ABSTRACT
This article examines attempts by the inhabitants of a tiny and emerging, dependent country to safeguard their island environment, in the face of complex threats. It is based on anthropological fieldwork conducted in Palau; which is now a constitutional republic, and still part of the United States administered Trust Territory of the Pacific. Palauan conditions are introduced, including the Islands' interaction with a succession of foreign powers. Subsequent articles will analyze a number of roughly sequential, pivotal events in Palau's recent evolution. These start in 1975, with the controversy over whether to locate a "superport" for oil, in Palau. Treatment ends with the initial challenges to Palau's environmentally-protective government—this was in early 1981. The study spotlights the maturation of Palau's environment/development dilemma. Though it shares some Third, as well as Fourth world characteristics, this case of "national underdevelopment" is also distinctive. In fact, it lays bare dynamics that fuel a most worrisome aspect of "modernity;" the incremental, and building threat of irreparable damage to the environment, from uncontrolled economic and/or military activities.

This article is the first in a series that examines efforts by the inhabitants of a vulnerable and emerging island nation to protect its natural and social resources in the face of complex pressures. The case analyzed is that of Palau, an environmentally distinctive and fragile island group, that is still part of the United States Trust Territory in the western Pacific. The analysis illustrates many of the difficulties encountered by very small, relatively powerless, and externally-dependent countries that seek to modernize on indigenous terms without damaging the environment. The case also sheds much light on the environmental and nuclear problems that face "modern" countries.

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Some background knowledge is necessary. In the present article, Palau’s physical, cultural, economic, and political characteristics are sketched. The interaction with external forces is also examined. The above factors have powerfully affected Palauans’ perception of, and response to, complex environmental threats.

Subsequent articles focus on two topics: The efforts by some Palauans to increase their public’s awareness of, and participation to ward off; spasmodic threats, seductive pressures, and long-range challenges to Palau’s natural and social environment. Parallels between Palau’s “development” dilemma, and our own are also described. The impediments to environmentally-sound and non-militarist modernization, shed much light on America’s and the First World’s nuclear and environmental problems.

RESEARCH TECHNIQUE

These articles are based on more than eighteen months of anthropological fieldwork, conducted in Palau between 1979 and 1981 [1]. Information was amassed in a variety of ways. Primarily, this was through contact with Palauans including living with a Palauan family, and interacting with approximately 175 islanders. They were involved mostly in politics, and in descending order of frequency, in; education, traditional leadership, cultural affairs, community organizations, and other activities. About sixty formal interviews were conducted. In addition, a voter attitude survey was developed and circulated and meetings of a political, community, and educational nature were also attended.

THE ISLANDS’ CHARACTERISTICS

A very complex culture took root on the islands of Palau. Furthermore, these islands have been unevenly influenced by a succession of differing outsiders, and metropolitan powers. Palauans, for their part, have actively responded. Palauan cultural, ethno-historic, and contemporary objectives have played a part. Both change and continuity have resulted.

The Palau Islands consist of a small archipelago that stretches for 125 miles, roughly in a north/south pattern. Palau is north of Melanesia and east of Southeast Asia. The nearest land masses are Mindanao, 550 miles to the west, and New Guinea, 410 miles to the south (see Figure 1).

Palau’s islands vary in size and resources (see Figure 2). In the extreme north is Kayangel, an atoll complex. Next is Babldaob, a weathered, volcanic island of approximately 155 square miles. South of this, the island complex of Koror is part volcanic, part limestone. Beyond the many minute, mushroom-shaped islands below Koror, are the somewhat larger islands of Peleliu and
Anguar. The Southwest Islands of Sonsorol, Pulo Anna, and Tobi, though traditionally not part of Palau, have since been incorporated.

When judged by external standards, Palau is quite a tiny place (the total land area of Palau is less than one-seventeenth the size of Rhode Island). On a Micronesian scale, however, particularly Babeldaob is quite large, and well-endowed with resources. The southern islands, in contrast, are "ecologically
Figure 2. The Palau Islands
poor” [2]. Within Palau, this relative difference has been regarded as quite significant.\(^1\)

Palau’s population came early, from Southeast Asia. There were Melanesian influences as well. The population before Western contact has been estimated at 25-50,000. This is much larger than Palau’s historic and contemporary levels. The figure during the time of fieldwork was approximately 13,674.

