



The National Union

Peace Unity Liberty

AN OFFICIAL PUBLICATION FOR THE PEOPLE AND STATES OF THE FEDERATED STATES OF MICRONESIA

Volume 8

Kolonia, Pohnpei, February 28, 1987

Number 1

Groundbreaking held Feb. 9

FSM capitol construction begins

PALIKIR, Pohnpei - Construction of the new FSM national capitol began with a groundbreaking ceremony Feb. 9 at the site in Palikir which officials cited as a symbol of unity for the Federated States.

The \$10 million project is being constructed by Hanil Development Co., Ltd., of South Korea which built the Pohnpei State Hospital during the 1970s. It is scheduled to be completed in 600 days, or by the end of 1988.

The \$8.2 million base bid which won the construction contract for Hanil was for nine one-to-two story concrete buildings, such as the executive offices, the Capitol Building with the Congress Chamber and the judicial building which total some 95,000 square feet, plus interconnecting covered walkways, two plazas, utilities and air conditioning installation, parking areas, driveways and access roads. It also includes electrical distribution, landscaping and sewage treatment, water distribution and other support facilities.

With \$9.4 million provided in fiscal

(Continued on Page 3)



FSM CAPITOL RIBBON CUTTING--Cutting the ribbon during the Feb. 9 FSM capitol groundbreaking ceremony at Palikir are, from left, Congress Speaker Bethwel Henry; State Senator Francis Simeon; Joseph Farrell of Architects Hawaii, Ltd.; Hanil Development Co. Project Manager W. M. Kim; President Tosiwo Nakayama; traditional leaders, Nanmwarki Ioanes Artui, Iso Nahnken Isidiro Martin and Pwoud Lepen Palikir Andonio David of Sokehs; Pohnpei Gov. Resio Moses, and FSM Supreme Court Chief Justice Edward King.

Special session public projects funding bills signed into law

KOLONIA, Pohnpei - The President and Vice President signed through Feb. 27 into law 14 of the 22 acts approved by the Fourth FSM Congress during its Jan. 10-24 Special Session, including four fiscal 1987 state public projects appropriations totaling \$4 million.

The Congress also adopted in its final session before the March 3 congressional elections 24 resolutions,

including those confirming nominations for Public Auditor, Transportation Secretary, Planning and Statistics Director and membership on the FSM Education, Social Security and Telecommunications boards.

The public projects appropriations measures, including Public Law 4-91 to provide \$600,000 for Yap; PL 4-95, \$1.7 million for Truk; PL 4-93, \$1.2

(Continued on Page 2)

Inside.....

Congress elections near

(See story on Page 2)

Yap aid contract signed

(See story on Page 3)

Governors inaugurated

(See story on Page 8)

At-large seats contested in March 3 elections

KOLONIA, Pohnpei - Vice President Bailey Olter, Congress Speaker Bethwel Henry and Postmaster General Leo Falcam are seeking the Pohnpei four-year at-large congressional seat in the March 3 elections in hopes of becoming the next FSM President.

First FSM President Tosiwo Nakayama of Truk is scheduled to step down at the end of his second term in May. The Fifth FSM Congress will elect the President and Vice President from among its four at-large members after its First Regular Session is convened here on May 11.

All 14 Congress seats are up for election and a constitutional amendment to change the present two-year terms to four years for districted members also will be on the ballots throughout the FSM. If approved the amendment would take effect during the Fifth Congress.

In the other at-large elections whose winners will be eligible for President and Vice President:

--Incumbent Vice Speaker Joab Si-

grah is being challenged by former FSM Senator Hiroshi Ismael and former State Senators Donald Jonah and Akira Tosie in Kosrae.

--Incumbent Senator Koichi Sana, who replaced Nakayama when he became President in a 1983 special election, is being challenged by former State Resources and Development Director Redley Killion in Truk.

--Incumbents John Haglegam and Isaac Figir are running unopposed for the at-large and two-year seats in Yap.

Senator Pedro Harris, who won the 1983 Pohnpei special election to replace Olter, after he was elected Vice President, is not seeking reelection.

