

INTERVIEW OF JUAN N. BABAUTA

by Howard P. Willens

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- Willens: Juan N. Babauta is in his second term as Resident Representative to the United States from the Commonwealth of the Northern Mariana Islands. Juan, thank you for taking the time to be interviewed in connection with this historical project. I wonder if you could review your educational background.
- Babauta: Well, I went to high school for three years in Enosburg Falls, Vermont. Then I went to Eastern New Mexico University for my undergraduate degree and a masters degree, and then I ended up in Cincinnati. I went to the University of Cincinnati for two years and got a Masters Degree in Health Planning Services Administration.
- Willens: How did it happen that your education after junior high school was in the United States?
- Babauta: I was asked by a teacher at Hopwood High School, where I was attending junior high, if I was willing to go to Vermont and live with his parents and go to school. And so I said yes and left and lived with his parents on a dairy farm for three years.
- Willens: Who was the teacher?
- Babauta: Dwight C. Ovitt. He was a graduate of the University of Vermont and joined the Peace Corps back in 1968, and was detailed out in Saipan for two years. He was teaching both at the Mt. Carmel High School and Hopwood Jr. High, and I was a student at Hopwood Jr. High.
- Willens: Is he still there?
- Babauta: He is now in Hawaii, working for the State of Hawaii.
- Willens: Tell me about your parents.
- Babauta: My mother was a Carolinian lady who died on January 2, 1982. My father's name is Santiago Miasaki Babauta. His mom was part Japanese. He's still alive today and has since remarried to a Japanese lady. He lives 50% of the time in Saipan and 50% in Japan. He's about 71 years old.
- Willens: Both your mother and father were born in the Northern Marianas?
- Babauta: That's right. They were.
- Willens: And were their parents born in the Northern Marianas?
- Babauta: Yes, as far as I know.
- Willens: You are 50% Carolinian, is that correct?
- Babauta: That's right.
- Willens: Are you a member of one of the clans or families in the Carolinian community?
- Babauta: Probably. I do have my family connection by virtue of being part Carolinian. Clan membership is primarily based on family ties. I would have to look at the family tree of my mother to determine my membership.

- Willens: But you happen to be a member of a political party that gets a substantial amount of Carolinian support. Is that true? Is it fair to say that the Republican Party generally earned the support of a majority of the Carolinian community?
- Babauta: Generally. Except that in 1978 there was a split within the Carolinian ranks and this divided the Carolinian group virtually into two, one side being Democrat and the other being Republican. But before that, what you're saying is absolutely true, and the Carolinians consistently in the majority voted Republican.
- Willens: I noticed from the resume that your office made available to me that you were employed by the TTPI Bureau of Health Services in Saipan for a brief period in 1977. Is that correct?
- Babauta: Yes, that's right.
- Willens: Was that the first job then in Saipan that you took upon your return to Saipan?
- Babauta: Yes.
- Willens: What influenced your decision to return to Saipan after so many years of education on the mainland?
- Babauta: I came back after graduating from Eastern New Mexico University to spend a month or two in Saipan. I ended up applying for a job with the Trust Territory government, not at the Bureau of Health Services but just generally. It was hard getting a job. The only government agency that was able to offer me a job was the Bureau of Health Services, and so I took that for about a month. At that time, the nationwide health planning program was in effect. That was in the late 1970s and in the early 1980s. Working for the Trust Territory government for three months, I was able to travel throughout the Trust Territory doing health surveys. I was particularly intrigued by my experience in Palau traveling throughout the islands doing all kinds of health surveys and collecting data on health status. I got interested in that and said to myself well, I need to go to school. And that's what I did. I packed up and applied at the University of Cincinnati and got into graduate school there.
- Willens: I see. So after you obtained a Master of Arts in Political Science and American History from Eastern New Mexico University, you came back and were briefly employed in the health planning area and that prompted an interest to get further graduate education in a related field.
- Babauta: That's right. Yes.
- Willens: So that's what took you back to Cincinnati, then?
- Babauta: Yes.
- Willens: Had you had any experience in traveling in the other districts of the Trust Territory before you did so while employed by the TTPI?
- Babauta: No. Not before that time.
- Willens: While you were back in the United States going through high school and college, there were extensive negotiations going on in the Northern Marianas that resulted in the Covenant. Did you have any personal knowledge with respect to the negotiations that were under way in the Northern Marianas in the early 1970s?
- Babauta: No, I didn't. The only knowledge that I had then was a series of maybe two, three, four letters that my good friend Pedro A. Tenorio sent out explaining what he was doing. He

was heavily involved in the negotiations. He's a good friend of mine and was writing to me at the university explaining the activities that were going on during the negotiations and all the way up to the plebiscite. But that was the extent of my knowledge of the negotiations.

Willens: Did you have any view at the time as to the desirability of the Northern Marianas splitting off from the rest of the Trust Territory and seeking a closer relationship with the United States?

Babauta: No, I didn't. I guess if I did, I would have favored it.

Willens: Do you remember any of the issues that came before the people in the political education program that preceded the plebiscite?

Babauta: No, I don't remember those.

Willens: Did you have any involvement with any of the work that went into the first Constitutional Convention in 1976?

Babauta: No, I didn't.

Willens: You were not in the Northern Marianas at the time.

Babauta: That's right.

Willens: When you worked briefly for the Trust Territory government in 1977, did you develop any views as to the commonwealth status that the Northern Marianas was in the process of achieving?

Babauta: No, I didn't.

Willens: How about the people you worked with at the Trust Territory government? I've heard conflicting views as to how they reacted to the Marianas pursuing a separate status. Did you learn of any general assessment of the Marianas approach in discussions with your TTPI working colleagues?

Babauta: No, I didn't. Most of the people I was working with at the TT government were from the mainland. They were expatriate employees, and of course they just didn't want to engage in discussions of that sort. And at that time, I really wasn't interested in politics. I didn't engage in conversations at all about where the Northern Marianas was headed.

Willens: I notice from the resume that you did assume a position then in the Commonwealth government in early 1979. Is that correct?

Babauta: That's right.

Willens: What influenced you in deciding to accept a position with the Commonwealth Health Planning and Development Agency?

Babauta: 1979 was after I had graduated from the University of Cincinnati. Right after my graduation, I spent some time in New Mexico. I was working for the State Health Systems Agency out in New Mexico. Just as I started doing that work, I got a call from Manny A. Sablan, who used to be Governor Carlos Camacho's Planning and Budget Officer, and he offered me a job. He said, "Come back, we need you." And so I came back, and that's the first job that I took upon returning.

Willens: How long did you stay employed by the Commonwealth Health Planning and Development Agency?

