REPUBLIC OF THE MARSHALL ISLANDS

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November 1988

FOREWORD

This paper on The Republic of the Marshall Islands was prepared by Dr. Leonard Mason. Dr. Mason was involved in collecting basic data on the Marshall Islands during the war years when he was a graduate student at Yale University. He became the first American anthropologist to work in the Marshalls when he conducted a post-war economic survey. Currently an emeritus Professor of Anthropology at the University of Hawaii at Manoa, Dr. Mason still maintains a high level of involvement with the Marshall Islands.

The paper is the eighth in a series of nine studies on the Independent and Freely Associated States of the Pacific region produced under contract to the Office of Research of the U.S. Information Agency (USIA). These reports are designed to provide baseline information on the society, politics and economics of the island states, plus an analysis of the role of the media, important interest groups, and interest group attitudes on key issues relevant to U.S. policy concerns in the Pacific.

The overall study was administered by the Pacific Island Association, a private non-profit corporation located in Honolulu. Dr. Robert Kiste and Dr. Michael Hamnett, American scholars and anthropologists with wide experience in the Pacific Islands, were co-directors of the study. Dr. Kiste is Director of the Center for Pacific Island Affairs at the University of Hawaii at Manoa. Dr. Hamnett is Coordinator of the Center for Development Studies in the Social Science Research Institute at the University of Hawaii at Manoa; his work has focussed on contemporary political and economic problems facing the Pacific region.

Drs. Kiste and Hamnett planned the research methodology, organized the outline for the individual country papers in accordance with requirements established by USIA, and coordinated the work of the authors of the country papers. They also assisted Ms. Wendy Schultz, who edited the resultant draft reports for consistency and accuracy. Final editing was done by the Office of Research of USIA.

The findings in this paper reflect research that was essentially completed by October 1, 1988.

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THE REPUBLIC OF THE MARSHALL ISLANDS

I. COUNTRY OVERVIEW

A. Geography

The Marshall Islands archipelago is made up of 29 coral atolls and 5 single islands, none of which has an elevation more than 6 meters above sea level. They are located above the equator between 4.5 and 15 degrees north latitude, and west of the International Date Line between 161 and 172 degrees east longitude. Hawaii, to the northeast, lies about 4,256 kilometers distant, while Guam is about 2,405 kilometers to the west.

The atolls provide ample marine resources in the large lagoons, but the poor soil of the small islands provides only very limited agricultural potential. The islands are divided into two parallel chains, along a northwest-southeast axis, about 232 kilometers apart. They are the Ratak (Sunrise) Chain and the Ralik (Sunset) Chain. Total land area of the Marshalls is about 181 square kilometers. The eastern part of Majuro Atoll (Darrit/Uliga/Dalap, or D-U-D) in southern Ratak is the administration center of the Republic. The other major population center is Ebeye Island, Kwajalein Atoll, which depends economically on the U.S. missile test site on Kwajalein Island. The remainder of the islands are rural, and generally referred to as the Outer Islands. For the most part, they are sparsely populated, owing to migration in recent years to Ebeye and Majuro.

B. Population Size and Composition

Population has increased throughout the Marshalls since World War II, due to a combination of high fertility and decreasing mortality. The latter has resulted from a lessening of debilitating illnesses (especially respiratory and venereal), the availability of better medicine and medical facilities, and education in health-related matters. The growth rate is now 3.5% and is expected to reach 4.0% a year by 1990. The increasingly youthful population, with 49% under 15 years, is imposing a severe burden on the Marshallese economy and society. For every 100 persons in the working age group, 15 to 64 years, there are 115 dependents 15 years and younger, and 65 years and older. The official population estimate for 1991 is 47,197. An islands-wide census is planned by the Republic's Office of Planning and Statistics for November 1988.

More significant is the phenomenal increase in the two principal centers of population, D-U-D (Majuro) and Ebeye (Kwajalein). In 1985, D-U-D and Ebeye counted 10,194 and 7,867 Marshallese, respectively, for a combined 48% of the Republic's total population, but these two areas represented less than one

percent of the archipelago's total land area. Migration from the Outer Islands is the cause of growth in the two urban centers, attracted by wage employment, educational opportunity, health care, and the enjoyment of urban living. This has resulted in a disproportionate age structure in the Outer Islands, mainly older people and children. The density of population for all of the Marshalls is about 203 per square kilometer. However, the densities for the rural areas are 83 per square kilometer; for the D-U-D center, 7,683; and for the island of Ebeye, a staggering 25,328.

The ethnic composition of the population is almost entirely Marshallese, with less than 4% represented by expatriate Americans and other nationalities, most of whom are employed on contract with the government. A single language and culture characterize the entire group, although dialect and subcultural differences do exist between Ralik and Ratak.

C. Political Organization

Germany established the first colonial government in 1885 by a treaty with the paramount chiefs of the Marshalls. Japan followed in 1914, with the onset of World War I, and in 1920 a Class-C mandate was granted to Japan by the League of Nations. At the end of World War II, in 1945, the U.S. military replaced the Japanese, and in 1947 the islands became part of the U.S. Trust Territory of the Pacific Islands under a United Nations agreement with the United States. In 1951 the U.S. Navy relinquished administrative control to the Department of the Interior. The Government of the Marshall Islands was officially established in 1979 under its own Constitution, and in 1982 it was proclaimed as the Republic of the Marshall Islands. In late 1986, the Compact of Free Association was finalized with agreement between the Republic and the United States, and the trusteeship was terminated.

The Republic operates under a parliamentary system. Legislative authority exists in a unicameral body, the Nitijela, with 33 Senators elected by universal suffrage. Executive power is vested in a Cabinet and a President, who is elected by the Nitijela. He then appoints his Cabinet Ministers as heads of departments, with approval by the Nitijela. The judicial branch consists of a Supreme Court, High Court, Traditional Rights Court, and District and Community Courts. A council of Iroij, paramount chiefs who represent the traditional authority system, reviews legislation affecting customary law, including land tenure, and is advisory to the Cabinet. A Public Service Commission assists the Cabinet in all personnel matters relating to the public service. Local governments with an elected Council and Mayor are dependent on the central government in most matters but are empowered to raise revenue

locally. There are no organized political parties in the Marshalls.

