

On My Mind

3/26/04

I'm sorry. I just don't get it. Travel agents won't provide med-evac flights because the government hasn't paid for past tickets, public school vendors won't accept book orders because the government hasn't paid for past orders, CUC is threatening to cut power to government agencies because they haven't paid their bills, CHC has trouble recruiting staff presumably due to a shortage of funds, the public library can't order replacements for lost and outdated books because its budget for them has been "re-programmed," CIP funds lay idle because there is no matching money.

The sewer system overflows because there isn't enough funding for maintenance or upgrade of the system, unscheduled power outages are on-going, again presumably due to lack of funding for maintenance and upgrading of the system, major roads, such as the one going up Capitol Hill and the one to the Airport, continue to buckle and deteriorate, the water system is seriously deficient - in short, the government would appear to be suffering a major financial shortfall.

Yet in just the past few weeks, there has been a call to lift the moratorium on in-grade increases and promotions for government employees, a move to lower water rates, a proposal that CUC relocate its Puerto Rico power plant, a proposal to build a new structure for the legislature, the governor promising to underwrite Northern Marianas College's sizeable Fiesta Mall costs, the governor handing out more teacher grants, the Speaker calling a one-hour session on Rota on a holiday.....

Where does the legislature think the money is going to come from - to raise salaries, to build itself a new building? Where does the governor think the money is going to come from to support the Fiesta Mall? And why should these expenditures take precedence over funding for the school system, payments to CUC, payments to travel agents - and to who knows how many other unpaid vendors out there?

It probably would be too radical to put a stop to all government expenditure - including CIP funds - until a formula and rationale are worked out for who gets paid how much first, but it certainly seems high time that some sort of control be put in place. It almost seems that what is needed is the establishment of some sort of bankruptcy process, where the debtors are all listed and the assets identified, and an arbitrator decides which assets are to be used for which debtor.

The robbing of Peter to pay Paul, which is what is now going on with all the re-programming of funds, is no way to run a government. But it will take a stronger hand than has yet been found to wield the knife needed to cut the fat from the budget - of the executive, the legislative, the judiciary <u>and</u> the "independent" agencies, to do a rational job of prioritizing expenditures. In the meantime? Let's pray the Commonwealth doesn't go bankrupt!

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According to a story in last week's Sunday <I>Tribune</I>, House Speaker Benigno S. Fitial,

testifying before the Saipan and Northern Islands Legislative Delegation in support of an appropriation for the Junior Statesmen of America program, asked whether the program couldn't focus more on business than on politics.

Well, the Speaker did have a reputation for being humorous, and one could hope that the remark was meant to be funny - after all, one doesn't usually ask a successful and long-standing national program to so radically change its name and focus - but when, according to the story, he followed that query with the statement, "We don't need any more politicians, we need more [people] in business," it would seem that he asked in all seriousness.

We may not need more politicians, but we certainly need more qualified politicians than we now have, and since they (politicians) will always be with us, it would seem far more appropriate to support and encourage an institution such as the Junior Statesmen of America than to ask it to change what it is doing.

The Jr. Statesmen program gives its participants an opportunity to improve their understanding of government operations, policy-making, current issues, leadership, teamwork - all essential to good government. A more relevant query might have been, "How can we ensure that these junior statesmen enter politics, so that we may take advantage of their skills and training?" or, "How can we bring such skills and training to our current politicians?"

Which is not to say that a business approach is wrong, or not needed. But business without statesmanship can be cruel and callous, inhumane. An absolute bottom line of profit, without taking into consideration individual needs and differences, is no way to run a government, either.

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The Covenant Day debate - held this past Monday, two days prior to Covenant Day - was fairly well-attended, particularly by members of the House, even though the event was held in the Senate chamber.

But what a pity that it was not held on Covenant Day, so that people who were not able to leave work (the debate began at 3:30 in the afternoon) could also have attended!

Should Covenant Day be celebrated by just giving government employees the day off? Or holding only a brief ceremony early in the day? (It is unfortunate that the ceremony that was held was not better publicized.) The Covenant is the foundation stone, if you will, of the Commonwealth. It - and those who created it - deserve far more honor and respect than an empty holiday for all and sundry.

The debate topic - on whether the CNMI should have to compete for funding it receives under Covenant Section 702 - was well chosen, in that it took a single provision and examined it in light of current practices. It would have been helpful, though, if some attention could have been given to setting the stage, to providing some background, to putting the question in perspective. The debate assumed that all its listeners were fully familiar with current 702 expenditure

practices, and with the “sharing” proposal under discussion - which was not the case.

Next year, let us hope that the finals - as well as the preliminaries - are held on Covenant Day. It is only fitting.

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Despite the implication in the text of the settlement agreement between the CNMI's Department of Lands and Natural Resources and Tony Pellegrino's Marine Revitalization Corporation, the arbitrators did not play a role in defining the terms of the settlement. According to one of the arbitration team members, the parties reached agreement on the settlement terms among themselves - without making use of formal arbitration procedures.

This column had suggested, last week, that either the arbitrators or the parties come forth with explanation and/or justification for the provisions of the settlement agreement, which, on the surface, appear to be highly favorable to MRC.

Though no additional data have been released, further input from parties to the conflict reveals that MRC did have a valid complaint against DLNR - since DLNR did not keep a promise to enforce Smiling Cove rules that only private boats anchor there, and that the \$3 million price tag was a rationally-arrived at calculation for purchase of the Outer Cove marina development that MRC constructed.

There are, of course, many unanswered questions: should the outer cove marina have been built to begin with? should it have been built as it was? If the government takes over, will it be able to operate the marina at a profit, or will it be at a loss - as government operated activities so often are? Will it be put in the hands of DLNR or the Commonwealth Ports Authority? Isn't the marina something the CNMI could try sell to a foreign investor? Does the CNMI even have the money to settle? And if settlement isn't forthcoming, perhaps the most critical question of all: if it is left to the arbitrators, what would the outcome be?

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Short takes:

- Just why is it that the governor is so willing to expend shrinking government funds to keep NMC's purchase of the Fiesta Mall afloat?

-Thank goodness at least one legislator is concerned enough for the rest of us to voice protest over CPA's latest effort to bleed the people dry: its proposal to charge a departure fee at the airport. Thank-you, Representative Timothy P. Villagomez!