- Babauta: When I returned to Saipan in 1978, if I recall correctly, I stayed on as Deputy Director for about a year maybe and then became Director in I think 1980, 1981. And I stayed up to 1985.
- Willens: That was the point at which you decided to run for the Legislature?
- Babauta: I had been involved in politics from in the early 1980s, supporting the Republican candidates under Governor Pedro P. Tenorio, my friend Lt. Governor Pedro A. Tenorio, and so I was in the swing of the politics in the early 1980s all the way up to 1985. That's probably why I got swept into running for Senator in 1985.
- Willens: I noticed that you served as a director in Governor Camacho's administration, and he was a member then of what is now the Democratic Party.
- Babauta: That's right.
- Willens: Was there any political tension at that time because of your different political allegiances?
- Babauta: There was a little bit. I detected that; I sensed that. But Manny Sablan, who also is a friend of mine, didn't want to play politics. From his standpoint, knowing that I had just graduated from the University of Cincinnati with a Masters Degree in Health Planning, I was probably one of the few locals qualified to run the agency. He took it upon himself to hire me at the risk of being scolded by the Governor. But the Governor (I would say) gave his blessing reluctantly.
- Willens: I've talked to several of our mutual friends or acquaintances about the first administration of the Commonwealth. In particular, I've solicited opinions as to how well people think that Governor Camacho and his administration assumed their responsibilities under the Covenant and the Constitution. I've heard, for example, that there was some difficulty in getting organized and in shaping the institutions in the Executive Branch and in relationships with the Legislature. Can you help me form some judgment as to how well the first administration performed?
- Babauta: Well, I can only make judgments looking back then from where I am now.
- Willens: What is your best recollection now, with the benefit of hindsight?
- Babauta: Carlos Camacho was our first Governor after breaking away from the Trust Territory Government and becoming Commonwealth. It was our first experience in being self-governing and therein lies the challenge of running a government. It was the first time we elected our Governor, Lt. Governor, and our Legislature. Of course, we had elected our people to the District Legislature and for the Congress of Micronesia before then, but it was the first time we had our own legislative body. And so the experience that the Governor and the Legislature were going through was new. This is a new political process and new experience for us. And the Governor was testing out his powers under the Constitution. The Legislature was doing the same thing. And so there were bound to be clashes somewhere along the line, and there were, especially in the areas of expenditure authority, the Governor issuing a lot of executive orders, and the Legislature feeling that their powers are being limited, and so the difficulties were in those two areas.
- Willens: Was the first Commonwealth Legislature controlled by the same party as Governor Camacho?
- Babauta: You know, I cannot remember. I thought that Mitch Pangelinan was the first Speaker and so, if that's the case, then yes, it was. Because he was a Democrat.

- Willens: In your capacity with the Health Planning and Development Agency, did you have the need on occasion to appear before the Legislature and seek funds or testify on the issues?
- Babauta: All the time.
- Willens: What generally was your experience in dealing with the Legislature on the issues that were of importance to your agency?
- Babauta: The one experience that I remember very well was the agency's pursuit to convince the Legislature that we needed a new hospital. We recognized that the old Torres Hospital was dilapidated and the structure was falling apart. It was in a state of disrepair. That's the facility part of it. Then we also were concerned about health manpower development, health professionals, doctors, nurses. And funding for them. I had an extremely difficult time trying to convince the Legislature. I got invited to the Legislature all the time to explain to them why the Health Planning Agency was recommending that we build a new hospital and why the size of the hospital that we were recommending was so large and why was it going to cost so much. At that time, we were talking about \$25 to about \$30 million to construct the hospital. A lot of the members in the Legislature then thought that we were building too large a facility, we were going to overbuild, and that it wasn't necessary. Others thought that we ought to build hospitals on Rota and Tinian, and Saipan was not practical at that time. And so the difficult areas were where are we going to get the money, how is the hospital going to be operated and run, and where are we going to get our health manpower. There was a lot of politics on the location, the land where the hospital was to be situated. The politics there involved private ownership of land and the land owner benefitting from land-taking for the hospital.
- Willens: Was it anticipated by you that the federal government or, more precisely, the U.S. Congress would provide funds specifically designated for a new health facility?
- Babauta: Yes, there was that indication. However, there wasn't a clear commitment on the part of Congress to do that. So it took us several years to pursue that and to make our case before Congress. I did come to Washington a couple of times for that particular purpose. I remember appearing before the Senate Committee and the House Committee talking about why we needed a hospital. And I remembered answering a lot of questions, a whole series of questions, from the then Director of Territorial Affairs, Ruth Van Cleve. Yes. I remember answering a lot of questions from her, trying to ascertain why the proposed 74-bed hospital that the Health Planning Agency was recommending was appropriate. But mostly, the Legislature was the stumbling block.
- Willens: Ruth Van Cleve was head of the office until the beginning of the Republican Administration in 1981, although she may have held over for some months. I forget. So your recollection is that this issue was raised both in Saipan and in the United States in the late 1970s and in 1980s?
- Babauta: That's right, yes.
- Willens: What was the ultimate upshot of the effort to get a new hospital? The U.S. Congress did provide funds, isn't that correct?
- Babauta: That's right; they did.
- Willens: And how much did they provide?
- Babauta: The Congress appropriated \$30 Million for the construction of the hospital.
- Willens: And when was construction begun approximately?