Relations with other nations are negotiated by the Minister of Foreign Affairs, subject to approval by the Cabinet. Since the trusteeship ended in 1986, the Republic has established diplomatic relations with a number of foreign countries and regional organizations.

D. Economy

Production is divided between the modern (urban) economy and the traditional (rural) activity. Copra, dried meat of the coconut, is produced by families in the Outer Islands as an export commodity, but it supplements an otherwise subsistence economy. Together with coconut oil (locally processed), copra is essentially the only export product. In the modern sector, activities are limited mainly to the provision of consumer services. Manufacturing is almost non-existent. Over half of the Gross Domestic Product (GDP) is based on wages paid to government employees in D-U-D (Majuro) and to the Marshallese labor force at the U.S. missile range on Kwajalein. Other sources of Marshallese income include lease or condemnation funds from the U.S. government, plus compensatory grants to communities deprived by the nuclear testing at Bikini and Enewetak. Also, in 1979, the U.S. military began regular payments to Kwajalein landowners for the right to conduct tests at the Pacific Missile Range. Tourism is only minimally developed.

Heavy dependence is placed on importation of consumer and capital goods, purchased primarily from Japan and the United States. In 1984, exports were about \$5 million as compared with over \$22 million in imports. Most of the latter were consumed in the urban centers of D-U-D and Ebeye. Subsistence farming and fishing survive to a limited degree in the rural areas. Commercial fishing is restricted largely to the sale of fishing rights to foreign fleets (chiefly Japanese) within the 200-mile Exclusive Economic Zone.

Owing to the rapid population growth, the labor force has increased, but employment opportunities in the urban sector have declined, due mainly to funding limits in government operations. In 1980, over 20% of employable people were without jobs. Many of those had completed some high school or college education and expected to be hired at an appropriate wage level in either the private or the public sector. There are no labor unions in the Marshalls. Minimum wage is \$1.50 per hour.

One basic imbalance that plagues economic development in the Marshalls is the excess of recurrent government expenditures over domestic revenues. In 1987, domestic revenue provided only 21% of the total funding required, and that came largely from taxes on personal income, imports, and sales, and from fees charged to foreign fishing associations. The remaining revenue came from the U.S. government, from grants provided under the new Compact Agreement, Federal grants for education, health, and other service programs not included under the Compact, and for capital improvement projects. In the General Fund expenditures for 1985, 69% was allocated to Health Services, Education, Public Works, and Transportation and Communication.

E. - Social Organization and Culture

In the rural areas, land is all-important as a determinant of social status and family identity. The matrilineage (bwijj) is the primary kin group associated with landholding. Its head (alab), the oldest male sibling, represents the group in community affairs. Named land parcels, stretching from lagoon to ocean shore, provide living space for scattered households bound together by kin ties, and acreage for growing subsistence crops and coconuts for copra. Sharing of both work and goods is expected within the kin group. Land rights are inherited by group membership. A two-class system defines ownership by the upper class (iroijj) and use by the lower class (kajur or rijerbal). Traditional religious beliefs and practices have largely been replaced by Christian church organizations.

In the urban centers, where most residents are migrants from the Outer Islands, people live on land owned by relatives or rented from others. Households are smaller, emphasizing a nuclear rather than extended family composition. Housing is very crowded. Utilities (water, electricity, and sewage) are provided with government assistance. Small shops and stores abound (plus a few "supermarkets") to supply residents with food and other imported goods on which they depend so heavily. Law and order are maintained by local government police and community courts. Churches stand side-by-side with bars and movie theaters.

While a more traditional lifestyle persists in the Outer Islands, values and behavior in the urban centers have become more Westernized under the impact of a changing economy and a more direct awareness of the world outside. This is especially true among the younger generation, growing up in an un-Marshallese environment. Many of the youth have learned new values and behavior during high school and college years in the United States. Symptoms of this change are evident in the

alarming rise of juvenile delinquency, alcoholism, prostitution, suicide, and a general disregard of parental influence.

F. Significant Interest Groups

1. Elected Officials

Legislative power is vested in the Nitijela; its 33 members (Senators) are elected from their respective electoral districts. These are usually single-atoll communities, but in the more populated atolls (e.g. Majuro and Kwajalein) as many as 5 Senators may be elected at large. Senators are generally more educated and experienced. Once elected, they sometimes fail to maintain suitable communication with their constituencies and tend to advance their own careers as national leaders. Personalities rather than issues dominate the election process. The all-powerful Cabinet, which heads the executive branch, consists of the President, elected by his fellow Senators, and the Ministers, appointed by him to departmental portfolios from the Nitijela membership. National policies and overseas ties are determined by the Cabinet, subject to review by the Nitijela. At the Local Government level, the Mayor and the Council are elected to oversee community concerns not addressed by the central government.

2. Public Servants

Government employees, who assist the Cabinet in its executive authority, are under the overall direction of the Chief Secretary who is aided by appointed department heads or Secretaries. These officials are commonly Marshallese, but are aided in many cases by expatriate planning or management experts under contract. All government employees are appointed by authority of the Public Service Commission, whose members in turn are appointed by the Cabinet and responsible to that body, rather than to the Chief Secretary. The judicial authority, according to the Constitution, is independent of the legislative and executive powers, but judges of the Supreme Court and the High Court are appointed by the Cabinet on recommendation of the Judicial Service Commission and with Nitijela approval. Judges of these two courts are expatriates with proper qualifications. At the local government level, all public servants are appointed by the Mayor and the Council. In general, it may be said that the public service, as a bureaucracy, takes direction in all matters from the Cabinet Ministers.

