

On my Mind
2/1/02

The details aren't in yet, so it's probably premature to make an issue of any specific proposal under consideration by the new administration as it struggles to bring anticipated expenditures in line with projected revenues. Nonetheless, there are several related issues that do merit discussion. The first has to do with Governor Juan N. Babauta's purported unhappiness with the way information on those proposed cuts was reported to the public by the <I>Variety</I>.

Both the <I>Variety</I> and the <I>Tribune</I> published articles on the various revenue-generating alternatives included in "CNMI's Fiscal Outlook," a report prepared by the Babauta administration. The report is said to identify options available to the executive branch for generating additional revenue for the coming fiscal year. According to a story in the <I>Variety</I>, Babauta claimed the <I>Variety</I>'s account was inaccurate and sensationalized - though specifics as to what was inaccurate were not provided. Babauta, according to the <I>Variety</I> story, said that as a result he may not be as open with the media in the future. "The media has a responsibility to be honest and accurate in their reports," he is quoted as saying.

Yes, governor, that's true. But realistically speaking, such honesty and accuracy are probably not achievable. Other needs and other considerations determine how stories are reported in the media: the competition for readers; considerations of space; pressures on the reporter; a story's relative "newsworthiness;" the paper's deadlines; the publisher's bias. Besides which, truth is, after all, relative. For most reporters - particularly in the CNMI - their first obligation is to produce a story. There is no reward, there are no prizes, for honesty, accuracy, completeness (except the reporter's own self-respect). In any case, by now most of the public knows - or should know - that it cannot place absolute reliance on what the media says - that what the media says can be considered as containing some truth, but only rarely the whole truth.

If the Governor wants honest and accurate reports given to the public, he had best do so himself - through information generated and distributed by and through his office. This could be done as written press releases, as a revival of the newsletter once issued from the governor's office, through a regular radio address, or by means of a "Governor's web-page." Of course, self-generated information isn't automatically honest or accurate either, but at least such self-generated information will say what the governor wants it to.

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A second issue relates to the Governor's apparent decision to ignore the <I>Tribune</I>. Both papers carried the story and both said pretty much the same thing. But the Governor expressed unhappiness - at least as reported by the <I>Variety</I> - only with the <I>Variety</I>. Does that mean he found no fault with the <I>Tribune</I>'s coverage? Probably not, but if he does not say he's also unhappy with the <I>Tribune</I>, the implication is that what the <I>Tribune</I> said was fine and that it is only the <I>Variety</I> that he was unhappy with.

Moreover, since the <I>Tribune</I>, being on-line, now offers daily news coverage of events in the CNMI to any web-surfer - as the <I>Variety</I>, for reason's known only to itself, does not - it would behoove the Governor to pay attention to what the <I>Tribune</I> is saying to the rest of the world about the NMI in general and about his administration in particular.

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And while it may be premature to made an issue about most of the suggestions in that fiscal outlook report, one of the revenue-generating changes proposed by the report - as carried by the <I>Tribune</I> but not the <I>Variety</I> - is sufficiently worrisome to warrant doing so.

Buried deep in the list was "repealing the 1-percent Public Auditor fee." This is a "tax" of sorts that government agencies are currently required to pay to support the office of the Public Auditor.

I suppose one could argue that relieving the agencies of having to contribute toward the operation of the Public Auditor's office saves money because that is one less expense agencies would have to find funding for. But in actuality, if the agencies did not pay for the operation of the Public Auditor, that money would have to come from elsewhere - so where is the saving?

Moreover, to suggest that the Public Auditor does not need a consistent source of funding is an even more untenable argument. In order to function properly, the Auditor needs a source of income that is not dependent on the whim of either the administration or the legislature. Use of the 1-percent contribution has been very effective in allowing the Public Auditor's office to maintain its impartiality and its integrity. Cutting off the major source of funds of the very agency charged with investigating theft and corruption in government seems a strange tactic for an administration that has repeatedly asserted it intends to be open, transparent and fair.

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No details are available, either, about the number of annual visitors Governor Babauta has announced as the goal of his four years in office. The governor has said his goal is 700,000 - an increase of approximately 40% over the 497,000 who visited the CNMI in 2001. But in this case, the need for prompt explanation, elaboration, justification, is considerably stronger. The figure is already being considered "hard" data, and other areas of the economy are reported using it as the basis for their action. The Strategic Economic Development Council, for example, has just declared that the CNMI needs 900 more hotel rooms - to accommodate those 700,000 tourists.

But before any effort - or funds - are expended on finding developers to build those 900 additional rooms (that's twice the size of the Hafa Dai), any number of questions must be answered. Where does that 700,000 figure come from? What is it based on? Was an environmental impact assessment done? How can the CNMI provide enough water? enough power? How many more foreign workers will be required to serve those tourists? How will those numbers affect the lagoon's fragile balance? How much more land will need to be cleared? How many habitats or wetlands disturbed?

The CNMI does not yet know how much revenue it really needs to continue functioning. In a flourishing economy, it was not necessary to make sure every government employee earned his or her pay, every agency operated at top efficiency. In the present shrinking economy, it looks like the government may be forced to learn just how many people it needs on its payroll in order to provide essential services, how many services - and which ones - it can dispense with or contract out.

It is possible that once the "deadwood" is cleared from government staff, once agency procedures are streamlined, once "give-away" legislation (for example, permitting double-dipping) has been repealed, and once the government has begun operating more efficiently, the CNMI will find that it can afford to operate with the revenues it is currently generating - that more revenue is not needed.

Before it sets out on new growth, the CNMI needs to assess its limits to growth, to decide its growth cap, to reconcile these with its perceived needs. Until there is more evidence of just exactly what is required to operate effectively, however, it seems more than a little risky to set arbitrary expansion goals that could destroy the very ambience of island paradise that is our major product.

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Another mainland scourge has hit the CNMI - telephone solicitations during supper time. The intrusive phone calls just as everyone sits down to dinner have probably sold thousands of caller-ID phones and answering machines back in the states as people decide they've had enough and have begun fighting back. Dear Abby and Ann Landers have offered advice on how to handle them, and consumer groups have warned their readers to respond with caution.

Until this week, that phenomenon had not reached the CNMI - so far as I was aware. But on Monday, it came here, just - as you might expect - as I was sitting down to dinner. An anonymous voice from a local business, doing a survey, wanting me to answer questions about products the company might develop. Not really interested, I did not even wait for the lady to finish talking. I just hung up.

I hope her call isn't the beginning of a trend.