- Babauta: I think it began in 1985.
- Willens: And it was completed when?
- Babauta: Around 1986.
- Willens: And it became functional shortly thereafter?
- Babauta: Yes.
- Willens: And has it measured up to your expectations with respect to its capacity and facilities to service the citizens of the Marianas?
- Babauta: There were a number of factors that we considered quite seriously and heavily. One was the population projection that we were looking at then. Given the unforeseen force of the economic development of Saipan, booming in the middle part of the 1980s and in late 1980s, we just weren't able to foresee the population doubling because of the alien labor force that would come in. But in terms of the normal progression and increase in population, increasing at the rate of 2%, 3% per year, we were very liberal in doing that. We projected for a much larger increase than that, but we didn't foresee the doubling, tripling of the population in less than ten years. My expectations of the hospital being an adequate facility, providing health care for the people, the facility itself, the physical part of it, I thought was excellent. We consulted with the architects and engineers out of San Francisco. They did an excellent job, in my opinion. We consulted with a number of consultants in the health manpower area. I thought that they had provided us an excellent series of recommendations of how we ought to develop health manpower, and in part these were the same people who also talked to us about how are we going to finance the hospital. And they put forth excellent recommendations, in my opinion. However, I think the CNMI government, in this case I'm kind of putting a little blame on the government, was not able to do it. The recommendations on the health manpower component and the financial component of the studies that we did for the new hospital were not met. And I think that for a number of reasons we just didn't have the financial ability to follow through with the recommendations.
- Willens: Give me an example of a recommendation at that time.
- Babauta: Well, in the area of health manpower, there was a series of recommendations that we ought to hire qualified nurses, meaning that these nurses ought to be RNs, or that they are licensed practical nurses from mainland, qualified, U.S. trained, that we ought to hire doctors who are Board-certified and were trained in the United States and held degrees from the United States, that we ought to get our lab technicians trained in the United States. These are health manpower recommendations that would have required a lot of money for the CNMI to hire these kinds of people. And because we weren't able to commit to that, we went and hired nurses from the Philippines at much lower level salaries, and to some extent we hired two to three doctors I think from the Philippines. And so we just kind of fell behind in that area of health manpower. On the financing part, because the hospital is financed by the Legislature and it is a component of the CNMI Government, the hospital maintains its inability to collect charges up to today. And so every dollar that the Legislature funds the hospital, we only get back about 15, 20 cents. So it's a 90% funding from the Legislature situation.
- Willens: Is that because the people generally have come to expect largely free medical services and political representatives don't want to embark on a different course?
- Babauta: That has been the traditional treatment that a lot of people get from when we were part of the Trust Territory, and it kind of was handed down to our commonwealth status. But

that would have been the point to say we are venturing on into a new political status, and there ought to be some changes within our system. But our leaders didn't see it that way. They fostered the old way of delivering services to the people through public funds.

Willens: During the years that you were at the Health Planning and Development Agency, did you have in the course of your duties regular contacts with federal agency representatives?

Babauta: When we were doing the planning for the hospital, I was traveling to San Francisco a lot. I was meeting with the Regional Health Director quite frequently. His technical staff people were helping us develop the health manpower assessment needs and the financial component of our planning activities. And also because the Health Planning Agency was federally funded, I had to go to San Francisco for that purposes. The San Francisco Regional Office was basically the mainland contact that we had, and our federal contact that I had at that time.

Willens: Did you generally find those federal representatives to be supportive of your efforts in the Commonwealth?

Babauta: Absolutely. One in particular was Dr. Sheridan L. Weinstein. He was the Regional Health Administrator. I had a lot of interaction with him. He was personally taking the hospital project as a pet project of his.

Willens: Where was he located?

Babauta: He was located in San Francisco.

Willens: Did you find in your years in the Executive Branch of the Commonwealth any difficulty in implementing the Covenant?

Babauta: Not with the federal facility that I was dealing with.

Willens: Did it ever come up, that is, did anyone ever suggest that the Commonwealth of the Northern Marianas was just like Guam or the Virgin Islands, or did people say that it had some different status, or did the subject just basically never come up?

Babauta: It might have come up in the context of when the actual construction of the hospital was being bid. There was a requirement in the U.S. Code that construction and the purchasing materials be under the Buy American Act. And of course we were looking to Japan and other countries for the construction, trying to be cost conscious, so that we were looking for a less expensive way of constructing a hospital. And we kind of argued back and forth whether under the Covenant we can be exempted from the Buy American Act. That was the only incident in which we argued about whether we could do certain things under the Covenant. And at that point, it was not clear. But it was clear from the federal side that this is a federal law, and the requirement has to be followed, and they prevailed on that point.

Willens: Let's turn to your decision to run for the Legislature in 1985. What prompted you to run for a position in the Senate?

Babauta: Well, I wish I could recall that clearly, but I am afraid I can't. The only thing that I can remember is the officials from the Republican Party, including then-Governor Pedro P. Tenorio and my friend Lt. Governor Pedro A. Tenorio, had asked me if I was interested in running for Senator. And I think that they asked me that for one or two reasons. One, the party just didn't have anybody else, and so they were short and needed to kind of fill a slot before the onset of the campaign season. And secondly, I think they were looking for a new face in politics, and I had been kind of in the background, behind the scene, helping with the party. But I was never really up front, involved as a candidate.

- Willens: But you had received a lot of experience and publicity in the course of leading the effort to get the new hospital?
- Babauta: I think that might have been kind of the major force behind it. I had been in the newspapers, and I was doing a lot of traveling. I was having a lot of contacts with a lot of different people. I traveled throughout Micronesia looking at hospitals, studying structures, looking at health manpower needs in Palau and Yap and Ponape. In fact, in all those places, I spent about a week looking at their systems. So I was kind of the one individual active in the party who had that kind of experience.
- Willens: Why was it in your opinion that the Camacho Administration proved to be only a one-term administration?
- Babauta: In politics, there's always the personal side of things. And then there's also the working relationship between the Executive Branch and especially the Legislature. I think that the one thing that really hurt Carlos Camacho was his inability to work with the Legislature. On a more personal side, he was a very difficult person to work with and approach. He thought that being the first Governor he thought that he could do whatever he wanted to do. To a large extent, he was viewed by many as being arrogant, as being authoritative, and was depicted in newspapers as King Carlos. In many instances, he issued executive orders because he just simply could not put up with the legislative process. Also, he was not an outgoing fellow. When he was the candidate for the Democratic Party, he was a practicing physician fresh out of the University of Hawaii, a very ideal kind of person to put in office at that point. At that point also, the Democratic Party was still very, very strong. And so I think that anybody would have been Governor had they run under the Democratic banner. But Carlos also, as another variable in this case, faced a very strong, very popular opponent in Pedro P. Tenorio, who was then President of the Senate—a very personable, charming man, down to earth, very grassroots level person—and that was hard to beat. So [in the 1981 election] he was up against a person who was very strong and popular.
- Willens: I've heard it said that Governor Tenorio, during the two terms that he was in office, was much more successful in dealing with the Legislature. Would you agree with that assessment?
- Babauta: By a long shot, yes. The key here in my opinion looking at contrasting the two is that Pedro P. Tenorio knew how to work with people.
- Willens: He also had been in the Legislature.
- Babauta: That's right. I thought that would have made the difference, but then, later on in politics in recent days, that has not proven to be the case.
- Willens: So you would attribute his success in dealing with the Legislature to some of the personal qualities that you've identified and in his case at least also his awareness and familiarity with the legislative process.
- Babauta: That's right. Yes.
- Willens: When you ran for office, were there any particular issues in that election that you recall?
- Babauta: That I campaigned on?
- Willens: Yes.
- Babauta: Well, I campaigned very heavily on health, as that was my immediate experience then, and pursuing issues with respect to the very massive problems of land issues, land problems in the Commonwealth.

