives. Our partnership initiatives include:

- the Secretary, with the concurrence of President Clinton, appointed I. Michael Heyman as the Administration's Special Representative for Guam Commonwealth issues. Michael Heyman, who is a leading legal scholar, and Counselor to the Secretary, is addressing the many complicated legal issues raised in Guam's quest for Commonwealth. His goal is to make recommendations on Guam's Commonwealth proposal to the White House later this summer. The Administration's comments and recommendations will then be sent to the Congress.
- In a second initiative, Interior Secretary Babbitt and Commerce Secretary Ron Brown are reviewing U.S. fisheries policies as they relate to the Exclusive Economic Zone (EEZ) surrounding the U.S. insular areas. Insular representatives have joined federal officials in a working group to explore the development of a proposal that would provide the islands greater benefits in the EEZ within the context of the Magnuson Act. Insular leaders have been trying to get such a review for many years.
- In response to requests from the Government of American Samoa, OTIA worked to develop several partnership agreements between the Samoa government and several federal agencies. Part of that successful partnership effort is a joint working group of Samoa and Interior officials, who will prepare a long-term financial recovery plan. A team from the Department of Justice has just completed an assessment of white collar crime involving public funds and the need for investigative and prosecutorial assistance to supplement local capabilities. In addition, an Internal Revenue Service team recently submitted an assessment report concerning proposed improvements to local tax administration.

- In the U.S. Virgin Islands, OTIA played a key role in facilitating the formation of the joint management agreement which exists between the Department and the local government to create a jointly operated national park and ecological preserve. The result, with legislation introduced by Congressman de Lugo and the full support of Congress, was the creation of the Salt River Bay National Historic Park and Ecological Preserve. The park was dedicated on November 14, 1993, and I am very proud of the partnership role OTIA played in preserving one of nature's jewels in the Caribbean.
- The Virgin Islands Training Initiative and Pacific Islands Training Initiative are providing government-specific training to island government workers to improve island government efficiency and work product.
- Excess federal land disposition is a policy issue in Guam. At the request of Guam and federal officials, OTIA facilitated high-level federal agency participation in a land conference process proposed by the Guam Delegate. The process continued this week as Congressman Underwood sought to resolve with federal officials some very complex issues related to federal lands on Guam.
- Our Joint Energy Planning Group, which includes partners from each of the insular areas, is assigned the task of analyzing long-term energy needs with an eye to easing shortages should oil be embargoed in oil producing countries.
- We have approached the State Department to review territorial participation in international organizations that affect insular area issues.
- Regarding the CNMI, in 1978, Congress commissioned and authorized funding to begin Saipan's American Memorial Park. In 1991 funding was appropriated by Congress. This year, Secretary Babbitt and the Governor of the Northern Mariana Islands implemented an agreement which will result in the completion of a memorial flag pavilion by June 15th, the 50th anniversary of the battle of Saipan in remembrance of over 4,000 American servicemen.
- One of OTIA's most successful partnership initiatives has been the Operations and Maintenance Improvement Program which has as its primary goal a jointly funded effort for adequate maintenance of capital infrastructure in each of the insular areas.

This is just a small sampling of how we are seeking to translate the policy directions of the President and the Secretary into reality for the insular areas. We have much work to do bring these issues to closure. And we have many issues left unaddressed.

Today, Governor Farrelly called for greater participation in local federal appointments, international aviation issues of landing rights and air routes. We must be a tool for partnership.

Let me turn here from the discussion of OTIA as a stepping stone to the future political relationship between the federal government and the territories to the issues of doing away with OTIA.

A Congressional hearing has been scheduled for June 16th to discuss Congressman Gallegly's bill: "The Territorial Administration Cessation Act." A real classy title for shutting down OTIA. The bill reminds me of an old Samoan proverb:

"E le falala fua le niu, ai falala ona ole mataqi."

Figuratively, this means that there are forces in life over which we have little control.

Like the wind, there are forces in the islands and in Washington that push us in a direction we did not intend. At the same time, such forces also provide us with the opportunity to pause, re-evaluate old assumptions and change our perspective and approach to different issues.

Such has been the case with this most recent proposal to abolish OTIA. Despite what you might have read or heard about my opinion on this subject, I believe that the idea has some merit because OTIA was never intended to be a permanent fixture in the constellation of agencies and bureaus in the Executive Branch. As the new political relationship between the federal government and the insular areas comes into being -- the old structures will pass into history. And I have no doubt that OTIA will be one of the structures to pass into history. The real question for OTIA is not if we will end -- but when.