As can be gleaned from the archeological, historical, and ethnographic record, Palauan society was well-organized and productive, with pronounced absorptive tendencies [1,3,4, p. 45]. Palauans conducted a lively sociopolitical life that stressed controlled competition, and the manipulation of social relationships. Receptivity to innovation was elite-appropriated, though one suspects that Palauans at nearly all levels, sought out all available means to raise the standing of their group [3, pp. 44-45].

FOREIGN INVOLVEMENT

Sociopolitically, Palau was capped by two competing, district confederacies. These divided, roughly, along a southwest/northeast boundary. When significant Western contact began, the Yaoldaob Confederacy was in the process of consolidating its position as leader of the powerful southwestern alliance. The capital of this confederacy was Koror, which would become Palau’s major harbor. It was into this vicinity, in 1783, that Palau’s first major contact with Westerners began. In that year, the Antelope, a British trading vessel, was shipwrecked. With this accidental arrival, Palauan opportunities for interacting with powerful outsiders took a quantum leap.

Almost immediately, weapons and assistance were procured from the Antelope’s sailors, and utilized by Yaoldaob in its’ expansionist efforts. Occasional visits by British, and then by American ships, followed. Aside from becoming embroiled in Palauan politics, something of a trader presence also developed.\(^2\)

Of greater impact, was the escalation in Palauan warfare, brought on by Western weapons and involvement. This, coupled with the massive inroads from Western diseases, resulted in depopulation in the Islands. Ships passing by in the late nineteenth century, observed continuing Palauan skirmishing, amidst a population that was reduced to perhaps one seventeenth its pre-contact size.

\(^{1}\)There is the view that residents of the southern islands are somewhat culturally inept and deprived in comparison with the natural resources, cultural sophistication, and political prestige that are associated with Babeldaob and its' high clan. On the other hand, however, a number of informants from the southern islands commented that high-clan northerners are parochial, rigid, and close-minded, and that the impetus for progressive social change has always come from the south. Archaeological evidence also points to a “drift” of migration, from south to north [2, p. 5]. Palauan creation mythology and ethnohistorical accounts also talk of this [2, p. 210].

\(^{2}\)Most coveted by the Palauans was the new technology, and especially weapons. Seacucumber, pearl, and turtle shell were among the objects procured from Palauans.
In the 1880s, Spain, which was concerned about increasing British and German interest in the region, moved to actualize its claim on Palau. Spanish involvement, however, proved to be quite limited. Their main interest was religious; to convert the Islands to Christianity. Nonetheless, there was a political dimension. This took the form of an alliance between the few Spanish priests, and some Palauan chiefs. Both parties, for their own reasons, wanted to curb influential practitioners of the indigenous religion. However, aside from introducing Western religion, Spanish impacts were slight.

With its defeat in the Spanish-American War in 1898, Spain gave up its Pacific possessions. From that point until World War I, Germany was the colonial power in Palau. The German presence was a good deal more substantial than the Spanish, and a more complex and inclusive pattern of interaction developed between the Germans and some Palauans.

German efforts concentrated on economics, with the objective of creating a colonial and extractive regime. Phosphate mining and copra production were stressed. In pursuit of this, some fraud and coercion were employed by the foreign power; to obtain Palauan land and native labor. Limited government services were also inaugurated. High-clan Palauans exhibited a keen desire to obtain and monopolize this schooling.

As was the case during Spanish times, the Germans developed a relationship with some Palauan chiefs. In addition to religious conversion, the Germans also wanted to use chiefs for indirect rule.

Vulnerable Palau and its resources now fell into the hands of another colonial power. With the outbreak of World War I, Japan took control of the Islands. The Japanese would have a far greater impact, than had either the Spanish or the Germans.

Japanese control of Palau and the rest of Micronesia grew increasingly direct, and involved the installation of a correspondingly intrusive, colonial apparatus. Under this, Palauans of two persuasions emerged. Palauans who were pro-Japanese regarded association with this foreign authority as a means to advance themselves, within a government bureaucracy, that could also modernize Palau.

On the other hand, another group of Palauans arose. This had some roots in Palauan religious, and other charismatic leadership, that had endured and evolved during the German Period. The Modekngei, as the new group was called, grew as a religious/political movement, with proto-nationalistic objectives. The Modekngei would gain the support of far more Palauans, than had been involved in earlier efforts to limit foreign control. “Miracles” of healing, cultural revitalization, social morality, and village-based social services, were avenues through which the Modekngei built support.