- Willens: Were there substantial land problems at that time in the Commonwealth?
- Babauta: Oh, yes. At that time, the Marianas Public Land Corporation had already been established. And there were a lot of land-takings by the Government, encroachments that needed to be resolved. There wasn't a clear program on land exchanges. It was arbitrary on the part of the Board of Directors.
- Willens: Do you recall whether you ran against an incumbent?
- Babauta: I ran against an incumbent in a sense, because the two candidates from the Democrats were Juan T. Guerrero and Antonio M. Camacho, who both were serving in the House. And they decided to run for the two Senate seats. So they were incumbents in that sense. I came in fresh from Health Planning and was teamed up with the late Senator Olympio T. Borja. So the two of us ran against Juan T. and Antonio M.
- Willens: Did Senator Borja get elected also?
- Babauta: No, he lost. It was me and Juan T. Guerrero who won.
- Willens: What do you recall as being the significant issues that you addressed during your term as Senator?
- Babauta: One issue that I worked very hard on, but did not succeed, was health insurance coverage for all of the people of the Commonwealth, a national kind of health insurance concept, coverage for all. The Legislature as a whole was not prepared to deal with that. It was kind of shocking for them to deal with a major piece of legislation of that sort. After three years in the Senate, I finally convinced the Senate that that was the way to go. We passed my Comprehensive Health Insurance Bill then in the Senate, but it just kind of died in the House. But even with the passage of the bill in the Senate, it was still not clear that it got the support that I wanted. One of the difficulties that I experienced was the financing aspect of it. It was unclear to a lot of the members of the Legislature how that was going to work. Secondly, there was some personal interest involved. Juan T. Guerrero, for example, had his own insurance company and was selling health insurance policies. Obviously there was a conflict of interest involved. And others also felt that we ought to give the private sector the opportunity to expand and to sell health insurance. I was advocating a private corporation hooked up with the Government and covering the people in general, both in the public and private sectors—everybody. That was my proposal, and they didn't want to go for that at that time. Right now today, they're still talking about it, and two or three members of the Legislature today have proposed similar legislation. I think the people are now waking up to that. But that was one major issue that I worked on. The other was the land issue. I had pushed through landmark legislation, which Governor Pedro P. Tenorio signed into law, setting standards for land exchanges, setting standards for the Government taking land from private citizens, and setting up and defining public purposes for land exchanges. And that kind of gave the Marianas Public Land Corporation some rules, some standards which they ought to follow.
- Willens: Are they currently operating under that legislation?
- Babauta: Yes, they are. There was a third area in which I was heavily involved with in the Senate. Having served as a Chairman of the Board of Education for four years before becoming Senator, a couple of other Senators and I championed the introduction of a major education bill that would have overhauled the public school system. We established a new position of Commissioner of Education and made sure that the teachers met certain education requirements. We upgraded the salaries. We essentially restructured the Department of Education. And that was the third area on which I spent a lot of time.

- Willens: I would like to hear your views about the economic development that took place in the Commonwealth, I guess principally in the middle to late 1980s. What was your impression of the way in which that growth took place and the impact on the Commonwealth?
- Babauta: Well, the growth, as I see it, basically centered around real estate—selling of land in the CNMI. And the sudden influx of alien laborers, a lot of construction of new hotels, and the government being new. I guess to some extent, and I want to be quite honest about it, this is a new experience for the people, for our leaders especially. And by new experience I mean that this is the first time that we are able to run a government by ourselves. We're not quite able to foresee the forces of economic activities, and thus when the economic boom in terms of land sales and the influx of foreign investors came in, we weren't able to set public policies that would have governed that effectively. And so we saw kind of a run-away economy. It was on its own. We weren't able to regulate selling of land, we weren't able to set guidance on foreign investors clearly, and so it was uncontrolled. It was an uncontrolled period of growth from the middle part of the 1980s all the way up to 1991.
- Willens: Did the growth proceed more rapidly than you think was beneficial to the Commonwealth?
- Babauta: I think it proceeded very, very rapidly to the detriment of the people.
- Willens: Are you thinking principally of the alien labor problem?
- Babauta: In many instances, especially in this case, it was not only to the detriment of the people economically, it was a detriment to the people politically.
- Willens: Well, separate those out. Why was it to the detriment of the people economically if you had all this Japanese and other money coming in to develop a substantial tourism industry?
- Babauta: It was detrimental first of all because it was unregulated. It was the investors who were setting the rules, who were coming in and in a sense determining what size investment, what kind of investment, what was to be put in. The detrimental side was that we were not able to make a determination on what kind of investment we needed or what kind of investment would benefit the people in the long run. We were not able to make that kind of determination and so, because of that, you would say it was an investor's market in a sense.
- Willens: But the Commonwealth did have access to a large number of planning documents that had been generated over time as to possible development timetables and priorities. Is it your sense that the Commonwealth leadership did not impose controls on the investment because they didn't know what to do or because they lacked the political authority and the will to impose those controls?
- Babauta: I have to say that we did have some studies that had been done to guide us through this economic development, this political development, by the Office of Transition and Planning; the guidance was there. I think most of the problem is political will. The other is just basically our inexperience in dealing with running a government.
- Willens: Let's turn to the other aspect of this development. You mentioned that it had some adverse political consequences.
- Babauta: Under the Covenant we have control over our own immigration, to control influx of the aliens coming into the Commonwealth. Because we were so engaged in this prosperity throughout the 1980s, we have forgotten that these people that we have allowed to come

into the Commonwealth would be entitled to all the rights and privileges that any U.S. citizen would be protected under. We did not foresee that these people are going to be in the Commonwealth for a long, long time and eventually have children and live there for good. And these are basically people who come from the Philippines and Asian countries, who come from very depressed economic situations, or who come from very well-to-do families who want to invest in the Commonwealth. So politically we are going to be outvoted by people not of CNMI-descent 15, 20 years from now, and we would have lost political control. I hope that we can turn the tide on that, but I'm not saying that this is necessarily bad. I'm just saying that, as a community of Chamorros and Carolinians, we would have by then, 15 to 20 years from now, a completely different mix of society in the Commonwealth.

Willens: You certainly have the example of Guam nearby where precisely that evolution has occurred.

Babauta: Yes.

Willens: During the period that you were in the Senate, there were ongoing 902 negotiations with the United States, and there was developing in the Marianas what I will characterize as a debate with respect to the meaning of the Covenant. There were some members of the Legislature and some outside persons who were interpreting the Covenant in a way that would make the Commonwealth similar to a freely-associated state. Do you remember any of that debate?

Babauta: Oh, yes.

Willens: How did it first come to your attention, if you remember?