No one will need to lead the charge to abolish OTIA, we will be among the first to say that our mission has been completed, it is time to turn out the lights and call it a day.

But I want to make sure that when we turn out the lights in OTIA, the lights of empowerment and local autonomy, based on democratic values, burn brightly. That they burn brightly in the insular areas, in the Executive branch, in the Congress, and in all other places where territorial issues will be addressed.

I want to be very clear on this issue - I am opposed to any proposal to do away with OTIA based on the vagaries of political expediency. We all know that the winds of politics blow in one direction then another. Some recent proposals call for OTIA to be transferred to the Economic Development Administration. EDA is the

agency in Commerce marked for shut-down in the 1980's and early 1990's with proposed budgets as low as \$14 million.

I would much rather see a careful transition, the timing of which is based on (1) the achieving of effective participation in the federal process by island leaders, and (2) practical considerations related to the transition of OTIA functions with as little adverse impact on the insular areas as possible.

On the first point, questions of federalism abound. The issue is not just whether the insular areas have achieved a measure of local self-government. The issue is what kind of government structures and processes are in place to compensate for the fact that insular areas are not provided meaningful participation in federal policy-making. Since policy-making has both an Executive and legislative component to it, the empowerment of the insular areas within the federal system will necessarily involve the formation of new structures and processes in the Administration and in Congress.

When seen in this context, the proposal to do away with OTIA is a small and incomplete part of the bigger picture of federal-territorial relations. Unless we can address the bigger picture in a thoughtful and comprehensive manner, eliminating existing government structures prematurely may lead to more problems than it solves. It is unfortunate that a proposal to do away with OTIA in the Executive branch is coming at precisely the time that there also has been talk of doing away with the House Subcommittee on Insular Affairs in Congress. Unless we can find consensus on adequate substitute structures, there is a possibility that the insular areas will lose existing channels of participation in both the Executive and legislative branches.

The second point I would like to see addressed as part of this discussion relates to the transition of OTIA's current staffing and functions.

The Department of the Interior's relationship with the insular areas has changed markedly since OTIA was created in 1980. Some have recently suggested that as the role of the local self-government increased, the level of OTIA staff escalated. This suggestion is inaccurate. In 1980, when the present organizational structure was established, 5,592 individuals took their direction from the Assistant Secretary - Territorial and International Affairs. This figure included 74 Federal Comptroller stationed in the U.S. territories; 60 Federal employees and 5,428 contract employees in the Trust Territory Government; and 28 employees on Washington headquarters staff. This staff has declined to the current OTIA level of 36 employees, 10 of whom are located in field positions and 26 in Washington.

OTIA operates in a complex legal, financial, technical, and political arena. Before we do away with the office, let us plan long and hard about who is going to be doing this work, and what kind of time, attention and resources will be devoted to making sure that this work is accomplished for the insular areas.

In closing, I leave you with words spoken by President Clinton during his inaugural address, "...to preserve the very foundations of our Nation, we [will] need dramatic change from time to time. Well, my fellow Americans, this is our time. Let us embrace it...."

REMARKS BY
ALLEN P. STAYMAN
DEPUTY ASSISTANT SECRETARY FOR TERRITORIAL AND
INTERNATIONAL AFFAIRS, DEPARTMENT OF THE INTERIOR
BEFORE THE
SECOND NATIONAL INSULAR CONFERENCE
MAY 26, 1994
THE FEDERAL GOVERNMENTAL STRUCTURE AND THE INSULAR AREAS

GOOD MORNING, GOVERNORS, CONGRESSMEN, INSULAR LEGISLATORS, UNIVERSITY AND COLLEGE LEADERS, DISTINGUISHED GUESTS, LADIES AND GENTLEMEN.

IT IS A PLEASURE TO BE PRESENT HERE TODAY AT THE SECOND NATIONAL INSULAR CONFERENCE TO PARTICIPATE IN THIS MORNING'S SESSION ON CURRENT ISSUES IN FEDERAL GOVERNMENTAL STRUCTURE FOR ADDRESSING ISLAND ISSUES.