3. Traditional Leaders

The traditional authority system, closely related to the land tenure system, has been in decline since the late 19th

century, owing to restrictions enacted by the Germans and the Japanese and, since World War II, by the U.S. administration, as commoners (kajur) have taken a more active stand for democracy in landholding practices. However, in the 1979 Constitution of the Republic, some revitalization was provided. The Council of Iroij, made up of eligible persons of high rank, may review any legislative action concerning customary law or land tenure, and express its opinion to the Cabinet. The Traditional Rights Court, panels of 3 or more judges, represents the three primary classes of land rights (Iroij, Alab, and Rijerbal), in review of disputes about titles or land rights. Its recommendations, however, are not binding on the certifying court's disposition of the legal case before it. The paramount chiefs and the family heads (alab) concern themselves almost entirely with questions of local custom and not with external relationships. However, the Iroij system has benefited lately from the traditional chiefs' participation in posts of authority within the Nitijela. For example, several Senators claim title rights in agreements with the U.S. about lease of Kwajalein land for missile testing, and the President himself holds the Iroij title in Majuro.

4. Business Sector

Since 1979, the Marshalls government has pursued an active program in infrastructure development, focussed primarily in the nation's capital in D-U-D (Majuro) and, to a lesser extent, in Ebeye (Kwajalein). For example, a new power plant in Majuro has overcome the frequent power outages, a new dock and fueling facility (also in Majuro) services many foreign fishing vessels, and a new air carrier (Airline of the Marshall Islands) contributes to both internal and international service, linking Majuro with Kiribati, Tuvalu, and Fiji to the south. In Ebeye, the Kwajalein Atoll Development Authority, with federal funding, has improved utility services and is extending the living area to the north. All of these programs have involved notable increases in construction projects, contracted with both Marshallese and expatriate firms. In 1987, government communication and utility services in Majuro were privatized, and the President is looking at other privatization opportunities, such as the ship transportation services to the Outer Islands. An active Chamber of Commerce of some 50 members represents private business, which remains primarily service-oriented with only a little production industry. Money and the cash economy have dominated the urban society, and have been the big attraction for Outer Islanders increasingly to move to Majuro and Ebeye. They still await the promise of Compact funding to resolve some of the economic needs of the rural society. The principal problems of business people have been the supply of skilled workers, especially in management and professional areas. If the Republic's educational system

cannot meet this challenge, alien workers will have to be recruited in ever increasing numbers and this will create other, more serious social problems.

5. Religious Leaders

Most Marshallese congregations are Protestant, having received the Bible from Boston missionaries 130 years ago. The Congregationalist faith survives under indigenous leadership, the Jarin Rarik Dron (in rough translation, "the group that cooperates"). The Catholic Church, led by Jesuit priests from the United States, has increased its membership since World War II. In the past 20 years, other sects have become established, on a much smaller scale, including the Assembly of God, Seventh Day Adventist, and others. Principal concerns expressed by church leadership are as much social as they are sectarian. Thus, the rise in population, the increasing dependence on money and materialism, the decline of the traditional family system, and the lack of goals, are decried. The churches support their own schools and curricula that seek to build a more reflective person, and they organize workshops to bring together the older and younger generations in cooperative discussion about the desired mix of old and new values and behavior. These are organizational opportunities which can ensure a more effective follow-up when external agencies seek to introduce new programs, if the local groups are involved in planning and implementation from the start.

6. Women's Groups

Not since 1978 and 1979 have Marshallese women organized for political purposes. In those years they gave support, on opposing sides, during the course of controversial referenda on the proposed FSM and Marshalls constitutions. Since 1979, the Ministry of Social Services, in its Community Development section, has worked to establish women's groups in the local governments to improve the status of women, not only in the domestic area but also to assist self-employed women in small business ventures. Technical and funding aid has come from regional and international organizations. Most recently, in 1988, a seminar on Basic Business Management Skills for Self-Employed Women was held in Majuro with aid from the International Labor Organization (ILO) and delegates from other Pacific Island nations as well as Marshallese women. The local women's groups are now being organized nationally, as "Women United Together," with biennial conferences to integrate the interests and activities of women all over the Marshalls. However, a recent move by women to persuade the Nitijela to ban alcohol sales to youths was rejected by that body for sales tax income reasons, and the women dropped their protest, suggesting that the kind of political action seen in the late 1970's has still to be regenerated.

7. Media

A weekly newspaper is privately-owned. The government operates the radio station. Within the last two years a private company has launched a television service, but VCRs have been a thriving business for longer than that. A satellite communications station provides telephone service anywhere in the world (see "C. Role of the Media").

8. Educators

Public elementary schools are operating throughout the Marshalls. Private elementary schools are supported primarily by church organizations, serving one-fourth of all Marshallese students at this level. Public high schools exist only in Majuro and Jaluit, although two others are planned for Ebeye and Likiep. Seven private high schools serve one-half of all 8th-graders who go on to secondary education. In 1987, only 65% of 8th-graders entered high school, owing to space limitations. Post-secondary education is restricted to the College of Micronesia's Extension Center, although some Marshallese go on to college outside when scholarships are available. The population increase in the Marshalls has put intense pressure on the entire educational system. Another serious problem is the inadequate training of elementary school teachers, especially in the Outer Island schools. Most teachers do have the "A" degree, which is the government's goal for all. The Ministry is revising the school curricula to include more vocational, cultural, and science education. In general, educators are mainly concerned with improving the present programs at all levels, and have shown little inclination as a group to take up positions on issues beyond the school confines. They do, however, receive and welcome advice and assistance from the College of Micronesia, the University of Hawaii (College of Education), the Pacific Post-Secondary Education Council, the South Pacific Commission, and Peace Corps/Marshalls.