In the Pohnpei races for districted or two-year seats:

--State Senator Annes Lebehn, State Court Chief Clerk Dohsis H. Halbert and Koffer Sos are seeking the seat being abandoned by Henry.

--Incumbent Congress Ways and Means Chairman Peter Christian is being challenged by State Conservation and Resources Sur-

veillance Director Kikuo Apis and College of Micronesia Continuing Education Coordinator Oliver Joseph.

--Incumbent Senator Elias Thomas is being challenged by State Education Agriculture Specialist Albert Augustin.

In Kosrae, incumbent Senator Claude Phillip is being challenged for the two-year seat by former State Senators Luey Luey and Rison Wakuk, Kosrae Credit Union Manager Simion Sigrah and State Vocational Rehabilitation employee Kiupu Palik.

In the Truk races for districted seats:

--Incumbent Senator Nick Bossy is being challenged by former FSM Senator Sasao Gouland.

--Incumbent Senator Jack Fritz is being challenged by former State Senator Simiran Sipenuk.

--Incumbent Senator Kalisto Refalopei is being challenged by Switer Eter.

--Incumbent Senator Tony Otto is being challenged by State Municipal Affairs Officer John Uruo.

4 public projects acts approved in special session

(Continued from Page 1)
million for Pohnpei, and PL 4-92, \$500,000 for Kosrae, were signed by Vice President Bailey Olter by delegation of authority by President Tosiwo Nakayama who left Feb. 11 for a trip to mainland China.

Other appropriations signed include PL 4-88 to provide a \$2,010,474 national government fiscal 1987 supplemental funding; PL 4-85, \$100,000 to reconstruct the Yap Outer Islands High School in Ulithi; PL 4-90, \$100,000 to match Kosrae development funds; PL 4-94, \$180,000 to fund Micronesian Legal Services Corp. operations; PL 4-87, \$200,000 for the National Student Loan Revolving Fund, and PL 4-89, \$40,498 to settle a claim by P. D. Hemlani of Guam for damage by FSM trainees to his apartments.

Other acts signed into law include PL 4-86, designating national holidays; PL 4-96 to clarify mandatory registration requirements of the national investment securities statute, and PL 4-98, to provide \$30,000 for a working group studying Compact funds investment.

Acts awaiting the President's signature

would establish a Nonpublic Schools Fund Program, add a chapter on diplomatic agents to the FSM Code, amend public projects bidding requirements, reduce maximum indemnification for the University of Hawaii, set FSM Development Bank funds use conditions, establish an FSM Airline Corp., change the purpose of earlier Truk public projects appropriations, require licensing of pharmacists and give the External Affairs Department regulatory authority.

Confirmations included appointments of Jack Yakana of Pohnpei, Public Auditor; Robert J. Weilbacher, Pohnpei, Transportation Secretary; John Sohl, Pohnpei, Planning and Statistics Director; Bernard Helgenberger and Pedro Harris of Pohnpei, FSM Telecommunications Board of Directors; FSM Personnel Officer Kohne Ramon, Pohnpei Lt. Gov. Johnny David, Ismael Dobich of Truk, Donald Jonah of Kosrae and Charles Chieng of Yap, FSM Social Security Board of Directors; Heinrich Stevenson, National Election Commissioner for Pohnpei, and John Rulmal of Yap and Kosrae Education Director Singkitchy George, FSM Education Board.

Other resolutions adopted:

--Ratify the U.S.-FSM law enforcement mutual assistance agreement.

--Encourage the FSM Telecommunications Corp. to improve outer islands communications in general in one resolution and in Pohnpei in another.

--Ratify an agreement on the U.S. Peace Corps program in the FSM.

--Congratulate Yap Gov. Petrus Tun and Lt. Gov. Tony Tawerilmeng on their Nov. 4 election and Jan. 12 inauguration.

--Congratulate Kosrae Gov. Yosiwo George and Lt. Gov. Moses Mackwelung on their Nov. 4 reelection and Jan. 12 inauguration.

--Urge the President and governors to support programs to develop malnutrition data and eradication.

--Request the President to seek assistance for typhoons Merge and Orchid damage in the Yap outer islands.