I WILL FOCUS MY COMMENTS TODAY ON THE EXECUTIVE BRANCH STRUCTURE CONCERNING THE INSULAR AREAS. ONE GENERAL POINT ON CONGRESSIONAL STRUCTURE, HOWEVER, WHICH IS IMPORTANT TO RECOGNIZE IS THAT AS THE ISLANDS ACHIEVE GREATER SELF-GOVERNMENT, CONGRESS HAS BEGUN TREATING THEM MORE LIKE STATES. WHILE THIS IS GENERALLY A GOOD DEVELOPMENT, BECAUSE THE FEDERAL-STATE RELATIONSHIP IS WELL KNOWN AND UNDERSTOOD BY FEDERAL OFFICIALS, THERE IS A DOWN-SIDE. BEING TREATED LIKE A STATE IN CONGRESS MEANS THAT LEGISLATION REGARDING FEDERAL PROGRAMS AND ACTIVITIES WHICH OPERATE IN THE ISLANDS IS BEING HANDLED LESS BY THE TRADITIONAL "INSULAR AFFAIRS" COMMITTEES. IN FACT, BOTH HOUSE AND SENATE COMMITTEES HAVE NOW DROPPED "INSULAR AFFAIRS" FROM THEIR NAMES AND THE FUTURE OF THE HOUSE SUBCOMMITTEE IS IN DOUBT. INSTEAD, LEGISLATION AFFECTING THE ISLANDS IS INCREASINGLY HANDLED BY THE OTHER AUTHORIZING COMMITTEES OF CONGRESS WHICH HAVE JURISDICTION OVER NATIONAL PROGRAMS -- SUCH AS SHIPPING LAWS OR ENVIRONMENTAL PROTECTION. THESE COMMITTEES DO NOT NORMALLY FOCUS ON THE IMPACT THAT THEIR LEGISLATIVE RECOMMENDATIONS WILL HAVE ON THE ISLANDS. THEIR PRIMARY FOCUS IS ON RECONCILING THE INTERESTS OF THE

VARIOUS STATES. THE ISLANDS USED TO HAVE "ONE STOP SHOPPING" AT THE INSULAR AFFAIRS COMMITTEES WHERE THEY COULD EXPECT A FAIR HEARING FROM A CHAIRPERSON OR WHOMEVER SAW ISLAND ISSUES AS A PART OF HIS JURISDICTIONAL RESPONSIBILITY. NOW, THE ISLANDS ARE CONFRONTED WITH THE ENTIRE RANGE OF COMMITTEES AND CHAIRMEN -- MANY OF WHOM ARE NOT EVEN SURE WHERE THE ISLANDS ARE LOCATED.

SIMILARLY, IN THE EXECUTIVE BRANCH, NEARLY ALL FEDERAL AGENCIES HAVE ACTIVITIES IN THE ISLANDS. IT IS DIFFICULT FOR THE ISLANDS TO TRACK ALL OF THE CHANGES IN LAWS, FUNDING, AND REGULATIONS WHICH TAKE PLACE IN EACH OF THOSE PROGRAMS. THE ISLANDS DO NOT HAVE THE LARGE WASHINGTON OFFICES WHICH STATES HAVE DEDICATED TO TRACKING FEDERAL ACTIVITIES, NOR DO MOST FEDERAL AGENCIES HAVE OFFICES IN EACH OF THE TERRITORIES WITH THE RESPONSIBILITY FOR MONITORING THE IMPACT OF THEIR PROGRAMS ON THE ISLANDS.

SINCE 1980, THE ASSISTANT SECRETARY FOR TERRITORIAL AND INTERNATIONAL AFFAIRS (OTIA) HAS PROVIDED A FOCAL POINT IN THE EXECUTIVE BRANCH FOR THE COORDINATION OF FEDERAL POLICY CONCERNING THE ISLANDS. BOTH CHAIRMAN J. BENNETT JOHNSTON OF THE SENATE COMMITTEE ON ENERGY AND NATURAL RESOURCES AND CHAIRMAN RON DE LUGO OF THE HOUSE SUBCOMMITTEE ON INSULAR AND INTERNATIONAL AFFAIRS HAVE INTRODUCED LEGISLATION CONCERNING THE FEDERAL INSULAR AREAS POLICY STRUCTURE. IN HIS OPENING REMARKS INTRODUCING S.447, SENATOR JOHNSTON STATES THAT "THE ISLANDS HAVE UNDERGONE SUBSTANTIAL POLITICAL, SOCIAL, AND ECONOMIC DEVELOPMENT IN RECENT DECADES, BUT THE FEDERAL INSTITUTIONS RESPONSIBLE FOR TERRITORIAL POLICY DEVELOPMENT AND IMPLEMENTATION HAVE NOT KEPT PACE WITH THIS DEVELOPMENT."