9. Youth Groups

The breakdown of the traditional family system, especially in the urban centers, is reflected in the high incidence of alcoholism and suicide among the youth, the increase in juvenile delinquency and teenage pregnancies, and the high rate of school drop-outs. Seminars and workshops have now identified the more serious youth issues and programs are being established for their resolution. The Ministry of Health Services, in its Family Planning program, has instituted an innovative approach called Youth-to-Youth in Health. Teenagers are trained to conduct workshops with their peers in the high schools and the community to focus on youth responsibility in

making life choices in the urban environment. Plans are to extend this approach to the needs of youth in the Outer Islands. The Marshall Community Action Agency (MCAA) has begun a Youth Options Program to assist youth offenders and drop-out youth at its training center in Majuro in remedial reading, community service, and sports projects. The Peace Corps/Marshalls is committed entirely to education and health education in the Outer Islands, and all volunteers will be heavily involved with youth programs. At present, Marshallese youth have shown little interest in overseas ties except in sports competitions and college education opportunities.

G. Role of the Media

The Marshall Islands Journal, a weekly newspaper, is privately owned and independently published. Started in 1970, it is the oldest newspaper in the Micronesian region, except the Pacific Daily News which is a privately issued daily flown in by air from Guam and available in local stores in Majuro and Ebeye. The Republic exercises no control over the Journal, although a lively debate often appears in its "Letters to the Editor" section. The weekly is avidly read in Majuro and in Ebeye and the Outer Islands as transportation of the paper is available. The government published an official gazette from 1982 to 1985, a biweekly release informing the public about relevant developments as composed from the Chief Secretary's office. It is planned to resume publication, in both English and Marshallese, as is already the practice in the Journal. In the larger stores in Majuro, magazines from other publishers in the Pacific and elsewhere are for sale, e.g. Pacific Islands Monthly, Pacific Magazine, and Islands Business.

The Republic's only radio station, WSZO, is controlled by the Ministry of Interior and Outer Island Affairs. Daily broadcasts of local and world news (the latter dependent on Voice of America and Radio Australia) are briefly presented in Marshallese (a few in English), along with programs featuring Marshallese folk songs and contemporary music as well as presentations on traditional culture from the Alele Museum. Radio receivers are numerous in the Outer Islands, where some are able to get broadcasts from the Kwajalein missile facility, which are beamed mainly at the American community on that atoll.

Video cassette recorders have been popular for some time in the urban centers, and a brisk business is done by local shops in renting and selling video tapes, most of them of U.S. or other foreign origin. No censorship is exercised by the government. Within the last two years, the Marshalls Broadcasting Co. (TV) has been airing a schedule of daily programs, usually from noon to near midnight, most of which is material taped from Hawaii telecasts, including the commercials. A

weekly show from the Alele Museum on traditional subjects is included, along with very brief and delayed newscasts from overseas. No censorship is exercised. About 300 subscribers are estimated for the D-U-D area.

In 1983, satellite communication stations were established in D-U-D and on Ebeye, which allow telephone conversations anywhere in the world, clear as a bell. Phone service in the two urban centers leaves much to be desired in operational efficiency. Two-way radio-telephone service is maintained with the Outer Islands through their local governments. This is very useful for notification of emergency medical cases requiring hospitalization in Majuro.

U.S. postal service, at standard rates, is available between the Marshalls and the U.S. mainland, plus the rest of Micronesia and Guam. Local zipcodes are 96960 (Majuro) and 96970 (Ebeye). Within the islands, it is frequently said that the most efficient means of communication is by personal messages or letters hand-carried by Marshallese as they travel between Ebeye and Majuro, and to the Outer Islands by field-trip ship or air transport.

II. MAJOR ISSUE AREAS

A. Relations Between The Marshalls and Outside Powers

1. Traditional Ties with Former Colonial Powers

Germany ruled the Marshalls as a protectorate from 1885 to 1914, recognizing the traditional chiefly authority and encouraging production of copra for export. Japan occupied the islands with the outbreak of World War I, and in 1921 received a mandate from the League of Nations to administer the Marshalls along with the other prewar holdings of Germany in the rest of Micronesia. Japan operated on the principle of direct rule, established a fishing industry, increased copra production, and instituted systems of health care and primary education oriented toward the Japanese culture. Both Germany and Japan administered the Marshalls from the capital at Jabor, Jaluit Atoll, in the Ralik Chain. In 1936, Japan withdrew from the League and shortly afterward began to build military air bases in Jaluit, Kwajalein, Enewetak, Wotje, Maloelab, and Mili Atolls in preparation for the 1941 offensive against the United States. Marshallese distinguish sharply between Japan's civil administration and the later military dominance, which saw extensive population dislocation and conscription of local labor.

In early 1944, U.S. military forces invaded the Marshalls, and were welcomed by the islanders as trade and inter-island shipping were re-established. The Marshalls became part of the United Nations strategic area trusteeship in Micronesia in mid-1947, and the U.S. was approved as the administering authority. Majuro became the seat of the Navy administration, owing to the war-damaged condition of Jabor, Jaluit. In 1946 the U.S. military inaugurated a series of nuclear tests at Bikini and Enewetak, requiring resettlement of the two communities to other islands in the Ralik Chain. By Presidential proclamation in 1951, the Department of the Interior succeeded the Navy Department as the administering agency. In 1979, the Marshalls became self-governing under a new constitution, and the Republic was officially established in 1982. In late 1986, the trusteeship was terminated as the Republic became an independent state under the Compact of Free Association with the United States.

Although colonial rule by Germany is now ancient history, Marshallese tend to think favorably of that period. The Republic has recently established ties with German organizations interested in aiding development in Micronesia. Japan has shown a desire to renew economic ties on a country-to-country basis in matters of fishing rights and funding aid in certain technological and cultural areas. The Marshallese annually import large quantities of material goods and equipment from that nation. The islanders' support of the new Compact of Free Association with the United States illustrates clearly the country's dependence on U.S. financial aid, which has grown remarkably since the years of the Kennedy administration in the 1960's. The Compact guarantees Marshallese independence as a nation, short of certain defense interests retained by the U.S. Both countries appear to regard the arrangement as a fair trade-off. In sum, most Marshallese are mainly concerned with their daily well-being and coping with domestic issues about population, health, education, and cultural identity. They are content to leave formal relationships with outside powers to their government officials and to entrepreneurs in the private sector.