Babauta: It came to my attention by having a personal conversation with the person who was largely responsible for the introduction of this new redefinition of what the Covenant meant, and that was Larry Hillblom. He had caused to be written a Senate Joint Resolution defining what certain terms of the Covenant meant. And that resolution was entitled "Self-Determination Realized." That was the document that was then looked at by future incoming legislators, political leaders, to be the document on what the Covenant meant. There was a contrast between that redefinition and what the original intent of what the Covenant was to set up for the people of the Commonwealth. And in my opinion, when that resolution was introduced in the Legislature, passed by the Legislature, and was subsequently taken to the United Nations, that was the onset of a lot of difficulties dealing with the federal government.

Willens: Did you participate in the debate on that resolution?

Babauta: I was in the Senate then.

Willens: Did it come before the Senate?

Babauta: Yes.

Willens: And did you vote for it?

Babauta: No, I didn't. I questioned a lot of the definitions of what that meant and why was it different from what I thought was meant from the Covenant, reading the Covenant at its face value, and thought that there was something terribly wrong.

Willens: Why do you think the resolution was approved by the Legislature?

Babauta: I think for one thing, Mr. Hillblom was quite cunning in the way he approached the political leaders. He's a very personable character who would engage in a series of

very personal-level discussions, introducing these ideas to people and the leaders, and convincing them that we are quite unique, and we are in a sense under the Covenant freely associated. We are not under the sovereignty of the United States Government—that was the main theme of the argument. And that laws passed by the Congress should not apply in any way. It just kind of aroused the curiosity. It was something that appealed to the people. And certainly, you know, when you fight the federal government, it's a kind of notorious kind of thing and you become a champion of the people by going out there and fighting for your rights. But they're not necessarily rights that I thought were envisioned by the negotiators.

Willens: Do you recall any specific repercussions from the federal government that resulted from this action by the Commonwealth?

Babauta: Well, not one in particular, but it made it difficult for us to agree and resolve issues that would have come up in the 902 consultations. Basically because we were talking about two different things. We were applying this new redefinition of what the Covenant had envisioned to set up and do and, of course, we weren't speaking the same language as the federal officials. So it made our communications with them, our interaction with them, difficult.

Willens: What prompted you to run for the position of Washington Representative in 1989?

Babauta: I had a choice of running for reelection as a Senator, and I think that the turning point at which I decided to run for Resident Representative was this whole notion that we were heading down the wrong path in our relationship with the federal government. I took it upon myself to argue a different point of view, and the point of view that I expounded was that we ought to go back in the history of what the negotiators had intended, go back to looking at what was really meant of certain terms of the Covenant, by looking at the legislative history when the Covenant was before the Congress, and use that as a basis from which we can draw understanding between the two governments.

Willens: Did you run against the incumbent, Froilan Tenorio, in 1989?

Babauta: No, I didn't.

Willens: Because he ran for Governor?

Babauta: Yes, he ran for Governor. That's right. I had run against his assistant, Herman T. Guerrero. The interesting situation here is that I view Froilan Tenorio, who was the Resident Representative then, as having a completely different point of view on issues of the Covenant than I do.

Willens: Did he share the position that was reflected in the resolution of the Legislature entitled "Self-Determination Realized"?

Babauta: I don't know. It certainly appears that way.

Willens: Turning then to your years here in Washington, I'd like to just touch on a series of issues and get your reaction to them. Are you generally of the view that the Covenant provides a workable document within which the Commonwealth can achieve its objectives?

Babauta: I hold the view that the Covenant was one of the best documents that has ever been written by the negotiators about a political relationship by the United States and any of its territories or affiliates, or with the freely associated states. And I think that it has provided the mechanism for achieving our objectives. I think that one of those objectives was that we be self-governing, and I certainly think that we've achieved that.

- Willens: Do you think the federal government has respected the Commonwealth's right of local self-government?
- Babauta: I think one of the difficulties that we've had with respect to our relationship with the federal government concerns what they can do and what they cannot do, and what we can do and what we cannot do. I think the definition of what self-government meant is not clearly defined in the Covenant. It's mentioned in general terms, in certain generalities, but it did not say that self-governing means that the Congress of the United States can only do certain things and its powers are limited. It's not clear, and therein lies the difficulty in dealing with the federal government.
- Willens: Is it your sense that there's room here for negotiation as a way of solving these problems so that you don't find the Commonwealth and the federal government going to the courts for resolution of these differences?
- Babauta: I think that's the one area that, even if you look back in the negotiating history and in the legislative history, remains unclear, and thus it is going to be a problem area. One of the difficulties on the part of the CNMI in bringing this to the table before the federal government and redefining what self-government meant or was envisioned to mean is that the whole climate of the political situation had changed. The whole climate of trying to craft a relationship between the CNMI government and the federal government is different today from what we could have achieved back in 1976 in my opinion. Back in 1976, had we said this is what we think self-government would mean, we would probably have gotten away with what we want self-government to mean, as opposed to bringing this issue today before the federal government. I think that the tide of the political situation has changed, and we're not going to be so lucky at this point in our political relationship with the federal government.
- Willens: Do you think that the bargain that the Commonwealth made with the United States in comparison with the other districts was to the benefit of the Commonwealth citizens?
- Babauta: Yes. Absolutely.
- Willens: I have heard, for example, that many Micronesians, particularly from the Federated States, are immigrating to the Northern Marianas in search of employment and a better life. Is that true?
- Babauta: Yes, that's certainly true. The people who migrate from the freely associated states to the CNMI are people who basically are just not able to find jobs in the FSM. Thus, the CNMI is the place where one can not only get jobs but, if you cannot find jobs, you certainly can depend on the benefits that would have come from being part of the American political family—the benefit of food stamps, the benefit of free care, the benefit of free public education for their children. A lot of our education programs are federally funded. These are areas that benefited the CNMI from having become part of the United States.
- Willens: With respect to your present position, do you feel that this office of Washington Representative has been an effective mechanism for dealing with the United States Government, both its Executive and Legislative Branches?
- Babauta: It's only effective in the way that we want it to be effective. Meaning that we can only achieve certain things because you went out and fought vigorously and spent 100% of your time and energy doing that. We need to be part of the system, to be able to effectively and consistently deal with issues pertaining to our relationship with the federal government.