THE CLINTON ADMINISTRATION AGREES WITH THIS VIEW. IN THEIR CONFIRMATION HEARINGS, BOTH INTERIOR SECRETARY BRUCE BABBITT AND ASSISTANT SECRETARY FOR TERRITORIAL AND INTERNATIONAL AFFAIRS, LESLIE TURNER, PLEDGED THEIR SUPPORT FOR THE ADMINISTRATIVE ESTABLISHMENT OF A NEW POLICY MAKING STRUCTURE.

THE FATHER OF THE SKYSCRAPER, ARCHITECT LOUIS SULLIVAN, FIRST SAID "FORM FOLLOWS FUNCTION." THAT GUIDANCE IS APPROPRIATE TO DESIGNING POLICY-MAKING STRUCTURES, AS WELL AS BUILDINGS.

NEARLY ALL AGREE THAT THE FUNCTION OF DEVELOPING FEDERAL POLICY RELATING TO THE ISLANDS WOULD BE VASTLY IMPROVED WITH THE ESTABLISHMENT OF AN INTERAGENCY MECHANISM AUTHORIZED BY THE WHITE HOUSE TO (1) GAIN INPUT FROM ISLAND LEADERS ON FEDERAL POLICY ISSUES, AND (2) COORDINATE THE DEVELOPMENT AND IMPLEMENTATION OF POLICIES CONCERNING THE ISLANDS. AN INTERAGENCY APPROACH WOULD RAISE LONG-UNRESOLVED ISSUES TO A HIGHER LEVEL AND PROVIDE A MECHANISM TO ENCOURAGE POLICY DECISIONS AND THE RESOLUTION OF PROBLEMS. SUCH A MECHANISM WOULD PROVIDE A PROCESS TO PROPERLY REVIEW THE POTENTIAL IMPACT OF AGENCY LEGISLATIVE, BUDGETARY, AND REGULATORY PROPOSALS ON THE ISLANDS BEFORE THEY ARE IMPLEMENTED -- INSTEAD OF AFTER.

AN INTERAGENCY WORKING GROUP WAS ESTABLISHED TO GUIDE THE DEVELOPMENT AND IMPLEMENTATION OF FEDERAL POLICY REGARDING THE FREELY ASSOCIATED STATES (FAS) AND IS VERY SUCCESSFUL. THE INTERAGENCY GROUP (IAG) ON THE FAS WAS ESTABLISHED BY 3 SHORT PARAGRAPHS UNDER SECTION 3 OF EXECUTIVE ORDER 12569. IN OVER SEVEN YEARS OF OPERATION, THE FAS/IAG HAS BROUGHT TOGETHER FEDERAL AGENCIES COUNTLESS TIMES, AND HAS CONVENED SEVERAL TIMES TO HOLD DISCUSSIONS DIRECTLY WITH ISLAND LEADERS. AS A FREQUENT PARTICIPANT IN THE FAS/IAG OVER THE PAST YEAR, I CAN ATTEST TO ITS GREAT SUCCESS IN FOCUSING AND COORDINATING THE ADMINISTRATION'S POLICIES WITH RESPECT TO THE FEDERATED STATES OF MICRONESIA, THE MARSHALL ISLANDS, AND IMPLEMENTATION OF THE COMPACT WITH PALAU. TO MY KNOWLEDGE, THERE HAS NEVER BEEN ANY CRITICISM OF THE FAS/IAG STRUCTURE BY ANY FEDERAL AGENCIES, MEMBERS OF CONGRESS, OR ISLAND REPRESENTATIVES. QUITE SIMPLY -- IT WORKS.

WE LOOK FOR A SIMILAR MECHANISM TO BENEFIT THE UNITED STATES INSULAR AREAS.

THE LAST SEVERAL YEARS HAVE BROUGHT FORTH NUMEROUS PROPOSALS FOR A COORDINATING MECHANISM.