The Japanese viewed this group as anti-modern, anti-foreign, and as a limitation on the smooth operation of their colonial regime. With the help of the pro-foreign, Palauan faction, the Japanese mounted a series of repressive
campaigns against the Modekngei. This group continued to hold followers and wield influence, however. Moreover, they became explicitly anti-Japanese.

Nonetheless, the Japanese steadily increased their effort to create a productive, extractive, and Japanese-oriented society in the Islands. Palauan land was increasingly alienated. There was Palauan forced labor, and some indigenous involvement in a developing, market economy. To proceed with direct colonization, a large-scale immigration of Japanese and other Far Eastern settlers commenced.

By the late 1920s, the Japanese had achieved considerable success. Of their islands, particularly Palau and one other district were an economic asset for the Japanese. In Palau phosphate and bauxite mining, fishing, agriculture, and some other activities were resulting in a favorable balance of trade. Koror, which was headquarters for the entire Japanese Mandate Administration, assumed the appearance of a "Little Tokyo," with municipal services and amenities. Palauans, to some extent, benefited from these.

In addition to their administrative and economic efforts, the Japanese developed an education program. This involved more Palauans than ever before. Though the overall objective was Japanization, some Palauans learned valuable, vocational skills. Moreover some informants, when looking back over this period, felt nostalgic about the work ethic and discipline, which they said had been partly instilled through Japanese education.

Japanese economic, educational, and social efforts were gradually eclipsed, and ultimately replaced, by its militarization of the Islands. As Japan prepared to extend its "co-prosperity sphere" through force of arms, Palau's value as a strategic/military resource assumed primary importance. In fact Micronesia and Palau's military value, would outlast the Japanese, and continues to this day.

The secret militarization of Palau was well-established by 1940. Airfields, gun emplacements, a naval base, and the stationing of at least 25,000 troops, all transformed Palau into a springboard for the Japanese war machine. However, this and other Japanese efforts were blown-apart by the disastrous world war that followed. This outcome, which came on the heels of assurances to some Palauans that Japan was invincible, and sought only to protect the Islands, continues to feed indigenous uneasiness about militarization.

In 1942, America and its allies began to reverse the tide of war in the Pacific. As the fighting moved closer, Japanese began to prepare to defend themselves in Palau. Some Palauans, voluntarily and otherwise, participated in this effort.

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3 By the late Japanese period, over 80 percent of all clan and village-held land was in Japanese hands [2, p. 324].
4 By 1940, Palau had a population that has been estimated as high as 22,000 Palauans, and 39,000 Japanese, Koreans, and Okinawans [5, p. 44].
5 In 1921, the League of Nations gave Japan a mandate over all of Micronesia.
6 By 1936, 1,523 Palauan children were in elementary school, out of a Palauan population at the time of 6,293.
In 1944, American bombing of Palau commenced, and grew in intensity. Palauans in the southern islands were relocated to Babeldaob. While the bulk of the Japanese forces were garrisoned on that island, the Americans attacked in the south. Particularly on Peleliu, the fighting was intense.

Meanwhile the Japanese on Babeldaob, and virtually all of the Palauans, were isolated, and raked by American air attacks. Conditions deteriorated during 1944-45. As the Japanese apparatus unraveled; some of its troops became lawless, and terror increased.

Even with the Japanese surrender, destruction did not cease. Upon entering “Little Tokyo” unopposed, American troops set about destroying Japanese structures that the bombs had not leveled. Certainly, many Palauans must have been shocked and dismayed by the extremely violent and sudden change-over, of foreign authority. Since World War II, this authority has been the United States.

THE UNITED STATES ADMINISTRATION

America has had an extremely complex, ambivalent, and in some ways, contradictory power in Micronesia. The contrast is strong with the monolithic and authoritarian style, that had been employed by the Japanese. Moreover, even within the American Period, there would be strong discontinuities.

When the United States military wrested control of the Islands, it viewed Micronesians as a “liberated people” [6]. The Palauan attitude was far more mixed. The infrastructure, which they had benefited from in some ways, had been smashed by the Americans [7]. Moreover some informants, as well as a number of Palauans interviewed by another scholar, contrasted the consistency and social cohesion which they ascribed to Japanese rule, with the lack of direction and indigenous productivity which they partially attribute to American influence [2, p. 35].