- Willens: I gather from our previous conversations that you are a strong supporter of the delegate proposal so that a representative of the Northern Marianas would serve as a non-voting delegate to the House of Representatives of the U.S. Congress, as is the case with Guam and the Virgin Islands.
- Babauta: Absolutely.
- Willens: Would that give the Commonwealth more influence in the U.S. Congress?
- Babauta: That is definitely my view, and I've been pushing for that for the last three, four years, in fact, going back to when I was in the Senate, in the Legislature.
- Willens: Why do you think there has been resistance to this concept among the leaders of the Commonwealth?
- Babauta: I think in part because there's a whole new school of thought on the definition of our relationship with the federal government, and that thought has been kind of passed on down to the new generation of politicians that have come onto the scene. And I think that's quite unfortunate. Let me first say that I don't have total disregard for the arguments that have been put forth. I think that there's some element of merit in what the political leaders who are against it say. But I look at this relationship from a very practical standpoint. That practicality is, what is it that we are going to get out of this relationship, and are we envisioning stronger, better ties politically with the United States? This is what I look for in this relationship. And when I look at how Congress deals with the Commonwealth, we have to accept the fact that Congress has very broad authority. With or without the Covenant, they are passing legislation today, even as we speak, that affects the CNMI. And I ask the question, is it better that we have a Resident Representative sitting here on 2121 R Street dealing with legislation that is being debated in the Congress, or that we have a delegate sitting in the committee arguing about legislation before the Congress. I would say that it would be better if we have a delegate sitting in the committee arguing upon that piece of legislation.
- Willens: Is it your view that a non-voting delegate would also be able to exercise more persuasive influence with the Executive Branch in the federal government?
- Babauta: By a long shot. Yes. More effective.
- Willens: Is it your thought that, if there were a non-voting delegate, it would be combined with the Office of the Washington Representative, so that you would only have one representative of the Commonwealth in Washington, and that person would be the non-voting delegate?
- Babauta: Yes. That the office of the Washington Representative would then cease to exist. The Constitution during the Second Constitutional Convention allowed that to take place.
- Willens: What is your sense of the utility of the Section 902 mechanism? Is it a good idea, and does it work?
- Babauta: Well, I think that over the years that I have been involved in 902, and over the years that others have been involved in 902, the one frustration that everybody has consistently had was the 902's inability as a process, as a mechanism, to effectively resolve issues on the table before the two representatives. Meaning that the 902 section of the Covenant does not have enough teeth to be able to deal with an issue and resolve an issue with some deadlines and with some authority. The one aspect, though, that I think 902 has provided us with is the ability (that none of the other entities has) to at least bring forth issues that are bothering the NMI to the table and have full discussion over those issues

with our Federal counterparts, so that the federal government is fully apprised and is quite knowledgeable about what it is that's bothering us in the Commonwealth and about our relationship. And that is an advantage on our part just to be able to have the federal government informed where we're coming from.

Willens: But after all the discussion is completed, even if there's agreement, there's not necessarily the commitment to implement the agreement.

Babauta: Yes, that's right. I refer to the old saying that after all the discussion, there's more said than done. It needs to have some mechanism to bring forth a conclusion to the problem.

Willens: Can you recall any success stories from the 902 negotiations over the past several years?

Babauta: I can't think of anything of great substance.

Willens: What about the melon fly issue—some dispute as to whether the Japanese government could provide assistance?

Babauta: As far as I know, it has not been resolved. In fact, the State Department stood steadfast on the position that we simply cannot do that.

Willens: Are there items that you currently believe should be on the agenda for 902 negotiations with the United States?

Babauta: I think that the one troubling issue that we will continue to have is what the negotiators envisioned self-government to mean. I think that this 902 process has kind of been turned into an avenue to continually renegotiate the Covenant. It's an opportunity for new upcoming leaders in the CNMI to come forth and look back in the Covenant and say, this is not what we meant, and this is really what we want it to mean. And so it's an avenue for a continued discussion of what the Covenant meant. And I don't think that that should be the case. Unfortunately, that's the only kind of general section of the Covenant that we can use and apply to for this type of discussion.

Willens: From time to time there's been debate within the Commonwealth about the relationship between the Washington Representative, the position you presently hold, and the Governor in Saipan. The issue has been whether the Washington Representative ought to be the sole spokesman for the Commonwealth in Washington. Do you have any views on this particular issue?

Babauta: I don't think that the Resident Representative should be the sole spokesman in Washington. Certainly the Governor of the Commonwealth should be able to speak to other federal officials here, to come to Washington and to represent the interests of the people of the Northern Marianas. Just as other members of the Legislature who are elected by the people can come to Washington and speak on the peoples' behalf. I'm here on a daily basis. The Resident Representative is here on a daily basis to be able to represent the people of the Commonwealth and be here for whatever may come up that would affect the people in terms of programs, legislation before the Congress. I'm here on a daily basis for those kinds of things. I'm certainly free, just as the Governor is free and others are free, to speak about the people of the Commonwealth. And I make an analogy here with respect to the other states in which they have two Senators and they have members of Congress here in Washington. Certainly the Governor of California can come to Washington and can speak on behalf of California. And he or she should not depend solely on the two Senators and the 46 members of the Congressional delegation.

- Willens: As it has developed, the Washington Representative of the Commonwealth has often been of a different political party than the incumbent Governor. Do partisan politics make the relationship more difficult?
- Babauta: I think it does. It does. We have to be quite frank and realistic and practical about it. It does make a difference.
- Willens: I guess it would also make a difference if there were a non-voting delegate—there would be no assurance that the non-voting delegate would be of the same political party as the Governor.
- Babauta: Absolutely. That's the beauty of this system.
- Willens: That requires good will and negotiation and a determination to work differences out.
- Babauta: And there's no guarantee, too, that even if they were of the same political party, that things would be smooth.
- Willens: There are several important issues that have developed involving the Commonwealth and the U.S. Congress in the years that you've been here and still are on the agenda. With respect to future federal funding of the Commonwealth, what is your present judgment as to the likelihood that Congress will provide some additional funding along the lines that had been agreed to at the end of the Bush Administration?
- Babauta: Well, with the continued budget crunch that the federal government continues to face, a very tight financial fiscal policy that the federal government is in right now, future financial assistance is quite dim. I still think that Section 702 of the Covenant, which I think was an extremely important section of the Covenant when it was negotiated for the initial development of the Commonwealth, should continue. I hold a different view that Section 702 or that future financial assistance to the CNMI should end. I don't mean that it should be guaranteed like it was for seven years, but that the Section 702 ought to stay alive for financial assistance from the federal government to the NMI with respect to whatever economic problems it may run into in the future. And that mechanism should be used as an avenue in which we receive assistance. If the parties decide, both of them, that Section 702 has outlived its purpose and it therefore can be put away forever, then we'd have to resort to the conventional way of obtaining financial assistance from the Congress. And that is, we go before the Congress and say, we need a certain amount of money for a certain project, and they dish out appropriations based on particular needs. And you will essentially just render Section 702 useless. I think that we ought to stay with Section 702. We shouldn't put it away. And we should use that as a mechanism by which we continue to receive funding.
- Willens: The Commonwealth has continued funding in the current Fiscal Year?
- Babauta: That's right.
- Willens: It has funding at the same level that it had in earlier years because both Houses of Congress did not act to adopt some contrary program.
- Babauta: Legislation that would effectively nullify the current authorization of \$27.7 million yearly for the Commonwealth.
- Willens: Is it your projection that legislation modifying that figure is likely to be adopted during this Congress?
- Babauta: Oh, yes. Not in this Congress, but they've certainly tried to do that this year. And it's in danger, that particular authorization is in danger in the years ahead.