2. Trade Relations

The Republic's exports in 1985 consisted almost entirely of coconut oil, some copra cake, and handicrafts. The last accounted for only US\$33,000, while the other two brought in about US\$2.4 million. The oil is processed from copra in Majuro by a government and private sector joint enterprise known as Tobolar, and is shipped to the U.S. mainland. Commercial imports (for Majuro only) amounted to just over US\$29 million, of which 90% was for consumer goods. Of that percentage, about one-half was spent for food, beverages, and

tobacco, and most of the remainder was for mineral fuels, manufactured goods, and machinery and transport equipment. Imports came from the U.S. mainland, Hawaii, and Guam (72%), from Japan (21%), from Australia (5%), and the rest (2%) from Hong Kong, New Zealand, and Taiwan. Sufficient ocean transport is available between the Marshalls and Japan and the United States to assure at least monthly contracts in Majuro by several different lines. It is hoped that the Forum Shipping Line will begin serving the northern Pacific islands, since the Republic and the Federated States of Micronesia (FSM) are now members of the South Pacific Forum. In that way, more trade may be generated between New Zealand and Australia and the Marshall Islands.

The Republic is very concerned about the large, ever-increasing trade deficit. Plans are to improve the situation by encouraging imports substitution, looking for cheaper sources of imports, expanding and diversifying exports (including tourism and transport services), and identifying and securing other export markets. In agricultural development, the replanting of aging coconut plantations is being considered, along with an increase in Government price support for copra, and the encouragement of food crop production for domestic consumption. In fisheries, projects are aimed at increasing production for local use as well as for export.

3. Control of Primary Resources

Fisheries and agriculture are the main resources for commercial exploitation. The possibility of sea-bed mineral deposits is just being explored by foreign interests.

In mid-1983, the Marshalls government proclaimed control of its own 200-mile Exclusive Economic Zone (EEZ). In that same year, agreements with Japanese and Taiwanese fishing associations were concluded. In subsequent years, continuing agreements with the Japanese have provided not only for ship license fees and a percentage of landed fish value, but also for various aid-funded projects in the islands. On Majuro, a fishing base and cold storage facility was financed to service all types of fishing vessels, for docking, bunkering, and offloading of catches for freezing and transshipment when needed. The Republic was given full membership in 1986 in the South Pacific Forum Fisheries Agency (FFA), and engaged in negotiations between that agency and the United States on fishing rights in FFA countries for American purse-seiners. The Republic's own agreements with Japanese fishing groups are for long-line and pole-and-line only, and not for purse-seining. In 1986, the Republic gained revenue of US\$900,000 from Japanese catches of tuna (skipjack, yellow-fin, and others).

In late 1986, a West German research team conducted deep-sea searches in the southern Ratak area, and reported large deposits of cobalt, manganese, and nickel nodules on underwater seamounts. This is the first confirmation that sea-bed mineral resources may support a new industry in the Marshalls, although further studies are needed. West Germany, the United States, and Japan rely heavily on imported cobalt and manganese for weapons components and space work.

Commercial agriculture is limited mainly to copra. A bumper crop was harvested in 1985-86 after heavy rains allowed recovery from the very dry period in 1983-84 caused by El Nino. At the same time, the world price for copra was high -- 10 cents a pound to the producer. But, in 1987, the price dropped to 6 cents, and inter-island ship transport from Majuro was unusually irregular and infrequent. More serious, however, is the aging condition of coconut trees, most of which date from the early Japanese period. Of 22,000 acres under coconut throughout the Marshalls, only 16,000 are productive today, and of this number about 11,000 acres are under senile trees. The annual output potential of the productive area is estimated at 14,000 tons. The actual output in recent years has been about 6,000 tons. A replanting program has begun in some of the Outer Islands, and will be expanded in the years ahead according to Government plans. Improved shipping and a state subsidy of copra prices will also be required if the industry is to recover. In clearing out the old plantations, thought is being given to the production of timber from felled coconut trees for possible export income. Because the world price for copra has been declining, a search for other products from fresh coconut is being explored to increase its export potential.

Since 1981, the Marshalls government and the Republic of China (Taiwan) have joined in operating an agricultural experiment station on Laura Island (at the west end of Majuro Atoll) to train Marshallese in the production of mixed vegetables for sale in a farmers' market in D-U-D. It is hoped to extend this experience to the Outer Islands for export of the produce to Ebeye as well as to D-U-D and overseas. Unfortunately, the domestic demand for western-type vegetables is limited, as they are not part of the traditional Marshallese diet, and a more dependable shipping service will be needed if overseas export is to be profitable.

4. Control Over Services

Tourism promotion has been haphazard, with little support from either the government or the private sector. In 1985 about 3,000 visitor arrivals were recorded at Majuro, entry point for the Marshalls. Of that number, only 63% were classed

as tourists, with the rest coming for business, employment, or other reasons. Less than 100 rooms are provided by the 4 or 5 hotels in Majuro. D-U-D is not an attractive environment, considering its urban crowding, beach litter, and lagoon pollution. On the other hand, the Outer Islands offer a more truly Pacific Island experience, with beautiful settings, a more traditional culture, and a relaxing atmosphere. But here the problem is a lack of frequent air transport (usually once-a-week). Arno Atoll, 20 miles east of Majuro, offers the possibility of high-speed boat transport. The Republic plans to encourage tourism as part of its national development to increase revenues and employment. Marine-related activities and cultural/historical features will be stressed in marketing promotion by a new Tourist Office. The private sector will be encouraged to expand accommodation facilities and recreation programs, both in the capital and in selected Outer Island sites. Of concern also is the need to protect the environment and to conserve traditional lifeways that are still valued by the Marshallese people.

Field-trip service to the Outer Islands is inadequate, due largely to ship maintenance problems and diversions for medical emergencies. Four ships are presently operative, and costs put a heavy burden on the government. Privatization of this service is being considered, although government subsidies will be necessary to provide regular service to the more distant and lesser populated atolls. A Maritime Training School is planned to prepare Marshallese for more effective employment in this area. The international port facilities at Majuro and Ebeye are in need of repair and proper maintenance. Shipping from the West Coast and from Asian ports provides adequate service to local businessmen, and additional transport from the South Pacific is contemplated.