The American interest in, and view of the Islands was based on very different calculations. As the Americans had learned through bloody combat, Micronesia can be used as “stepping stones”, either to deflect or to project military influence [8]. In 1947, Micronesia was designated as a “strategic” trusteeship, by the fledgling United Nations. This arrangement would be administered by the United States, and was weighted towards the maintenance of American influence [9]. The Americans were permitted to fortify, station forces, and put additional bases in the Islands, and could close Micronesia to outside scrutiny.

Nonetheless, American humanitarian, paternalistic, and democratic impulses were also discernable. In fact under the Trusteeship, the United States incurred a number of obligations along these lines. We were supposed to enhance the Islands’ economic, social, educational, and political development, to a point where Micronesians could freely choose between a number of political status options, including independence [9, pp. 5, 38-39].
In fact, however, America’s presence has been remarkably confused and inconsistent [1, pp. 55,56]. Micronesia would be administered by a global power, with a complex set of somewhat divergent interests. These would be administered through a multi-faceted government apparatus that has competing bureaucratic emphases.

A Quiet Interlude

During the 1950s, the United States conducted a “holding operation” in Micronesia [8, p. 82]. This required no great investment of American attention and resources. The quiet interlude was in marked contrast with the displaced Japanese Administration, and to the frenzied pace of “development” that would commence in the 60s.

During the late 1940s and throughout the 50s, the United States engaged in substantial military activities in parts of Micronesia, though not in Palau. In 1946 and 1947, islanders from two atolls in the Marshall Islands were removed, to make way for United States nuclear testing. Many detonations followed, and there has been contamination, and other health problems. Marshallese difficulties in this regard, would be noticed by Palauans, and in later years would contribute to anti-nuclear sentiments in Palau.

Aside from the Marshalls and Marianas Islands, United States military interest from World War II until the 1960s was basically limited to “strategic denial.” The objective was to make sure the Islands were not used by any power that was potentially hostile to the United States. Actual U.S. military activities in Palau were, and have so far remained, very minor.

In 1951, authority over the Trust Territory was transferred from the Navy to the Department of Interior. In one sense, the Interior’s approach was benign and paternalistic. Micronesia was viewed as similar to America’s western frontier, which had since been incorporated [5]. This view also had a dark side; it could be absorptionist, even colonialist.

American-style representative democracy was introduced during this period. Advancement in self-government proceeded at a moderate, gradually accelerating pace. Nonetheless, indigenous control remained firmly circumscribed by American law-making, budgetary, and veto powers.

Economic development was even more modest. The U.S. government’s view of Micronesia’s potential, in this regard, was quite limited [8, p. 83]. In fact, during this period, the Islands, to a major extent, were cast back on their own resources [2, p. 37]. In Palau, fishing and agriculture helped fill the gap left by the departure of the Japanese.

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7 This island group is the furthest east, in Micronesia.
8 Between 1946 and 1958, at least sixty-five atomic and hydrogen bombs were detonated on Bikini and Enewetak atolls, in the Marshalls [8, p. 83].
9 On Saipan, in the Marianas Islands, the United States established a Central Intelligence Agency base to train foreign, anti-communist forces.
Educational efforts, during the 1950s, were also limited. Nonetheless, the Americans almost immediately committed themselves to providing universal education, initially through the elementary level. The Palauan positive regard for the advantages of Western education has deep historical roots [1, 2, pp. 13, 183].

Though the approach to education was one of "restraint" efforts soon acquired an Americanized and bureaucratized flavor [5, p. 85]. Increasingly, this encouraged a life-style and expectations that bore little resemblance to the lives then led by most Micronesians, or to a future that they could possibly support. It should be mentioned, however, that in Palau, there was some interest in "community schools" and self-reliance.

Structurally, there was a gradual expansion of the school system, with a growing number of Palauan students traveling outside Palau, to attend high school. As the opportunity became available, Palauan and other Micronesian high school students exhibited more interest in securing externally-oriented academic training, than in studying economically productive skills. In addition, a connection emerged between American education and advancement, through elective politics. This trend would accelerate in the decade that followed.

An Optimistic Decade

The 1960s ushered in massive changes in Micronesia and Palau. The entire territory was now the target for an accelerated program of American-sponsored "development." A complex set of factors, ranging from indigenous to global, shaped the pattern of change during this time [1, pp. 61, 62; 5, p. 124; 8, p. 101].