--Congratulate Guam Gov. Joseph F. Ada and Lt. Gov. Frank F. Blas for the Nov. 4 election and Jan. 5 inauguration.

--Express appreciation to Arizona Sen. John McCain for his Dec. 28-31 visit to Pohnpei.

Capitol called symbolic of unity, nationalism

(Continued from Page 1)

1986 and about \$4 million provided in fiscal 1984 by the U.S. Congress, the project also includes asphalt paving four miles of roadway from Kolonia to Palikir and the parking, driveways and service areas.

President Tosiwo Nakayama, Congress Speaker Bethwel Henry, FSM Supreme Court Chief Justice Edward King, Pohnpei Gov. Resio Moses and Nanmwarki of Sokehs Ioanes Artui were among the speakers at the ceremony.

Nakayama said he was pleased that "the decision to place the capitol here is ours."

The President cited the history of the Trust Territory government in Micronesia which established its capital in 1947 at Fort Ruger, Hawaii, then moved it to Guam in the early 1950s when Dublon Island, Truk, was being considered to be the site, and to Saipan in the early 1960s.

When the Northern Marianas opted in 1975 for separate U.S. commonwealth status, the Congress of Micronesia selected Pohnpei for the capitol site, due to the availability of public land on the island.

The new capitol will be "symbolic of our unity and nationalism," Nakayama said, noting that the complex was designed by Architects Hawaii, Inc., of Honolulu.

The Speaker noted that the 200-acre site in Sokehs Municipality was provided by the Pohnpei state government and said in Pohnpeian that the occasion "culminates all our



PRESIDENT SPEAKS AT CEREMONY--President Tosiwo Nakayama, right, is speaking during the Feb. 9 FSM capitol groundbreaking ceremony in Palikir. From left are Gov. Resio Moses, Congress Speaker Bethwel Henry, Pohnpei Legislature Floor Leader Francis Simeon, FSM Supreme Court Chief Justice Edward King; Communications-Pacific, Inc., Vice President Leslie Reile of Honolulu, and Nakayama.

past actions and brings our efforts to finality."

The Chief Justice urged the FSM people to "dedicate not only these grounds, but also ourselves and those who shall follow after we have departed to fulfillment of the vision and dreams of unity and self-government that this capitol is intended to represent and implement."

FSM signs \$3.71 million Yap Fishing Harbor Project contract with Maeda

KOLONIA, Pohnpei - The FSM entered a \$3.71 million contract with Maeda Construction Co., Ltd., for construction of the Yap Fishing Harbor Preparation Project, according to an External Affairs Department press release.

International Affairs Chief Masao Nakayama signed Jan. 30 for the FSM in Tokyo the contract which will execute the terms of an Oct. 8 exchange of notes between the two governments. Nakayama was accompanied by FSM Attorney General Lawrence Bertoncini and Christer Frieberg of the Yap Fishing Authority.

The contract is for 567,264,000 yen, which is about \$3.71 million U.S., using the Jan. 30 prevailing

exchange-rate, the release said.

The project, which includes a slipway, wharf, diesel oil tank, workshop and fisheries complex, "is by far the largest single individual grant awarded to one individual state in the FSM," the release said.

This is the second Japanese foreign aid project to be undertaken by Maeda Construction Co. which built two cold storage facilities, one each in Pohnpei and Truk, which were completed and turned over to the FSM in March, 1986, under one contract.

With this contract, the Japanese government has provided 2.689 billion yen, or an equivalent of \$13,629,727 to the FSM, since it became eligible in 1980 for foreign aid grants from Japan.

Guidance counselors manual produced

KOLONIA, Pohnpei - Aier Willyander, a Pohnpei Islands Central School counselor, produced a "Manual for Guidance Counselors at PICS" as a required research project for a Master's degree in Education, Guidance and Counseling which he received from Northwest Missouri State University, according to Psychology, Sociology and Guidance Department Chairman Gus Rischer.

Willyander, 40, of Sokehs Pah is a native of Ettal, Mortlock Islands, Truk, who received a Bachelor of Arts degree in elementary education from the University of Guam in 1971 and taught at the Community College of Micronesia in Pohnpei and College of Micronesia Continuing Education Center in Truk and began working as a PICS counselor in 1984.