In air transport, the government-owned Airline of the Marshall Islands (AMI) provides weekly service to all Outer Islands with airstrips (only Ebon, Lib, and Ujelang lack these now) with two Dornier-228 planes and one HS748. Majuro International Airport, constructed in 1974, can accommodate aircraft as large as 707's. International connections are provided by AMI to Tarawa (Kiribati), Funafuti (Tuvalu), and Nadi (Fiji). Continental/Air Micronesia links Majuro and Kwajalein with Hawaii, other parts of Micronesia and Guam, and Japan. Some local dissatisfaction with Air Micronesia schedules exists, and the government is said to be considering supplementary service from Hawaiian Airlines.

The present inter-island telecommunications network consists of solar-powered HF radio stations in the Outer Islands, and Ebeye is linked to Majuro by HF radio and also by satellite. The phone system in Majuro is sadly lacking due to

poor maintenance and need for equipment replacement. The international link through ComSat is excellent at present, but expandability is limited by equipment problems if future business, government, and residential demands are to be met. In 1987 the Nitijela enacted legislation to create a National Telecommunications Authority, a quasi-governmental corporation with membership from both public and private sectors, to take over management of all telecommunications services. Funding under the Compact of Free Association is expected to facilitate the Authority's task.

In March 1988, the Republic granted Compact funds to back an American businessman in a joint venture that establishes a ship registry in the Marshalls which will compete with Liberia, Panama, and others for a share of the international ship licensing market. It is not clear whether, under the Compact, the U.S. Navy would provide protection for ships thus registered and flying the Republic's flag.

5. Development Assistance

The Republic, since the early 1980's, has negotiated agreements with the Taiwanese and Japanese governments for development aid funds, and is pursuing the same line with other countries more recently. In 1981, a joint venture with the Republic of China (Taiwan) was established in Majuro (Laura Island) to train Marshallese and to experiment in the cultivation of western-type vegetables for domestic and export consumption. Taiwan's Agricultural Trade Mission provides the services of six experts to assist in this farming program. In 1983, Japan provided \$1.5 million in aid for Outer Islands development, as part of an agreement to allow Japanese fishing for tuna within the Marshalls' 200-mile EEZ. In 1986, Japan granted further funding to refurbish the facilities of WS20, thereby improving the quality of the Republic's radio broadcasting throughout the Marshalls. In the same year, Japan also financed a fishing base and cold storage facility in Majuro to provide bunkering services for fishing vessels from Japan, Taiwan, and Korea that needed to stop over in Majuro.

In 1985 an integrated atoll development project was launched at Maloelap Atoll, a joint effort by the national and local governments and the United Nations Development Program (UNDP), to tackle problems in food production, fisheries, boat transport, health services, water supply, and community organization. In 1987 and 1988, visits were exchanged in Beijing and Majuro by officials from the Marshalls and the People's Republic of China, to set up a joint venture corporation dedicated to closer economic ties in developing aquamarine farming, tuna production, banking services, and others. In late 1987, the Marshalls government initiated talks

with Israel to learn from the latter's experience in agriculture and industry as might be applicable to the Pacific nation's development program. Other assistance has been promised from Australia and New Zealand.

6. Diplomatic Relations

The Compact of Free Association between the Republic and the United States was implemented on 21 October 1986, and defined the new relationship between two sovereign nations as the United Nations trusteeship was terminated. While the U.S. retains full authority and responsibility for defense and security matters, the Republic is free to operate under its own Constitution and to conduct its own foreign affairs. In July 1987, Australia was the first to recognize the new independence of the Marshalls. New Zealand later followed suit. Talks with the governments of Kiribati and Tuvalu have resulted in mutual recognition and agreements to cooperate wherever possible. For example, Kiribati's Marine Training School in South Tarawa will be available for advanced training of graduates from the Marshalls' Maritime Training School in Majuro.

In mid-1988, talks were in progress between the Marshalls and Japan to formalize recognition of the Republic's new status. Israel has acknowledged the Republic's independence. Negotiations with Taiwan and the People's Republic of China remain at the level of trade and technical exchanges. In September 1988, a Marshallese delegation attended the South Pacific Forum meeting in Tonga as a full member, and in October opened its Embassy in Suva, Republic of Fiji, the first overseas post in the Pacific to be occupied by a fulltime Ambassador from the Marshalls. In September, also, the former Washington Representative from the Marshalls to the U.S. capital was named to full Ambassadorial rank by his government. It is expected that the position of U.S. Representative to the Marshalls will be raised to Ambassadorial rank shortly. The current U.S. Representative was a former participant in the Compact negotiations, and was already familiar with the islands before his posting there as a Foreign Service officer. Under the Compact, funding is provided to train selected Marshallese officials in diplomatic procedures and strategies in a program designed by the U.S. Foreign Service Institute. Two groups of 10 to 12 Marshallese received the month-long training in Washington in May and September 1988. A similar arrangement exists for the Federated States of Micronesia, and two groups of FSM trainees accompanied the Marshallese to Washington. In 1987 the Marshalls and the FSM had signed an agreement recognizing their newly independent status following the termination of trusteeship.

7. General Attitudes Concerning Outside Powers

First and foremost, the Marshallese of whatever interest group look to the United States for primary support in funding current government operations, capital improvement projects, and certain federal grants for education, health, and social services. In addition, Compact funds are reserved for improving conditions on Ebeye Island, with implementation by the Kwajalein Atoll Development Authority (KADA). It is clear that the U.S. is primarily interested in the military use of Kwajalein Atoll as the Pacific Missile Range, for testing weaponry that is part of the U.S. administration's Strategic Defense Initiative (SDI, also known as "Star Wars"). Present planning calls for a reported US\$70 million construction program on Kwajalein in the next three years and a doubling of the resident American support community. This will no doubt mean a significant increase in job opportunities for Marshallese from Ebeye, and will likely attract even more Outer Islanders to this already crowded island.