- o SENATOR JOHNSTON PROPOSED AN INSULAR AREAS POLICY COUNCIL CHAIRED BY THE SECRETARY OF THE INTERIOR.
- o CONGRESSMAN DE LUGO PROPOSED A SIMILAR COUNCIL CHAIRED BY THE DOMESTIC AND NATIONAL SECURITY ADVISORS.
- o SECRETARY BABBITT AND ASSISTANT SECRETARY TURNER SUGGESTED THAT A COUNCIL BE ESTABLISHED ADMINISTRATIVELY TO AVOID LEGISLATIVE INFLEXIBILITY SHOULD CHANGES BE REQUIRED, WITH THE SECRETARY AS CHAIRPERSON.
- o A YEAR AGO, AN INFORMAL DRAFT FROM THE HOUSE INSULAR AFFAIRS SUBCOMMITTEE STAFF SUGGESTED A COUNCIL CHAIRED BY THE SECRETARY OF THE INTERIOR AND HOUSED AT INTERIOR.
- o ANOTHER INFORMAL DRAFT FROM THE HOUSE INSULAR AFFAIRS SUBCOMMITTEE STAFF SUGGESTED A COUNCIL CHAIRED BY THE SECRETARY OF THE INTERIOR ON BEHALF OF THE PRESIDENT.
- o ASSISTANT SECRETARY TURNER SUGGESTED A SUBCOMMITTEE OF THE WHITE HOUSE DOMESTIC POLICY COUNCIL WITH THE SECRETARY OF THE INTERIOR AS CHAIRPERSON .
- o HOUSE DELEGATES SUGGESTED COORDINATION THROUGH THE WHITE HOUSE OFFICE OF INTERGOVERNMENTAL AFFAIRS.

AS YOU CAN TELL WE HAVE A WHOLE RANGE OF OPTIONS FROM WHICH TO CHOOSE. BEFORE DECISIONS ARE MADE, HOWEVER, IT WOULD BE ADVANTAGEOUS TO HAVE A CONSENSUS.

WE SEE VALUE IN DEVELOPING AN INTERIM COORDINATING MECHANISM AS A NEW FEDERAL GOVERNMENTAL STRUCTURE FOR INSULAR ISSUES. SUCH AN INTERIM MECHANISM WOULD ALLOW US TO ANALYZE HOW WELL THE MECHANISM IS WORKING BEFORE IT IS COMMITTED TO PAPER AND INSTITUTIONALIZED.

I BELIEVE THAT CONSENSUS STILL EXISTS ON THE PROPOSITION THAT SOME TYPE OF MECHANISM IS NECESSARY TO IMPROVE THE COORDINATION OF FEDERAL POLICIES PERTAINING TO THE INSULAR AREAS. SUCH A GROUP WOULD MAKE THE EXECUTIVE BRANCH MUCH MORE EFFECTIVE.

WE LOOK FORWARD TO CONTINUE WORKING WITH REPRESENTATIVES OF
THE ISLANDS REACHING A CONSENSUS.



THE SECRETARY OF THE INTERIOR
WASHINGTON

MAY 6 1994

Honorable Elton Gallegly
Committee on Natural Resources
House of Representatives
Washington, D.C. 20515

Dear Mr. Gallegly:

Thank you for your letter requesting my support for your bill, H.R. 3797, entitled "The Territorial Administration Cessation Act." Among other things, H.R. 3797 seeks to terminate the Office of Territorial and International Affairs (OTIA) within the Department of the Interior and to transfer certain functions of OTIA to the Departments of State and Commerce.

While I understand the genesis of your proposal, your bill appears directed at an OTIA of the past. It does not consider the activities and mission of OTIA today, especially under this Administration. The real issue is not OTIA, but rather how the Federal government can best organize itself to handle insular issues.

OTIA Continues to Serve An Important Function

Unlike residents of states, who can vote for President, two United States Senators, and a voting Member of the House of Representatives, residents of the insular areas have relatively little political clout. As a veteran member of Congress with four terms on Capitol Hill, you no doubt can appreciate the dramatic effect that California's votes have on policy-making within both houses of Congress and also within the Executive branch.

In contrast, the residents of the insular areas lack equivalent influence on decisions and actions of the Federal government that affect their islands. The insular areas are neither fully incorporated into the Federal government as states, nor fully independent as sovereign nations. As such, they occupy a grey area where numerous Federal laws and policies apply, without significant input into the development and implementation of those laws and policies.

Because of their full participation in Federal policy-making, states have no need for a special agency in the Executive branch that is assigned to ensure that their issues are not "lost" in broader national priorities. Insular areas that lack full representation, however, benefit from formal channels within the

Executive branch that give effective consideration to insular issues. OTIA, as an agency exclusively dedicated to insular concerns, serves as an important conduit within the Executive branch for focusing attention and resources on island issues.