Despite the factors that impelled increased United States attention to the region, as the 1960s began, different interests and emphases within the United States Government concerned with Micronesia, produced bureaucratic bickering and gridlock. A government commission was organized, to suggest an integrated and effective U.S. policy for the region. Headed by a Harvard economist named Solomon, the commission and its report became known by his name.

The Solomon Report decried the slow pace of economic and political development in the Trust Territory, and took notice of the growing international criticism of the U.S. reluctance to entertain Micronesian self-determination. The Report also emphasized, however, the "necessity" that the United States continue to control the Islands, given their strategic importance [8, p. 107, 10]. It recommended that steps be taken to ensure that Micronesian freely choose, through a referendum, to become permanently associated with the United States. Along with direct economic assistance, the fostering of a degree of self-rule, and of American-oriented education, were suggested as avenues.

Years after the Solomon Report, when Micronesians and Palauans were more attuned to international political currents, some would charge that the massive
U.S. assistance program was actually a deliberate and well-orchestrated attempt to annex the Islands. Such a stark view, however, is too simple, and in ways, is misleading. It underestimates the seductiveness of the dependency, washing over the Islands. It overlooks the high degree of ambivalence and inconsistency, displayed by the United States through its interaction with Micronesians. Furthermore, it is characteristically an American approach to throw vast amounts of money and technology at foreign problems [5, p. 23,11]. Moreover, and irrespective of American intentions and actions, the development of a relatively integrated and self-reliant avenue for modernization would have been difficult, though perhaps less so in Palau. Indigenous tastes, opportunities, and expectations for the “good life” were likely to have developed in any case, and to a degree that might well outstrip a productive life that islanders could support. Furthermore, given the small population and compact nature of Palau, foreign aid could penetrate broadly and deeply. Another factor which facilitated the dependency pattern, in Palau, was the fact that both the avenues emphasized by the administering authority — education and political development—have been consistent foci for indigenous interest and elaboration.

The American aid program expanded out of control [11, p. 4]. In approximate figures, the Trust Territory’s budget shot from five and one-quarter million dollars in 1960, to seven and one-half million dollars, five years later. By 1970, the amount stood at forty-eight million dollars, and increase for the decade of more than nine times [8, p. 104].

During the 1960s, education became the largest single sector of the Trust Territory budget. Its share rose from close to four million dollars in 1966, to nearly thirteen million dollars, nine years later [8, p. 116]. A large contingent of American teachers and a relatively huge infusion of Peace Corps volunteers (PCVs) were deployed [8, p. 119, 9, p. 28]. Moreover, the educational bureaucracy grew at a rapid rate.

The basic curriculum continued to be formalistic, and Americanized in flavor. Vocational and island-oriented training, on the other hand, continued to be “something people needed but apparently do not want” [5, p. 168]. Rather Micronesians preferred education for jobs in the government bureaucracy, involving international exposure. Education, in this way, increased islander dependence on external support.

On the other hand, however, there was an unforeseen consequence of the American push in education. Some islanders grew increasingly aware of, and effective about, pressing home their rights and interests in the contemporary world [1, p. 68].

Formal political development was also stressed by the Americans. Palauans, for their part, embraced this opportunity. Developments included a Palauan

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10 The land-to-population ratio is more favorable in Palau, than in most other districts.

11 In part, this was due to the informal interaction between idealistic and reform-minded Americans, and educationally-eager Micronesians.
legislature with increased power, and the formation of Palauan, political parties. "Palau for the Palauans" emerged as the most popular position. This advocated increased Palauan assertiveness and political control.

With the considerable broadening of electoral politics, Palauans increasingly came to the conclusion that a "much larger arena for political maneuver" was opening up [1, p. 255]. This was particularly appetizing, given Palauans' ethno-historic predisposition.

In sum then, and for the most part, the 1960s was an optimistic decade. Increased educational and political opportunities were developing, along with dependent affluence. But by the end of the decade, political status negotiations between the Congress of Micronesia (COM) and the United States, were a source of frustration.

The COM, which first met in 1965, embarked to pursue political status negotiations on behalf of all Micronesia, including Palau, with the United States. This effort would be closely followed by Palauans, and during this time, was lead by one of them. By the end of the 1960s, three status options were being considered by the Micronesians; political independence, which they envisioned as complete internal and external control, but with no guarantee of future American aid; integration within the United States, resulting in commonwealth or statehood; and free association; which was seen as granting full self-government, considerable foreign powers, and with an assured high level of American aid. The United States was expected to make this offer, partly in exchange for its option to continue using Micronesia's strategic location, and some of its natural resources, by and for the U.S. military.