A continuing controversy exists among Marshallese about the proportion of Compact funds to be allocated by the central government for the benefit of Outer Island populations. Most of these funds appear to be directed mainly to urban development in D-U-D and Ebeye. Decisions on allocation are made in the capital by the leadership of the legislative and executive branches of government, and too often are said to ignore the needs of the rural areas.

As for general attitudes toward other powers in the Pacific and Asia, it should be clear from previous discussion of issues and interest groups that most Marshallese, of necessity or from lack of information, leave decisions about the external relations of the Republic to those in high government posts. However, it is of interest to note that in August 1988 the Ministry of Foreign Affairs proposed establishment of a national committee to coordinate foreign aid requests, to insure that funding is justified as supporting the goals and objectives stated in the Republic's Five Year Development Plan (1987-1991). The Ministry also intends to formulate basic guidelines for dealing with foreign or international issues which may be in conflict with the nation's permanent interests.

Apart from the overwhelming dependence of the Marshalls on American assistance in the next 15 years of the Compact (renegotiable for another 15 years), the nation's leaders seek additional aid funding from other powers as a means of achieving foreign recognition of their new independence in the larger political scene. Countries which have to date demonstrated this acceptance of the Republic, either through trade

agreements or diplomatic ties, are Australia, New Zealand, Fiji, Tuvalu, Kiribati, and FSM in the Pacific and Japan, Taiwan, and the People's Republic of China in Asia, plus West Germany and Israel on the other side of the globe. Little interest is evident within the Marshalls for developing international ties with the United Kingdom, France, the Soviet Union, or Libya.

B. Major Environmental Issues

1. Nuclear Free Pacific Movement

In August 1985, most members of the South Pacific Forum, meeting in the Cook Islands on Rarotonga, signed the South Pacific Nuclear Free Zone (SPNFZ) Treaty, which would outlaw the employment, testing, and basing of nuclear weapons in the Pacific south of the Equator including Australia and New Zealand. The treaty came into effect in December, when the protocols were offered for signatures by the five nuclear world powers. China and the Soviet Union have since signed, but France and Britain have refused, as has the United States.

The Republic of the Marshalls Islands did not join the Forum until 1987, after the Compact had come into effect. The government found itself in a conflict of interest on the issue. By signing the Forum document, it would demonstrate to its fellow members that it was now independent and a sovereign nation. But, at the same time, it would jeopardize its position with the United States on defense matters spelled out in the Compact. When one considers the history of nuclear arms testing in the Marshalls from 1946 to 1958, when at least four atoll communities were seriously affected (Bikini, Enewetak, Rongelap, and Utirik), it is easy to understand that the Republic is wholly sympathetic to the idea of a nuclear-free zone in the Pacific. However, SPNFZ continues to be controversial elsewhere in the region, because some Forum members felt the Treaty did not go far enough in its prohibitions. For example, port visits of nuclear-powered and armed vessels would be allowed in the judgment of individual Pacific states that wished to minimize interference with American security interests.

2. South Pacific Regional Environmental Treaty

In November 1986, the Marshalls was represented at the signing of the South Pacific Regional Environmental Treaty by a Cabinet member whose home had been Bikini Atoll. This treaty

created the South Pacific Regional Environmental Program (SPREP), a cooperative venture of the South Pacific Commission, the South Pacific Forum's Bureau for Economic Cooperation (SPEC), and United Nations agencies operating in the Pacific; SPREP exists to assist countries within the region in proper management of their resources and environment. In September 1988, SPREP funding supported a team of scientists from agencies in Hawaii to survey seven uninhabited atolls or islands in the northern Marshalls and to assist the government in reserving areas for special protection of native fauna and flora. The sites visited were Bokak (Taongi), Bikar, Taka, Ailinginae, Rongerik, Jemo, and Erikub. The survey will provide data for the Cabinet and the Nitijela to prepare legislation to establish a system of protected islands in northern Ratak and Ralik.

3. Toxic Waste Disposal

Nearly a decade ago, Japan told islanders it would dump radioactive wastes in the Pacific Ocean somewhere north of the Mariana Islands. Strong opposition erupted in the South Pacific, and Japan seems to have abandoned those plans. In 1983, a 5-year moratorium was imposed on ocean disposal of radioactive waste at the London Dumping Convention, largely the result of an aggressive campaign by Nauru and Kiribati. The Marshall Islands do not belong to the Convention. In the past two years, there has been a trend within the archipelago to consider proposals from the U.S. mainland for dumping of waste material in the uninhabited northern islands. A Nevada-based firm applied to store industrial waste on Erikub Atoll for a 100-year period in return for lease rent and funding for development of nearby Wotje Atoll whose people have land rights on Erikub. The latter strongly objected to the plan as outlined by the Wotje chieftain, and nothing further developed on that proposal.

In December 1987, the President of the Marshalls addressed a request to the U.S. Congress to be included as a possible location for storing high-level nuclear waste from U.S. nuclear plants. He asked for a feasibility study to determine if this would be safe if implemented properly. Bikini and Enewetak (and Erikub) were mentioned as potential sites, as most islands in the first two atolls are uninhabited, as is the entire atoll of Erikub. Substantial compensation was requested -- in millions of dollars annually. Debate in the Nitijela, however, challenged the entire idea as too dangerous to people living in adjacent atolls.

Most recently, in September 1988, a new proposal surfaced from a Washington-based firm to use Bokak (Taongi) Atoll, northernmost of the Marshalls, for solid waste landfill from the U.S. mainland. A tentative agreement appears to have been reached with the high chief of northern Ratak, who would receive 55% of the net income derived from the operation. It was rationalized that filling in the enclosed lagoon at Bokak would add valuable land surface for future development of a tourist resort destination. This proposal came at a time when the Republic was actively considering declaration of the northern uninhabited islands as a protected wildlife refuge area.