Compact implemented by proclamation

(Following is the text of the proclamation signed Nov. 3, 1986, by President Tosiwo Nakayama, implementing the Compact of Free Association between the FSM and U.S. governments:)

Presidential Proclamation

WHEREAS, we, the people of the Federated States of Micronesia, retain and have always retained our sovereignty and our right to self-determination; and

WHEREAS, in 1947, following the ravages of World War II, our islands and waters, along with those of our brothers and sisters in Belau, the Marshall Islands and the Northern Mariana Islands, were placed under a United Nations Trusteeship to be administered by the United States of America; and

WHEREAS, the primary objective of the Trusteeship, as set forth in the Charter of the United Nations and the Trusteeship Agreement, was to promote our political, economic, social and educational advancement and our progressive development towards self-government or independence as appropriate to our particular circumstances and our freely expressed wishes; and

WHEREAS, we, the people of the Federated States of Micronesia, in the exercise of our inherent sovereignty and right to self-determination, adopted a National Constitution on July 12, 1978; and

WHEREAS, pursuant to that Constitution, democratic political institutions providing the instruments of self-government have been established; and

WHEREAS, pursuant to that Constitution, our duly constituted governments have assumed and are now exercising the functions of government, both domestic and foreign; and

WHEREAS, the Government of the Federated States of Micronesia, acting in accordance with constitutional processes, entered into political status negotiations with the Government of the United States in advancement of the wishes of our people to achieve a post-Trusteeship association with the United States of America; and

WHEREAS, on October 1, 1982, the Government of the Federated States of Micronesia and the Government of the United States of America signed a Compact of Free Association expressing the relationships between our two constitutional governments as freely associated states in the period following Trusteeship; and

WHEREAS, on June 21, 1983, we, the people of the Federated States of Micronesia, in a plebiscite observed by the United Nations, voted by an overwhelming majority to move beyond the Trusteeship and enter into free association with the United States of America; and

WHEREAS, the plebiscite constituted a valid act of self-determination by the people of the Federated States of Micronesia, and represented a free and voluntary choice by our people as to their future political status and relationship with the United States of America through informed and democratic processes; and

WHEREAS, the Compact of Free Association has been approved in accordance with our constitutional processes and the requirements of the Constitution and laws of the Federated States of Micronesia for putting into effect the Compact of Free Association have been satisfied fully; and

WHEREAS, the Government of the Federated States of Micronesia and the Government of the United States have agreed that the effective date of the Compact of Free Association shall be November 3, 1986; and

WHEREAS, the primary objective of the Trusteeship has been accomplished, and its continued existence is inconsistent with our aspirations for further social and economic development; and

WHEREAS, we, the people of the Federated States of Micronesia, wish no longer to be the wards of any nation or organization of nations, but wish instead to be the proud guardian of our own islands now and forever, and to assume our rightful place as a nation in the community of nations;

NOW, THEREFORE, I, Tosiwo Nakayama, President of the Federated States of Micronesia, in the name of my people and in accordance with their freely expressed wishes and pursuant to the authority vested in me by the Constitution of the Federated States of Micronesia, do hereby proclaim and declare on this third day of November, one thousand, nine hundred and eighty-six, that:

1) the United Nations Trusteeship Agreement no longer applies to the Federated States of Micronesia and from this day forward, the people of the Federated States of Micronesia shall no longer be the wards of any nation or organization of nations; and

2) we, the free and independent people of the Federated States of Micronesia, through our duly elected constitutional government, now enter into free and voluntary association with the United States of America in accordance with the Compact of Free Association; and

3) we, the free and independent people of the Federated States of Micronesia, call upon all peoples and nations of the world to acknowledge our new political status and extend to us and our children what we offer to them: Peace, friendship, cooperation and love in our common humanity.

May ALMIGHTY GOD bless our people and bring us peace, prosperity and unity as we begin this voyage into a new future for our sovereign Micronesian nation.

(Signed)

Tosiwo Nakayama

President, Federated States of Micronesia

November 3, 1986

Moses urges circumferential road paving funds

KOLONIA, Pohnpei - Gov. Resio Moses urged the Pohnpei State Legislature to provide funds to pave the circumferential road around the island within two to three years in his Fourth State of the State Message on Jan. 30.