The COM viewed both U.S. strategic interests, and Micronesian desires for increased political control, as irreducible realities. But as the negotiations began, the Micronesians were disappointed. They ran up against the United State's "hidden policy." This sought unimpeded U.S. control [9, p. 91-97]. The position reflected the United States Defense Department view that Micronesia simply could not be allowed to control its land and future status [9, p. 98].

The head of Micronesia's status negotiations described the American commonwealth proposal of 1969, as "almost totally objectionable" [9, p. 99]. This strong Micronesian reaction had not been expected. In fact, it invalidated an apparent American assumption; i.e., that all the "aid" it was providing would automatically promote Micronesian sympathy with, and compliance to, U.S. demands. But instead, American encouragement of education and political development was having at least one contrary effect; the increasingly assertive political consciousness and demands, being expressed by some islanders.

Lazarus Salii, a political leader from Palau, was chosen to head the COM's political status negotiation team.
Palau in the 1970s

The 1970s, for Palau, was a period of increased turbulence. Domestic and external developments, and the relation between these, shape's Palau's "modernization" during this time. Beginning in the late 1960s, a shifting international balance induced the U.S. to reassess its Micronesian policy [9, p. 163]. The U.S. military's interest change from strategic denial, to potential use. Palau has particular value, in this regard. It is geographically proximate to Southeast Asia, and to other areas where an increased Soviet presence was expected. Moreover, given Palau's considerable land mass, in Micronesian terms, and the suitability of its terrain for tropical warfare training and exercises, Palau's use for these activities was also being considered. In fact, the United States revealed its interest in massive requirements. These included anchorage rights at Palau's main harbor and enlargement, thereof. The military also wanted to use and expand airfields, and wanted to acquire 2,000 acres for its exclusive use, and 32,000 acres, that would be used jointly with Palauans. In addition, the military indicated that it might want to store weapons and/or toxic substances. The land area for all this might not seem large, by continental standards. But in fact, this anticipated use would tie up close to one-half of Palau's arable land! Moreover, from the mid-1970s on, there have been persistent rumors of U.S. plans to base Trident nuclear submarines, in Palau. The prospect of such relatively massive, probably disruptive, and possibly devastating U.S. military activities, has continued to provoke deep concern.

Palau's politics were also enlivened by the return of Palauan students, who had attended U.S. universities during the later 1960s and early 1970s. Their stay had been during a period of time of student unrest and activism, on American campuses. Soon after their arrival back in the Islands, some of these Palauans commenced activist politics.

Certainly, these activists were opposed to a continuation of the "Establishment", in Palau and Micronesia. As of the early 1970s, Paluan activists wanted the Trusteeship ended, and the Americans "kicked out." The end they sought was an economically self-reliant, and politically independent nation. The activists, at the time, however, did not present a concrete or attractive means. Moreover, the issue-orientation and protest style of the activists was initially at variance with Palaun circumstances, and cultural styles. In some contrast to the activists, the Modekngei enjoyed quite substantial influence through this period. The Modekngei seem to prefer an externally-restrictive, national government, that can protect Palauan resources from internal and/or external abuse.

13 During 1980, in an interview with an activist leader, a working definition of objectives was expressed: "The question is, how much control the Palauans will have, and at what level. Control should be both indigenous and spread-out" [1, p. 100].
14 It initially clashed with the personalistic style of small-scale, island politics, and with the normal concern for competition, prestige, and parochial matters.
The negotiations between the United States and Micronesia remained troubled during this period. In Palau, the question of political status, super-charged the political atmosphere and provoked unprecedented demonstrations. In 1971 and 1972, political independence received considerable support. The Modekngei, activists, and an influential Palauan businessman and political leader, all advocated this position. Moreover during this time, activist-led demonstrations were held to infuse and support the COM's unease over United States military requests.

Education, during the 1970s, was basically an acceleration of trends established during the 1960s. Despite some sentiment for a community-oriented and self-reliant approach in Palau, American-oriented education and its bureaucracy reached new heights. The Trust Territory budget for education continued to mushroom. The number of Palauans and other Micronesians studying at colleges and universities, rose sharply as well. As in the past, few students chose to concentrate on subjects that might contribute to an economic base.

