

A RESOLUTION

Expressing the concern of the Federated States of Micronesia Congress that the United States' offer in the adjustment of the amount of grant assistance to the Federated States of Micronesia under the Compact of Free Association is inadequate.

1 WHEREAS, Section 217 of the most recent draft of the Compact of Free
2 Association states the following:

3 "The amounts stated in Sections 211 and 231 shall be adjusted
4 for each Fiscal Year by the percent which equals two-thirds of
5 the percentage change in the United States Gross National
6 Product Implicit Price Deflator, or seven percent, whichever
7 is less in any one year, using the beginning of Fiscal Year
8 1981 as the base."; and

9 WHEREAS, this United States' offer does not adequately reflect infla-
10 tionary factors in the Pacific and in the Federated States of Micronesia;
11 and

12 WHEREAS, a formula for adjustment of the amount of financial assistance
13 each year must necessarily reflect realistic inflationary factors in the
14 Federated States of Micronesia; and

15 WHEREAS, unless the value of the financial assistance from the United
16 States is adequately protected during the life of the Compact of Free
17 Association, we will face difficulties in our efforts to advance the economic
18 self-sufficiency of our people; now, therefore,

19 BE IT RESOLVED by the Congress of the Federated States of Micronesia,
20 Second Special Session, 1980, that the Congress hereby expresses its concern
21 that the United States' offer in the adjustment of the amount of grant
22 assistance to the Federated States of Micronesia under the most recent

1 Compact of Free Association is inadequate and unfair; and

2 BE IT FURTHER RESOLVED that certified copies of this resolution be
3 transmitted to President Jimmy Carter; Ambassador Peter Rosenblatt;
4 Secretary of Interior Cecil D. Andrus; United States Senators Daniel K.
5 Inouye, Henry M. Jackson, Spark M. Matsunaga, J. Bennett Johnston, Jr., and
6 Ted Stevens; members of the U.S. House of Representatives Phillip Burton,
7 Sidney R. Yates, Robert Duncan, and Don Clausen; President Tosiwo Nakayama;
8 and Director of External Affairs, Andon L. Amaraich.

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10 Adopted: February 07, 1980

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