The governor urged the legislature to complete during the session its review and approval of the state Five-Year Development Plan to release Compact of Free Association block grant funds to pave the circumferential road and finance other development projects, such as housing development, the pepper development project, water and power distribution beyond Kolonia, airport terminal construction and a second high school.

"For FY 87, Pohnpei's share of the Compact development funds is over \$7 million," Moses said. "Unfortunately, none of this money can be used now as we must first pass the five-year plan."

The governor said that an audit being conducted by Touche Ross and Associates is expected to show that the state's accumulated budget grew from \$900,000 when he took office in May, 1983, by \$300,000 each year in fiscal 1984 and 1985 to more than \$2 million at the end of fiscal 1986.

The state's cash shortage during the last six months of fiscal 1986 resulted in delays in payments to vendors and banks for employees loan allotments, he said.

Moses attributed the "spiralling deficit" to a trend which began before he took office of "under budgeting" for public utilities, medical supplies and referrals and Micro Glory drydocking and "over budgeting" for other expenditures.

He said that "the Compact will give us some help, but we must also find other ways and means of increasing our revenue base and also curtailing our expenses."

Local revenues were increased by some \$256,000 to \$3,010,941.15 in fiscal 1986 and are expected to jump to \$3.8 million in fiscal 1987, Moses said.

The circumferential road which was completed late last year is "eating up our resources" in maintenance costs, he said, calling for approval of Compact funds to supplement funds from the FSM capitol construction project which include paving four miles from Kolonia to Palikir and 1987 Japanese foreign aid which will pave 10 miles.

The road could be paved "in the next two to three years" with the use of Compact funds "to pay for the project in the years subsequent to its completion," the governor said.

The governor said that the State Housing Authority authorized 49 home loans totaling \$388,000 in fiscal 1986, up from 28 totaling \$270,000 in 1985 and the Farmers Home Administration issued 617 construction and renovation loans totaling \$1.7 million during 1986, up \$500,000 from 1985.

He urged the legislature to approve Compact funds reserved for housing under the five-year plan and to approve his proposal to consolidate housing agencies into a Housing and Community Development Department.

Tourism is lagging, Moses said, urging the legislature to act on tourism development projects in the plan and to assist in working with the private sector to improve airline



DELIVERING STATE-OF-THE-STATE MESSAGE--Gov. Resio Moses, standing, is delivering Jan. 30 his fourth State-of-the-State Message to the Pohnpei State Legislature. Seated, from left, are an unidentified page, Speaker Ambros Senda and Peterson Santos of WSZD Radio, the state broadcast station.

routing, hotel accommodations, airport conditions and sites and activities for tourists.

He urged the legislature to approve an additional \$1 million from the Compact funds needed to award a contract for construction of a new Pohnpei International Airport Terminal, noting that the bids were received in excess of the funds available and the contract must be awarded by the end of April to avoid returning to the bidding process.

The proposed Pepper Development Project which is awaiting approval and funding by the legislature "represents the first large development project undertaken by this government in an effort to increase income to rural populations and to increase the state's export income," the governor said.

The plan developed by John Gnanaratnam, a spice consultant from Sri Lanka, would require about \$5 million in funding during the first 10 years to develop 500 acres of black pepper production and an additional five years of technical support for farmers while planted crops mature, he said.

Pohnpei now has excess electrical power production capacity with the installation of its floating power plant last year and the ongoing construction of a hydroelectric facility in Nanpil, but lacks the facilities to distribute this power to most of the island, Moses said, urging the legislature to release Compact funds for the distribution system.

Noting that only 32 per cent of the eighth grade students who graduated in 1986 were admitted to PICS high school, he urged appropriation of \$1.5 million from the Compact funds for the second high school proposed for Madolenihmw and Kitti.

2 sentenced for manslaughter

KOLONIA, Pohnpei - Two men who pleaded guilty to manslaughter charges were sentenced Feb. 12 by FSM Supreme Court Chief Justice Edward King to prison and probation terms, according to National Justice Ombudsman Nickontro Johnny.