The Modekngei, during the 1970s, provided an interesting exception to the prevailing trend. With its own school and other efforts, the Modekngei sought to promote economic self-reliance. As time went on, however, this vision of "learning by doing," and of economic self-sufficiency, would weaken in the face of Palau's externally-dependent, political economy.

A Distorted Form of Development

Massive changes have taken place in Micronesian and Palauan society, particularly from the 1960s on. Elaboration has been pronounced in the fields of education, government structure, and political expression. "Development" of a kind has taken place, but this has been skewed and unbalanced. There has been a deepening disparity between the rapid pace of educational and political development, and stagnation in the economic field.

American-sponsored education, the government bureaucracy, and perhaps less directly Palau's political structure, have all emerged in conjunction with, and dependent upon, a continuing and massive flow of U.S. aid. By 1966/67, the United States was providing 90 percent or more of Micronesia's budget [5, p. 30]. By the early 1970s, approximately one-half of all salaried workers in Micronesia were employed by the U.S. sponsored government [5, p. 33]. In Palau, as of 1977, the government economy employed 75 percent of all wage-earners [12].

Indigenous control over political status, the matter of land and its acquisition by the U.S. military, of whether the Islands would be free to develop their own constitution and national government, and the level of U.S. funding, were all factors in the negotiations.

American support for education was $257,000 in 1978, and more than doubled the following year [3, p. 213].
The pervasive and distinctive kind of dependency, accelerating in the Islands, was acting to condition and constrict development options that might have been available. As one scholar has pointed out, the inflated “dreams” of Micronesians, fostered and now supported by the huge flow of American aid, became so “unreal” as to inhibit even the limited indigenously-based and sustainable development, that might have taken place [5, pp. 24,25]. It should also be added, however, that given rising expectations and the limited, islander resource base, sustainable and integrated development would have been a long-shot, even in the best of circumstances.

By the mid-1970s, while on this vulnerable yet seductive path of economic dependency, the Micronesians were “casting about” for a viable, political future [5, p. 36]. The prospects were uncertain. Political status negotiations were stalled, with the United States. Moreover, the future of a unified Micronesia was already in doubt.  

Palau’s economy generally fit the broader, Micronesian pattern. The accelerated program of American-sponsored development, was fostering a dependency that was growing broad and deep. This dependency, and Palauan political efficacy and assertiveness, all emerged in tandem. Palauans, at the time, did not seem overly concerned that their expanding opportunities for expression and control, rested on a fragile foundation of U.S. aid. Palauans’ sense of vulnerability to worrisome projects and demands associated with the United States, or with other external powers, was to heighten with the controversy over whether to locate a “superport” for oil in Palau. This multinational plan was revealed in the mid-1970s. Before, during, and after that time, the Palauans demonstrated considerable assertiveness and sophistication in finding ways to manipulate and minimize the constraints associated with dependency. To a major extent, these Palauan efforts were designed to safeguard the environment, and ward off future threats.

**EPISODES COVERED**

Subsequent articles in this series analyze Palauan attempts to protect their natural resources and distinctive society, from relatively pressing, as well as from long-range and potentially devastating threats. A number of roughly sequential, pivotal events in Palau’s contemporary evolution are scrutinized. Treatment begins with the mid-1970s, and runs through early 1981. By that time, Palau’s emergence as a semi-autonomous, micro-nation in the Pacific was set. Let me sketch these events.

The first was the controversy over whether to locate a multinational “Superport” for oil storage and transhipment, in Palau. The prospect provoked an unprecedented dispute within Palau, and reaching beyond the Islands. This

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**Separatist tendencies were maturing in the American-oriented, Marianas Islands. Separation was also becoming a major force in Palau and the Marshalls, as well.**
was over the potential costs and benefits that superport development could bring. Economic reward seemed probable for outsiders and some Palauans. On the other hand, however, the envisioned environmental, social, and political costs came to be seen as too great. In addition to the unknown, disturbing, and potentially quite damaging social effects, the environmental damage from superport development threatened to be quite damaging. This could include oil spills; with the resultant marine damage; heavy siltation, which could smother and kill Palau's coral reefs; and thermal, air, heavy metal, and even nuclear pollution, if as expected, the port escalated into a major industrial complex.