OTIA Mission Is Not "Administrator." It Is "Facilitator"

OTIA's employees are responsible for a budget of over \$340 million. OTIA provides approximately \$320 million annually for support of basic government operations and capital improvement projects in the seven insular areas for which Interior is answerable. Technical assistance, amounting to \$17 million annually, is granted for worthy island projects in all areas of government operations, including economic development, education, health care, public safety, operations and maintenance of infrastructure, disaster mitigation, substance abuse prevention, brown tree snake control and eradication, and management controls. Most of the \$340 million is subject to the same controls and accountability imposed on grants to state and local governments, and requires staff to maintain this accountability and protect the use of taxpayer money. This oversight is provided at a lower cost (\$4.5 million or 1.3 percent of OTIA's budget) than most federal agencies are able to manage.

Your proposal also suggests that OTIA's current and sole mission is that of "administrator" of the territories. This may have been true years ago when the territories and Trust Territory of the Pacific Islands (TTPI) were "administered" by governors and high commissioners appointed from Washington. Predecessor offices to OTIA, however, long since shed this "administrator" role.

As economic, social, and political circumstances of the insular areas have changed, so has OTIA's organization and mission. OTIA has down-sized dramatically and adjusted its role accordingly. As OTIA encouraged self-government and the insular areas increasingly assumed administrative responsibility, OTIA's size decreased to its current forty-four positions.

To show the change in mission and role, especially under the Clinton Administration, I am attaching for your information a recent statement made by the Assistant Secretary for Territorial and International Affairs. As explained in the statement, OTIA's current policy role can best be described as that of a "facilitator" rather than an "administrator." As a facilitator, OTIA is concentrating on bringing territorial and Federal officials together to manage issues that remain unresolved from the past, due to the low priority often given to insular issues in many Federal agencies or the misunderstanding of Federal interests or processes by island officials. With further change in the insular areas, OTIA's role and mission will continue to evolve.

The Issue is Broader Than OTIA

Finally, your proposal suggests that abolishing OTIA is the solution to improving territorial-Federal relations. It ignores the fact that territories, without full representation in the Congress, need institutions to ensure that their interests are properly voiced within the Federal government.

When seen from a broader perspective, the issue is not really about the continued existence of one office in the Executive branch. Rather, it is how to structure the Federal government for improved policy-making, appropriate to each insular area.

OTIA is currently building partnerships with those agencies involved in issues of particular concern to the insular areas. In addition, Senator J. Bennett Johnston, and Delegate Ron de Lugo are on record sponsoring legislation for an interagency council that would examine insular issues. Moreover, the Administration is actively considering the establishment of a coordinating mechanism for developing and implementing insular policies that will promote dialogue with insular leaders and among Federal officials. We expect that such coordination, together with the new role and mission of OTIA, could also satisfy your concerns.

My Assistant Secretary for Territorial and International Affairs, Leslie M. Turner, in whom I have the greatest confidence, wants to work cooperatively with you on insular issues. We are open to dialogue. With collaboration among island leaders, the Congress, and the Executive branch, I look forward to significant accomplishment in the islands and improved insular-Federal relations.

Sincerely,

A handwritten signature in dark ink, appearing to read "Bill Clinton", with a stylized, cursive script.

Enclosure



DEPARTMENT of the INTERIOR

news release

PARTNERSHIPS FACILITATING EMPOWERMENT:

OTIA'S NEW MISSION

Your newspaper has recently published a number of articles that have been critical of the Office of Territorial and International Affairs (OTIA). In the spirit of fairness and providing equal time to another view, allow me to share some thoughts regarding the transformation of OTIA under the Clinton Administration.

When I became Assistant Secretary last May, I had high hopes that the energy and creativity of a fresh Democratic Administration would transform federal-territorial relations. A new team headed by Secretary Bruce Babbitt was appointed at the Department of the Interior. Our marching orders were clear -- to make government work more efficiently and effectively for its constituents. In other words, our task was to "reinvent government."

At OTIA, I am translating this into a new vision for an office that has for too long been perceived as a "colonial administrator" of distant, powerless islands. My challenge is to transform OTIA's role in light of the present realities in the insular areas.

I agree with those who say that the territories have obtained and are achieving greater self-government. All of the insular areas have their own locally-elected governors and legislature. Except for the CNMI, all have an elected delegate

or representative to the U.S. House of Representatives. And Palau, the last Trust Territory, has just approved a Compact of Free Association with the United States.