- Willens: But at the moment, it still takes an affirmative act by Congress to change the present level of funding or else the Commonwealth will receive the same level of funding during Fiscal Year 1995, is that correct?
- Babauta: That's correct.
- Willens: Do you think the Commonwealth will have to change its tax rebate program in order to make a better case for continued federal funding?
- Babauta: I take the view that we should make some change, not necessarily because Congress asks us to do it, but I take the view that if we want to be self-governing, if we want to be financially responsible, then we ought to look at ways in which we can make that possible. To make that possible is to be less dependent on assistance from the federal government. And to be less dependent means that we ought to be able to use resources that we develop ourselves. Certainly we cannot achieve those objectives if we continue to return money back to the people without developing a nice, solid tax base from which we operate our government to deliver public services. And certainly I agree that we ought to increase the tax burden of the people so that resources come from us directly rather than the federal government.
- Willens: Do you think there is the political will in the Commonwealth to enact new legislation that will increase the tax burden on at least the more wealthy segment of the Marianas community?
- Babauta: I think so. I think that first of all, we have to reach a certain level of realization, and I think we're getting to that. That level of realization is that if we are going to be on our own, then we have to do certain things. And that's certainly one of them. And our leaders are certainly entertaining, looking at that issue right now, and there's been movement in the Legislature, both the Governor and the Legislature, looking at gradually reducing the rebate levels.
- Willens: Do you think that the Commonwealth's authority to regulate its own immigration under the Covenant is in danger of being revoked by Congress?
- Babauta: Yes, I think that it is in danger. We have had ample warnings from the Congress that certain things ought to be corrected, and in my opinion, we have not done so. In many respects, we have defied suggestions from Congress in those areas, particularly in that area. The Covenant provides that the Congress can take that away from us.
- Willens: The new Administration under Governor Tenorio seems to have been elected in part by the desire on the part of the electorate to improve relations with the federal government. Do you think this Administration will take the necessary steps to reduce the risk of losing the Commonwealth's authority over immigration?
- Babauta: Well, the new Administration has been in office seven months, and has been quite busy with reorganizing the government. It has three and a half more years to go, and certainly the indications are that the Governor is dealing with the issue of minimum wage, and the Governor is putting forth proposals on changing the tax structure of the CNMI. He has been focusing a lot of his attention on revamping the Department of Commerce and Labor, in which the labor office is located, and having a component of the Office of Immigration that would effectively deal with the issues of illegal aliens and how to handle foreign investment, how to handle temporary workers coming into the NMI, having them come and leave and not to stay permanently. So he is addressing that right now, and I think that once the reorganization issue clears up and is all settled, that he'll be able to focus on that. But certainly he needs to do that. He needs to work on those issues

immediately. Congress has waited too long for any meaningful action and results from the CNMI in these areas.

Willens: To a very large extent, the economic development in the Northern Marianas has been dependent on alien labor. Do you think that the Commonwealth leaders are willing to reduce the level of future economic growth in order to reduce the dependency on alien laborers? There is some tradeoff here and some cost involved here to reduce the number of alien laborers in the Commonwealth, isn't that true?

Babauta: Sure. I think the argument by Congress is that the money that they provided the Commonwealth is being used to subsidize public services that are available to the aliens. So it is incumbent upon the Commonwealth to make the aliens pay for the public services that they receive, which they have not, and I think that once we make a turnaround in that regard, that we will be able to provide public services not only to the permanent residents of the Commonwealth, but to the aliens as well. I think that's where the argument is, and that's where the problem area is in terms of finance.

Willens: What are the political obstacles to bringing about that change in policy so as to require aliens to pay for services? Is the business community strongly opposed to that type of change in policy?

Babauta: Yes. The political obstacle comes from those sectors of our community that are large users of alien laborers who have been quite used to bringing laborers in, paying low wages, and not having a real consciousness of how much it is costing just to have these people on island. And I think that that education, reeducation is being brought up, and I think that our Contractors Association, an organization like the Saipan Chamber of Commerce, are having a new sense of consciousness of the impact of these people. I know that there's a whole debate of whether we want to curtail our economic development by reducing the number of laborers. I don't think that that is the issue. The issue here is how can we make them pay for the services that they receive.

Willens: That's true. You made the point earlier that there were certain social and political consequences to the growing number of aliens in the community. That political problem would not be cured by someone making them pay for service, would it?

Babauta: No, it won't be.

Willens: So in order to preserve the community to the Carolinian and Chamorro population, one has to contemplate significant restrictions on the immigration and use of alien laborers in the Marianas, isn't that true?

Babauta: I bring to discussion my point about the political future of the NMI being at risk. Only if we determine that that is not the policy that we ought to pursue. If in fact the people of the Commonwealth said, by virtue of legislation from the Legislature, if in fact we welcome these people, and in fact we want to turn the 25,000 aliens (give them citizenship) into permanent residents in the NMI, if in fact that's the public policy that we want, then I have no problem. But that is not the public policy, and I am putting that forth, making a clear pronouncement on that, so that everybody, every citizen in the Commonwealth has a clear notion of where we're heading to.

Willens: What is your assessment of the quality of education in the Commonwealth, and what steps can be taken to improve it?

Babauta: We have come a long, long way. I think that by any measure, we have improved the quality of education tenfold.