Bernard Mengebuch, 20, of Yap, a model senior at Pohnpei Agriculture and Trade School, was sentenced to three and one-half years in jail and three and one-half years on probation for the Nov. 15 stabbing death of Everly Lippwe, 25, son of FSM Broadcast Administrator Esikel Lippwe, at their home in Nett Municipality.

"I am persuaded that you at no time were intent on killing Everly Lippwe," the Chief Justice told Mengebuch, adding, "We have an obligation under the law to respond to this.

"There has to be punishment for a life taken," King said.

For the first 18 months of the jail sentence, Mengebuch may be released during the day to complete high school and he will be eligible for work-release during daytime working works for the last two years with one-third of his earned income to go to the state and

two-thirds to the Lippwe family.

During the first 18 months of his probation, Mengebuch will be required to seek employment and pay 50 per cent of his salary to the Lippwe family.

Kasdon Laurdine, 21, of Pohnpei was sentenced to five years in jail and two years probation for the Nov. 23 strangulation death of his wife, Priscilla.

Bar Exam near

KOLONIA, Pohnpei - A written examination to practice law before the FSM Supreme Court is scheduled for March 5 in Pohnpei and Truk, according to FSM Supreme Court Chief Clerk Emeliana J. Musrasrik.

The court would consider requests to administer the bar examination in Yap and Kosrae, if such requests were made promptly to allow time for the court to make the necessary arrangements, Musrasrik said.

Applications for the exam were to be filed with supporting documents and a fee 30 days before the test with the Office of the Chief Clerk, with exceptions for late filings showing good cause.

16 complete 3-week pre-law program

KOLONIA, Pohnpei - Sixteen participants completed a three-week Council on Legal Education Opportunity program to prepare them for law school admission, according to FSM Public Defender John Brackett.

The program was conducted Jan. 5-23 in the Kolonia Town Hall by Chico, California, State University Professor Edward Bronson and sponsored by the Public Defender's Office which plans to hold the same program annually until "we have a sufficient number of FSM students graduating from law school," Brackett said.

The participants were Kenny Palsis and Wilson Waguk, Kosrae; Kachie Sana and Mariana Kim, Truk; Gene Babauta, Ignacio Soumwei, Beaulen Carl, Aurelio Joab, Isamo Welles and G. Hauk, Pohnpei, and Ben Turad, Mariano Dohwel, Bernard Yoruw, Anselm Fillmed, John Uwas and Mark Mathow, Yap.

Drinking permit ruling deferred

KOLONIA, Pohnpei - A ruling on the constitutionality of the Kolonia Town drinking permit ordinance was deferred Feb. 4 by FSM Supreme Court Chief Justice Edward King to the Pohnpei State Supreme Court Appellate Division.

"Although it eventually may be necessary for this court to make a determination on the national constitutionality of the Kolonia Town ordinance, first, it is more appropriate for the state court to look at the issue of state constitutionality," King said during the Feb. 4 hearing, declaring that the issue is "essentially local."

The suit against the ordinance requiring a \$10 permit to purchase or consume alcoholic beverages in Kolonia Town was filed Dec. 24 by Kadalino Damarlane, Rickson Hadley and John Sproat, all of Pohnpei, who charged that it violates the FSM Constitution due process clause because it is unduly vague.



'MWOAKILLOA' CONSTITUTION SIGNED--The municipal constitution drafted for Mokil Atoll, changing the spelling to "Mwoakilloa," is being signed Dec. 15 at the close of the constitutional convention by, from left, Nanmwarki Sahn Johnson, Convention President Sailas Henry and Nanken Dison Hedson. A referendum on the draft is expected to be held March 27, or 30 days after it was submitted Feb. 25 to the Mokil chief magistrate, according to Henry.

COM Regents urge summit

KOLONIA, Pohnpei - The College of Micronesia Board of Regents called for a Micronesian presidential summit by May or June on future College of Micronesia funding, during its Jan. 19-20 annual meeting here, according to a COM news release.

The board set an April 30 deadline for submitting to its members compiled comments on the draft COM Five-Year Development Plan, during its two-day meeting in the Community College of Micronesia Conference Room.