These developments point to a need to reassess the proper role and mission of OTIA and its relationship with the insular areas. Given this background, OTIA's new vision can be summarized in the following phrase: "Partnerships facilitating empowerment."

Let me briefly touch on each component of OTIA's new vision and cite examples of how it has been implemented in the past few months under the Clinton Administration.

Partnerships. In the distant past, OTIA operated under a paternalistic relationship with the territories through federally-appointed governors. The underlying assumption was that federal officials in Washington "knew more" and could do a "better job" governing the U.S. territories than the people who lived in the islands. With the growing political, social and economic development of the insular areas, paternalism has given way to partnerships between federal and territorial governments.

Under this model, federal and territorial governments operate as equal partners, working cooperatively and seeking mutually beneficial resolution of specific issues between them. Recent examples of this new relationship can be found in the "partnership agreements" that OTIA is coordinating between the American Samoa Government (ASG) and various federal agencies: a team from the Department of Justice will conduct an

assessment of the crime situation in American Samoa and the need for investigative and prosecutorial assistance to supplement local capabilities; a team from the Internal Revenue Service will set up a training program for local officials in tax collection and enforcement; ASG and OTIA will work together to establish a co-management and maintenance program for the local hospital to improve services; and ASG and OTIA will form a joint working group to address financial management issues. Another example is the jointly-created management team between the National Park Service and the Virgin Islands government that was organized to plan the development of the Salt River Bay.

Facilitating. At the same time OTIA is transforming its relations with the insular areas to partnerships, we are also transforming our role from an "administrator" to a "facilitator." While an administrative role may have been necessary years ago, when the insular areas did not have their own locally-elected governments, such a role is incongruent with the level of self-government each territory currently exercises.

In this context, a more appropriate role is for OTIA to be a facilitator of federal actions toward the insular areas. This new role was recently exemplified by OTIA's involvement in the Guam Land Conference hosted by Congressman Robert Underwood. The issues discussed at the Conference involved a host of federal civilian and military agencies: National Park

Service, the Fish and Wildlife Service, the General Services Administration, the Department of Defense, CINCPAC and COMNAVMAF. OTIA facilitated the process of resolving these issues by focusing time, attention and resources within the Executive Branch and coordinating high-level federal agency participation in the Conference. Similarly, in regard to the President's initiative to reform the national health care system, OTIA worked to ensure that the concerns and needs of the territories were brought to the attention of key officials in the Administration.

Empowerment. The third component of OTIA's new mission is to empower the insular areas to further determine their own affairs. Respect for local self-government is only as real as the respect shown for the elected leaders of the insular areas. This administration is serious about acknowledging the important role of the territorial governors as chief executives of their islands. This administration is also mindful of the growing voice of territorial delegates in Congress. We want to ensure that important decisions are made in Washington with the advice and input of elected territorial leaders.

Thus, for example, OTIA was instrumental in forming a working group between the Secretaries of Interior and Commerce to review and evaluate federal fisheries policies in the Exclusive Economic Zone adjacent to U.S. insular areas. During a recent Pacific Basin Development Council meeting, the federal government sought the participation and consultation of the

Pacific Rim governments and agreed to engage in a joint analysis of current federal fisheries policies and recommend steps that will allow a greater role in the management of these renewable resources by territorial governments.

OTIA has also been working with the Department of State to review long-standing policies regarding territorial participation in regional organizations, especially environmental organizations such as SPREP. We hope to develop an approach that is consistent with federal and international laws, yet also recognizes the legitimate desires of U.S. insular areas to take a more active role in these organizations, particularly given their central location in the Pacific Rim and the Caribbean Basin.

In conclusion, OTIA has a new mission and a new vision under the Clinton Administration. We are moving from a paternalistic relationship to a cooperative partnership; from an administrator to a facilitator; and from dependency to self-empowerment.

While I understand and sympathize with the sentiments of those who argue that OTIA should be abolished, the real issue is not OTIA. OTIA is only one component in the larger framework of how the federal government relates to the U.S. insular areas.

The real issue is how the federal government as a whole should restructure its relationship with the insular areas. Just as OTIA's mission is evolving over time, the federal

government's role and its philosophy toward the territories should likewise be changing. I would like to share more thoughts on this topic at another time. For now, I ask that you evaluate OTIA by what it is doing now, rather than by what it has done in the past.