- Willens: Do you have any objective criteria on which you are basing that judgment?
- Babauta: Test scores are up. Improved facilities. Programs involving students and parents have been strengthened over the course of the last five, ten years. Student participation in programs at all levels. I've seen hundreds and hundreds of students coming to Washington, to the mainland for various short-term involvement in programs, that were never before experienced by the CNMI. We have structured the public school system in such a way so that it has a meaningful board that can set policies, which it did not have before. We have made stringent the qualifications of teachers. Before we had teachers who were teaching grade school, junior high, high school who only had high school diplomas. Now you cannot teach in the Commonwealth with a high school diploma. Now you cannot teach in the Commonwealth with an associates degree. Now you cannot be a principal of an elementary, junior high, or high school without a masters degree. These are examples that I think that I can say exist now that did not exist before.
- Willens: Before being as early as ten years ago?
- Babauta: Yes. Absolutely. From say the first four years of Commonwealth status.
- Willens: Specifically with respect to the teaching of English, is it your sense that students are now learning both to speak and write English in the Commonwealth in the same respect as they would if they lived in Guam or in New Mexico?
- Babauta: Well, you've touched on a very important area. I think it's an area that we will continue to have problems as long as we are not able, as public policy makers, to decide the course which we want to take and to invest in our education system without any hesitation or reservation. And also I think it's an area that we definitely are not doing so well in. And one of the reasons is that we continue to hire teachers from the Philippines. These are teachers who are not U.S. trained. This is kind of the same problem that we have with the health care delivery system. Very similar.
- Willens: Is it principally a budgetary problem?
- Babauta: Absolutely. If we look at the history of the public school system from this point on today, going back say ten, 15 years, what we're seeing here is a progression of alien children, the children of alien parents. These children are obviously U.S. citizens being born here. They have a right to go to a public school system. And so while the Legislature and the policy makers, both the Governor and others, the elected Board of Education, are grappling with additional facilities, additional budget money, we are being burdened by the fact that we are quadrupling the number of students in the school system without this overall broad public policy that would control that. That has to do with the influx of aliens coming into the Commonwealth, not knowing how things are going to be financed. This is a problem that the public school system will continue to have so long as these broad public policy issues are not addressed. But under the circumstances, in my opinion, we have come a long ways. It is so much better than what it was ten, 15 years ago. And I'm ready to argue that at any time. Of course, we look at the quality, as you've indicated, the quality of the English instruction—there's a lot of room for improvement.
- Willens: Are you finding that the students who leave the Commonwealth to go to college in the United States are able to compete successfully?
- Babauta: By and large they are able to do that. And by and large, most of them graduate from college. Certainly it didn't come easy, and I think that we have to make a public policy here on whether we want to invest on health manpower that will address and cure these areas of deficiencies. Right now, the Commonwealth is grappling with this issue.

- Willens: I don't understand why anyone would debate the need for improvement in the health and education areas. I assume from what you say that the issue is largely a financial one, and where the funds are coming from, and it's also tied up to some extent with the provision of these services to aliens on the island who are not contributing funds to support those services.
- Babauta: Well, you know, and everybody knows, when it comes to education, everybody is for good-quality education. Where people differ, I suppose, is where the money's going to come from. And that's the same kind of problem that the NMI is facing.
- Willens: I've heard some concern expressed about the number of Commonwealth students who, after being educated in the United States, do not return to the islands. It's been suggested that it's difficult for the Commonwealth to attract its most talented young men and women back to the Commonwealth because of the broader range and opportunities on the mainland.
- Babauta: One of the failures of the Commonwealth government ever since it became Commonwealth is its inability to promote the private sector businesses. We have a problem with a large government. We have a very large government for the size of community that we have. We certainly cannot attract all the students who've gone to the mainland and gotten advanced degrees to come back to the NMI and all work for the Government. And certainly because we have failed to develop the private sector, there is no private sector that they can return to, to work. So therein lies the problem with the students from the NMI who've gone to the mainland who've gotten advanced degrees and not returned. Because there are no opportunities back here.
- Willens: But there is a much more substantial private sector now than there was ten or 15 years ago. There's a substantial tourist industry, a substantial garment industry, consulting firms, many small businesses. Is it that those businesses for the most part are not run by local people and therefore would not hire Commonwealth employees?
- Babauta: Yes. The NMI government has not made a clear public pronouncement on policy on what kind of opportunities would an individual have who has just gotten their residency practice in general medicine. Or that an individual who'd just gotten a CPA degree, or an engineering degree, coming to the Commonwealth would have. The only opportunities that a college degree person would have is to come back to the NMI and work as an accountant or clerk. Certainly that's not what we want for these people. And I think that had we had a clear public policy on opening up opportunities for returning residents to engage in in businesses and venturing out on their own with some initial help from the government, that would certainly be an added attraction for them to return.
- Willens: I'd like to conclude the interview by asking you what you would identify as the three, four or five principal issues that the Commonwealth needs to confront in the next several years.
- Babauta: I think, number one, we have to clarify our relationship with the federal government—how do we deal with the federal government. And having a delegate in the Congress is just one aspect of that. It will help tremendously to define our relationship. And within that context, the issue of how we deal with the federal government on the issues on the 902 table and strengthening our understanding in those two areas. I think that having a delegate in the Congress would help define a lot of issues and establish how we deal with the federal government and legislation that would come before the Congress affecting the Commonwealth. The number two thing that we need to address is the issue of financial independence. We need to strengthen our tax system. In order to do that, we need to

commit ourselves to be less dependent on federal subsidies. And certainly that's an area that Congress is really very, very concerned with nowadays. A commitment to education is a third issue, but not necessarily less important than all the other issues that I will identify. The issue of education in the NMI I think is not getting enough attention both from the community leaders, as well as from the federal government. And it is probably the most essential component under which we can achieve all of these levels of self-sufficiency if we put more emphasis on developing a better educational system in the Commonwealth. Along with that comes the health care delivery system. How do we deal with that, how do we turn the tables around so that we give more people responsibility for their health rather than the Legislature being responsible for your health. And if we can certainly turn that around a little bit, we would advance the level of health care and the level of our health status in the NMI much better. With that, the other issues will come automatically. The issues of infrastructure development in the NMI—it comes automatically dealing with those other more important issues that I identified. The one thing that I think we will continue to have a problem with, and if we don't address this politically, is how this political development, this educational system development, health care system delivery, is to be dealt with in the islands of Rota and Tinian, and certainly because we're separated here geographically, these are going to be duplicated. A lot of the infrastructure will have to be duplicated. Where's the money going to come from? How is this to be funded? It's really a very massive public policy problem that the people of the NMI will have to face.

Willens: That sounds like a very substantial agenda for the future.

Babauta: Oh, we have not begun to create a community, a society in which we can all be comfortable in, unless we are willing to take upon these issues ourselves and to be responsible, not only as individuals but as people collectively. As long as we are dependent upon some source for income, it's never going to get resolved. That money is going to come, and it's going to disappear, and it's not going to get us anywhere. Somebody else's money is not going to get you anywhere. I think that's the theme of my discussion today, and that is that we have to make it on our own. We have to be financially responsible. We have to set public policies that are tough, that are going to be unpopular, but I think it's a good medicine for everybody. We are not going to be able to do that unless we make a commitment to say, if we want these things, then we can't have it unless we do it ourselves.

Willens: All right. Thank you very much. I appreciate your time.