C. Regional Cooperation

Newly self-governing, in 1980 the Government of the Marshall Islands was formally accepted in its own right as a member of the South Pacific Commission. Prior to that, the Marshalls had been represented by the United States, which had been one of the founding group of metropolitan powers in 1947. While Marshallese delegates have attended SPC meetings regularly, they never have assumed a very active role. On a number of occasions, however, the Marshallese people have benefited from workshops and training seminars conducted by SPC specialists in health, economic development, education, and other social services. In 1982, as the Republic of the Marshalls, the new state was granted full voting membership in the SPC.

In 1987, with Nitijela approval, the Republic applied to join the South Pacific Forum, an organization of independent and self-governing countries formed in 1971. The request was accepted by the Forum, and a high-level delegation from the Republic attended its first Forum meeting as a member later that year. Thereby, the Marshalls also joined the South Pacific Bureau for Economic Cooperation (SPEC), based in Suva, Fiji, and have since enjoyed many benefits from that exclusive membership. The most significant involvement of the Republic in Forum affairs is probably its membership in the Forum Fishing Agency (FFA). After four years of negotiations with the United States government, the FFA was successful in mid-1988 in achieving the latter country's agreement to a treaty that will permit U.S. purse-seine vessels to fish in the 200-mile EEZ of FFA member countries for a five-year period. The U.S. government agreed to pay a sizeable sum annually to the Honiara-based FFA for distribution among its members. Additionally, the U.S. tuna industry will pay license fees for its vessels operating in the treaty area.

The Republic, as a newly independent state, appears to regard the Forum as a much more viable regional organization than the SPC, since the political nature of the Forum gives the Marshalls more opportunity to flex its muscles in the sphere of world politics.

The Republic has also not overlooked the opportunities provided by the United Nations and other regional and international agencies. It has not yet applied for membership in the U.N., but it has for some time benefited from technical aid and advice from organizations such as the U. N. Development Program (UNDP), the U. N. Development Advisory Team (UNDAT), the World Health Organization (WHO), and the International Labor Organization (ILO). In 1986, the Republic was admitted to Associate Membership in the Economic and Social Commission for Asia and the Pacific (ESCAP). In the same year, it began participation as member of the governing Council of the regional University of the South Pacific, in Suva, Fiji, and supports that institution with funding and Marshallese students. In August 1988, the Republic took part for the first time in the South Pacific Festival of Arts in Townsville, Australia, by sending a Jobwa dancing group of over 50 Marshallese for the three-week-long spectacle.

D. Regional Security

With the Compact of Free Association in effect until 2001, renewable for another 15 years thereafter, the Marshallese are guaranteed their security against a major foreign threat. The Pacific Missile Range at Kwajalein would seem a likely Soviet target in the event of a superpower conflict. Soviet vessels are known to be on constant watch off Kwajalein's shores. U.S. military forces stand ready to ward off any offensive move by the Soviets, for American security as well as for the well-being of the Marshallese nation. Meanwhile, landowners on Kwajalein are paid millions each year for lease of their land, and the Republic benefits from taxes on income of Americans as well as Marshallese who work on Kwajalein. It's worth the gamble, Marshallese might well say.

The Republic's leadership seems to be unconcerned about power relationships among nations elsewhere in the Pacific or Asia, as long as trade and diplomatic agreements can be negotiated to the economic and political advantage of the Marshalls. So far, no difficulties have emerged in these areas. The ANZUS pact relates only to the relationships of Australia and New Zealand and the independent island nations south of the Equator. The U.S. concern with changes recently taking place in the ANZUS area is not a direct concern of the Marshallese people or their leadership.

Japan, the one country in Asia that is important to the Marshalls as a source of funding aid, fishing agreements, and a majority of imports, is without question critical to the future of the Marshalls. But the relationship between the United States and Japan, though constantly subject to talks between the two nations, is not anything that the Marshalls government can do much about. So, again, the Marshallese are dependent on the United States to see that their interests are protected.

III. SUMMARY AND CONCLUSIONS

The Republic of the Marshall Islands is increasingly dependent on the United States to fund its government operations and capital improvement programs. In return, under terms of the Compact of Free Association, the U.S. is assured of its defense posture in the area and has access to Kwajalein Atoll for its missile testing project. The Republic also looks to Japan, which administered the islands before World War II, for supplemental aid by fiscal agreements with Japanese fishing fleets to catch tuna in its Exclusive Economic Zone and by grants for social and economic development. Japan and the U.S. are prime sources of imported goods which support the Marshalls' increasingly materialistic way of life. Other countries, in Asia and the South Pacific, are helpful but to a lesser degree.

There are two faces of the Marshalls to be considered when viewing the present issues and problems. One face looks inward at the domestic concerns. This view is the one that most islanders are worried about -- population, subsistence economy in the Outer Islands, commercial development in the urban centers, health care, educational curricula, youth depression, family relations, traditional values, and the like. The populace depends on their Government representatives in the Nitijela to help solve these problems of everyday living. But the lines of communication between the people and their Government in Majuro are blurred and, especially in the Outer Islands, the Marshallese often feel that they have been forgotten.

This paper has paid more attention to the other face of the Marshalls, the one that looks outward from the government to relationships with other powers, states, and organizations in the Pacific and Asia. The leadership in the Nitijela and the Cabinet (all of them, like the President himself, elected by the people) appears at times to devote more attention to the need for establishing an image of independence through trade and other economic agreements and diplomatic exchanges outside the Marshalls. This emphasis, rather obviously, is of secondary importance to the Marshallese population at large.

The implications of the above dichotomy for U.S. program aid to the Marshalls are two-fold. First, the usual government-to-government line of communication may result in a dialogue that benefits the leadership rather than the island communities. Second, the initiation of any program to relieve domestic pressures would do well to involve people's organizations at the outset, such as church groups, teachers' unions, youth chapters, women's organizations, the business sector, and the traditional leadership where land rights are involved. Discussions should include mayors and local government councils from the Outer Islands and not be restricted to exchanges in the two urban centers, even though a majority of the total Marshallese population live in Majuro and Ebeye.

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