Overlapping somewhat with the superport issue, was that over unity/separation. In other words, should Palauans continue to define their interests and political identity with the rest of Micronesia, or strike out on their own? This controversy peaked in 1978, when Palauans had to vote on whether to accept a constitution for a Federated States of Micronesia (FSM). Palauan rejection of that constitution, was to a major extent due to the fear that Palauan resources would be alienated, and ineffectively used for inappropriate purposes, if Palauans joined the FSM.

Palauans' framed a national constitution in 1978/79. The constitution drafted was protective of Palauan resources, and externally-restrictive. Embedded in it were a number of safeguards, to ensure that Palauan resources would not be alienated and degraded, through an unsavory alliance between a minority of Palauans, and predatory outsiders. But the constitution's framing also had an unintended effect. In ways, it moved Palauans closer to their basic development dilemma.

The question of Palauan control and autonomy, and/or of assured, high levels of economic support, assumed specific shape with a constitutional controversy. In early 1979, the United States expressed displeasure over the externally-restrictive aspects of Palau's Draft Constitution. Palauan control over land, and a ban against the introduction of nuclear and other "harmful substances," were seen by the United States as a threat to its military interest. In fact, the United States indicated that it might not be able to assure Palauans of continued high levels of economic support, through an offer of free association, if Palau went ahead and adopted its' constitutional draft. At that juncture, and to this day, Palauan desires for constitutional integrity, partly to safeguard the environment, have been pitted against the interest to rapidly secure continuing high levels of support, through free association.

One product of the constitutional dispute was the emergence of a broad-based, issue-oriented, unprecedented coalition; the People's Committee. This populist group fought successfully to defend Palau's original constitution, in 1979/80. Much of the PC's support came from its championing of that constitution's environmentally-protective provisions. Palauans had embedded these provisions to protect their islands from possible damage to the environment, especially from the introduction of nuclear materials. There was a fear that nuclear-powered ships or aircraft might leak or discharge nuclear fuels or
by-products into Palau's waters. There was concern about any future radio-active contamination from nuclear testing or accidents. Palauans are aware that the Marshallese islanders, furthest to the east in Micronesia, had endured forced relocation and nuclear health problems, resulting from the many detonations of nuclear weapons by the United States, in those islands. Perhaps most disturbing of all, was apprehension that, as during World War II, a dominant power's militarization of the Islands could invite a devastating military attack, designed to neutralize the Islands. In the nuclear age, and particularly given Palau's tiny scale, the islanders are very much aware that even one nuclear blast could destroy their islands. This was coupled with an external appeal that attracted international pro-environmental, and anti-nuclear sympathies. Especially in Palau, however, the PC managed to remain ambiguous on the fundamental matter of establishing a priority between economic support and constitutional integrity.

With the constitution defended and internally adopted, the way was clear for Palau's first national election campaign. It commenced in September of 1980. During it, the interplay between “objective” conditions of dependency, indigenous perceptions, and the role played by Palauan leaders, powerfully affected indigenous views and responses to the environment and to anticipated threats.

As with the national election, the final events that provide the case material for the subject study involve nation-building. Increased Palauan political control, economic self-reliance, and participatory and environmentally-sound development, emerged as national objectives. However, the relatively comfortable, and in the short-run, seemingly benign conditions of dependency, continued to have a destabilizing effect. This situation is tracked through the early months of the Palauan Republic; from its' inauguration in January, through May of 1981.

That May, Palauans seemed inclined and able to shunt off an unpalatable, and even painful choice between free association and their constitution. The choice was particularly difficult, given that both options had negative as well as positive aspects embedded in them. The likely American offer of free association promised a continuation of dependent affluence, and perhaps the tools for development. But it could also result, through the anticipated U.S. military activities, in a massive disruption and degradation of Palauan resources. Constitutional integrity, on the other hand, was seen as the best available means for safeguarding Palauan control and the environment. But on the other hand, such Palauan assertiveness could alienate the United States to the point where an offer of free association might not be offered, or would be withdrawn. This in turn, was seen by many Palauans as likely to result in relative, and perhaps absolute, economic deprivation.

In the short-run, Palauans' inclination, expertise, and opportunities for continuing to maneuver were considerable. The long-range costs, however, could be steep indeed. Despite this, various circumstances conspired to maintain
the *status quo*, through May of 1981. Six years, and a number of political status referendums later, Palauans still seem inclined and able to avoid taking a definitive stance on the environment/development dilemma, that grips their islands.

**REFERENCES**


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