

On My Mind
4/06/07

The CNMI seems to be in a state of suspended animation. We are told that a handful of investors is poised to pour money into the CNMI - once the U.S. Congress acts on CNMI's immigration and minimum wage issues. We are told that there are two new hotel-casino operators, Tinian's first golf course, ready to begin construction - as soon as the FAA signs a firm agreement to install an instrument landing system there. In the meantime, all is on hold.

One of my favorite publications, *Micronesian Counselor*, put out by Micronesian Seminar in Pohnpei, contains a proposal for a promising revenue-generating project on which work could start even without a decision on minimum wage or immigration issues. In its March 10, 2007 issue, Peter Wilson takes a look at the tuna industry in Micronesia, and comes to the conclusion that past attempts were mis-placed, but if done properly, a viable tuna industry could yet be established here.

Past efforts failed, he writes, because people tried to take on and develop the wrong end of the industry. Micronesians aren't eager to spend months at sea, as would be required if the fishing vessels were operated by local businesses, to begin with, and "poor management, shoddy planning, inadequate equipment, and lack of experience" also contributed to the failure of early efforts.

Yet tuna are a rich resource. Wilson states that 98% of the total Pacific tuna harvest comes from the Exclusive Economic Zones of FSM, Papua New Guinea, Kiribati, Solomon Islands, Nauru, Tuvalu, and the Marshall Islands. At present many long-liners and purse-seiners take their catch from these areas all the way to Thailand and Korea for processing.

It makes economic sense for the commercial fisheries to have their catch processed closer to point of capture - as would be available were fish processing sites available in the Micronesia area. It also makes economic sense to have their ships serviced closer to their operating sites. Establishing fish processing plants, and providing sources of food, bait, ice, fuel, vessel repair and the like as a service industry, would not only generate revenue from the commercial fisheries but provide employment opportunities to local residents, writes Wilson.

But, he cautions, such industries can only be profitable and successful if and "when experienced personnel are used to plan the establishment of such industries, and to train the locals how to operate them properly."

He proposes that a Regional Tuna Industry Development Plan be developed to show how all islands can benefit by working together to utilize their shared resources. The labor force, harbor condition, power and water supplies, land ownership and other factors of each potential site would be evaluated, a business plan would be developed for each, and then the study would be submitted to Development Banks for "soft loans" for the construction of the infrastructure required.

In making a case for a cooperative approach, Wilson notes, "Since the Pacific provides over 60% of the world supply of tuna, nearly all of which comes from the EEZs of a few Pacific nations, it stands to reason that cooperation among these nations could increase their share of the

profits from this resource. Pacific nations can require foreign fishing vessels to offload their catches in designated ports as a condition of licensing and thus obtain the tuna they require for processing in their shore-based plants. They will strengthen their ability to dictate the terms and conditions about where the vessels will off-load, what they will pay for a regional license fee, where they will have vessel services performed, and how they will report their daily catches, among other things."

Moreover, "consumption of and demand for tuna is expected to grow, but the limited resource, which in many places shows signs of decline, is expected to lead to higher prices in coming years." In addition, "the use of fresh and frozen tuna is expected to expand in many Western countries where sushi bars are becoming more popular."

While the CNMI is not specifically identified as having an EEZ rich in tuna resources, it is close enough to those areas that have been identified to make participation in a tuna industry eminently reasonable and feasible. If the CNMI were to take the lead in organizing a regional approach, it would be all the more entitled to a substantial role in the industry itself.

In this column last week, I criticized the two local papers for what I considered inadequate news coverage. I felt later that perhaps I'd been too harsh, and intended to comment, this week, on the constraints under which the reporters operate - deadlines to meet, quotas to reach, assignments on evenings and week-ends, priorities that may not be their own, too many stories and not enough time or personnel - all of which no doubt contribute to the shortcomings I described.

Having now done so, I've come across two more rather significant "failures," if you will, in reporting. One concerns the full page ad purchased by Bridge Capital, LLC, in last Friday's *Marianas Variety* in which appears the statement, "We [i.e., Bridge Capital] just purchased the land lease agreement for the La Fiesta Mall in San Roque." Yet earlier this week, the *Variety* reported that the government is still seeking a refinancing scheme to pay off its debt to the original owner of La Fiesta Mall.

Does that mean that now the CNMI government apparently owes its debt to Bridge Capital, LLC?

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Then there's the story in issue 47, April 2007 of the *Pacific Times* which reports that a new government center will be built on the site of Northern Marianas College, which, in turn, is slated to move to the As Perdido site of the Department of Lands and Natural Resources' Division of Agriculture and public abattoir - which has not been picked up by either of the other two papers.

Of course, it's possible, in this case, that the governor has decided to use his own media vehicle to float yet another "off the wall" idea - to test its acceptability - and either the other two papers were not informed thereof or have chosen not to run it.

Which is, apparently, what we are supposed to consider his former idea to move all of government back down to Susupe, where, it was said, plans were already being drawn up for a major capital building. Someone should tell the governor that such antics don't enhance his credibility.

Or maybe the *Pacific Times* is not to be believed either?

Short takes:

First and foremost, I myself goofed in my last column, in referring to the head of Palau as a governor rather than president. I do know better! And I herewith extend my profuse apologies.

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An eventual increase in the minimum wage and the eventual "federalization" of immigration - to some extent or another - would appear inevitable. Rather than waste money trying to fight the inevitable - as this administration appears to insist upon doing in hiring a \$90,000 lobbyist of questionable merit, at that - it might make better sense, more effective use of resources, to work with those forging the changes to make sure CNMI interests are adequately protected.

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While on the subject of a waste of funds, is there any reason the governor could not have declared Good Friday an austerity Friday? If he can cut federal work days, surely he can cut local paid holidays?

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The case made by Herman C. Tudela in his letter to the editor (which has now appeared in both papers) for a boat launching site on Laulau Bay is certainly persuasive. His letter, moreover, is a model of advocacy - as well as providing background information and history, and focussed on issues, it is well-written, well-reasoned, and very informative. No empty rhetoric here!

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New movies: 2 PG's and an R, the bottom 3 of 5 in rankings of new releases (Firehouse Dog ranks far above the other two); making for a total of 1 G (Meet the Robinsons' rating has gone from PG to G), 3 PG's, 1 PG 13, and 2 R's. This week, that's 7 of the 10 listed as either top money-makers or top-rated on < www.rottentomatoes.com >. Not bad.