And the board reelected its officers, including Rector Alfred Capelle of the Marshall Islands, Vice Rector Damian Sohl of Pohnpei and Secretary-Treasurer John Salas of Guam who represents the Trust Territory government.

Other regents attending the meeting were Dr. Ansito Walter of Truk, Sebastian Anafel of Yap, Johnson Toribiong of Palau and Kathy Kesolei of Palau who also represents the Trust Territory government. Singkichy George of Kosrae was absent due to a death in his family.

"June is the latest we can expect the summit," Capelle said, during a meeting Jan. 19 in the CCM Library with

the CCM Staff Senate.

"After that, most of us know it will be too late," the Rector said, for funding the COM programs during fiscal 1988 which begins Oct. 1.

Capelle noted that U.S. Interior Department funding is being terminated in fiscal 1988 for the COM campuses and Continuing Education Centers in the FSM and Marshalls and Basic Education Opportunity (Pell) Grants are scheduled to be phased out for their students under their Compacts of Free Association with the United States which were implemented last year.

The Micronesian Occupational College in Koror and Palau students will continue to receive Interior and Pell funding as the last remnant of the Trust Territory, because voters there failed to ratify the Compact in a Dec. 2 referendum.

Noting that the Regents have been trying since their January, 1986 annual meeting here to organize a Micronesian summit on future COM funding, Capelle said that a delay was requested by the Marshall Islands government until the effective date of the Compact, implemented Oct. 23 there.

George says world watching FSM

(Continued from Page 8)

provided by the Compact" of Free Association with the United States, during his Jan. 12 inauguration for a second term as Kosrae governor.

The ceremony inaugurating George, Lt. Gov. Moses Mackwelung and the Fourth Kosrae State Legislature was attended by Nauru President Hammer De Robert, FSM Vice President Bailey Olter, Truk State Gov. Gideon Doone and representatives of Pohnpei and Yap state governments.

The elected officials were sworn in by Kosrae State Chief Justice Harry Skilling. George was reelected Nov. 4 by a slim margin over former Gov. Jacob Nena who he unseated in 1982.

In his prepared inaugural address, George cited the Nov. 3 implementation of the Compact and said that to succeed as a nation, the FSM must

make wise use of its resources through cooperation at the state and national levels.

"Together, we can accomplish great things for our state and nation," he said, while "divided we will squander the opportunity for real independence provided by the Compact."

George said that "the whole world will be watching to see what we do with our opportunity."

"We must be mindful that the Compact is only temporary--a 15-year arrangement," he said, citing the need to develop the FSM during that period, so its people can "make an independent decision on our future course, free from financial considerations."

George said that this desire for economic development must be tempered by consideration for the fragile island environment and "respect for our traditional values and customs."

President swears in three officials

KOLONIA, Pohnpei - President Tosiwo Nakayama administered Jan. 25 the oath of office to FSM Public Defender Jack Yakana, Transportation Secretary Robert J. Weilbacher and Planning and Statistics Director John Sohl.

The ceremony took place in the President's office with Vice President Bailey Olter, other members of the cabinet and the wives of the three officials attending.



Yakana



Weilbacher



Sohl

native of Pingelap, Pohnpei state, is a former FSM Supreme Court director of administration and Status Commission administrative assistant who has been serving as a staff auditor and occasionally as Acting Public Auditor in the FSM office since 1984.

He attended Mizpah High School in Truk and is enrolled in independent and correspondence studies at Pacific Western University and the University of California at Berkeley.

Weilbacher, 39, became the first secretary of Transportation Department which was created in September by the FSM Congress, after his serving as Resources and Development Department Transportation Division chief.

Originally from Kosrae, Weilbacher was graduated from Xavier High School in Truk and received as Bachelor of Science in Marine Transportation from the Philippine Merchant Marine Academy.

Sohl, 37, has been serving as Office of Planning and Statistics Federal Programs Coordinator since 1980 and Acting Director since 1984.

He is a graduate of Xavier High School, Truk, who attended the University of Guam.

Tun takes office, George starts new term

COLONIA, Yap - Former FSM Vice President Petrus Tun said he would hold down government expenses and seek foreign investment to accelerate private sector development, during his Jan. 12 inauguration here as the second governor of Yap.

The ceremony, inaugurating Tun, Lt. Gov. Anthony Tawerilmang and the Second Yap State Legislature in the legislature compound, was attended by FSM President Tosiwo Nakayama, External Affairs Secretary Andon Ama- raich, Trust Territory High Commissioner Janet McCoy, Pohnpei Gov. Resio Moses, Guam Gov. Joseph F. Ada, Northern Marianas Lt. Gov. Pedro A. Tenorio and Rear Adm. Chauncy F. Hofman, commander, U.S. Naval Forces, Marianas.

The oath of office was administered to the elected officials by Acting Yap

State Chief Justice Alfonso Rangan- bay and the U.S. Navy Band performed during the ceremony.

Tun and Tawerilmang ran unopposed in the Nov. 4 elections.

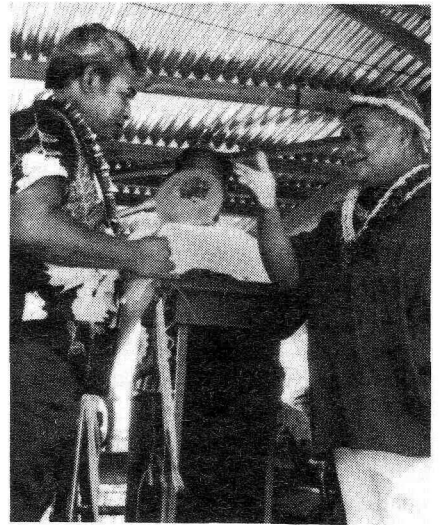
In his prepared statement, Tun credited former Gov. John Mangefel and Lt. Gov. Hilary Tacheliol with serving during Yap's most critical period in organizing its internal government and laying the foundation which on which the new administration intends "to build a healthier economy and stronger and more responsible government for Yap state."

The new governor said that his policy would be to keep down the size and operation cost of the state government, with the exception that he would try to create a new Youth Affairs Department to deal with the social problems of young people while putting them to work in the state economic development scheme.

He said he would attempt to reduce the cost of government operations and services by privatizing as many services as possible and establishing fees for services that remain with the government.

Noting that he served as a member of the FSM Status Commission which negotiated the Compact of Free Association with the United States and in 1983 as chairman of the national Plebiscite Commission on the Compact, Tun declared that free association was the free choice of the overwhelming majority of all FSM citizens, and that with the Nov. 3, 1986, implementation of the Compact, the time has come to put political development aside and focus on economic development.

He said the FSM Congress should serve as a unifying and stabilizing agent and warned against its interfering



TUN RECEIVES KEY--Gov. Petrus Tun, left, is receiving a symbolic key to the Yap state government from former Gov. John Mangefel, right, during the Jan. 12 inauguration ceremony in Colonia with Master of Ceremonies Sam Falanruw looking on.

in state internal matters by imposing projects which are not in the state development plans.

Tun said he hopes to rely on the national government to assist in economic development by soliciting foreign investment, foreign aid and technical assistance.

He said that Compact funds and current local revenues will provide little more than the government operations and basic infrastructure needed at this time, so foreign investment is necessary for expanding the private sector to expand the revenue base for the government and improve the quality of life of the people.

TOFOL, Kosrae - Gov. Yosiwo George warned against squandering "the opportunity for real independence

(Continued on Page 7)



GEORGE SWORN IN--Kosrae State Chief Justice Harry Skilling, left, is administering the oath for Gov. Yosiwo George to begin his second four-year term of office with the governor's wife holding the Bible, during an inauguration Jan. 12 in Tofol.

The NATIONAL UNION

Published by: FSM Information Office

P.O. Box 490, Colonia, Pohnpei

Federated States of Micronesia 96941 - Telephone: 548

Ketson Johnson, Public Information Officer

Tom Bryan, Consultant

Esikiei Lippwe, Broadcast Division Administrator

Jones George, Microfilm Administrator

Elieser Rospel, Graphic Artist

Angie Mualia, Administrative Assistant

Mary Ellen Manuel, Clerk Typist

Esi James, Clerk Typist