

July 11, 1976

HOLCOMBE REPORT

This is to account for our 90 day Social Demonstration "move it" experiment in Majuro, which has been both exciting and instructive.

The items that we have pulled together during this time are:

- 1) A Pre-Entry Plan that was created before coming to Majuro using Wiegels Consult II chart on what needed to happen.
- 2) An HDP Checklist we've developed that has been helpful in seeing missing elements, diminished values and structural holes. This is a working chart and we've not sought to polish the wording. If it can be of use, we suggest a hard cleaning since we've changed it a but out of our experience in Majuro.
- 3) An overall status report on the MIDP.

MARSHALL ISLANDS

STATUS REPORT

TASC

Guardrails in place. Moving office inside warehouse. Beginning 5% wholesale and have one government contract to pick up on slaes. Rick, Deborah and Jimmy Chia getting hold of the operation.

Issue: Low volume of sales combined with KITCO's bill of \$70,000 and MIECO's of \$60,000 have bound up cash flow. Letters of credit costing a bundle, present arrangement clumsy.

Recommendation: Tight reign on guardrails,- refinance MIECO, close watch on KITCO. Set up Australian L.C. arrangement through BOA to get cheaper quality goods by next order for August.

KITCO

Walter Blood installed as comptroller, Linda Jones learning Leah's job. Procedures being installed to cover past trouble. Guild planning begun.

Issues: Getting sales up, store full of goods, drop capital tie up in cars.

Recommendations: Redo store, window display of goods, less space to handicrafts. Set up project of needed daily sales. Spiritize through guild.

MIECO

In trouble. Lee in Guam for refinance like KITCO. Ken Henry has recovered confidence. Amata Kabua still smarting from last year. We are now working directly with Board at his request. Moved store and have quadrupled weekly profit and sales.

Issues: Getting refinancing done, banks are shy, covering TASC debt and getting Mico Board on our side.

Recommendations: Push on guild dynamic which is just beginning, scrap Ralik-Ratik, purchase 2nd Ralik-Ratik using Daiwa backing for transshipment between Marshalls, Ponape and Ruscie. Move store into old post office. Keep tight accountability.

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SMALL INDUSTRIES

LAURA LAND FARM

2½ acres are under cultivation and between 7-10 acres cleared for planting. A small hand planter is now available to speed up planting. There is a small but regular supply of Chinese cabbage and corn. The experiments with various vegetables and seed types continue to turn up the types best suited and a commercial quality product is being produced

Issues: Finalizing the commitment of land is still proceeding and would doubtlessly be concluded if the equipment for planting and fertilizing were on site. These tractor implements are in route from the US. The loan for the farm, which has been approved, is awaiting the opening of the New Micronesian Development Bank.

Recommendations: 1) Pressing the equipment delivery.
2) Securing a motor for the sawmill to release the tractor
3) Expanding and tightening the structures of the farmers guild.

THE SAWMILL

This piece of equipment is keeping 9 people busy and is beginning to spin off other industries as furniture making and house building, which could employ as many as 30. Log gathering and sawing is down to a practiced operation. This may be the 1st industry to be totally self-sufficient.

Issues: Getting the lumber treatment to the same level as lumber production is the key to a really good product. A commercial planner to produce finished lumber is needed to hasten the furniture and housing industry.

Recommendations: 1) A blue shirt to shadow the operation and train the furniture makers and house builders.
2) A planer machine to make available finished lumber.

THE BREADFRUIT TREE (Women's Industries)

The combined women's industries are now housed in a redecored house next to the KITCO Restaurant. They can now produce an overabundance of chips each week in only two or three days of production and have expanded their products to coconut candy, lime and pandanus juice, coconut milk and oil. Different sets of ladies sew clothes and make hats and mats from coconut and pandanus trees. Nine ladies all together have been working and plans are to double the number as markets are found. The guild dynamic is very strong among them.

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THE BREADFRUIT TREE

- Recommendations: 1) Small machines
2) Expanding local markets

BAKO

The Bako boat is running well and performing an irregular freight service to Arno while fishing back toward Majuro. It has yet to have a sufficiently profitable week to pay stipends and remains a quandry for which there are no buyers.

Issue: The Bako operation has yet to come under the guild dynamic and has no consistent shadow. The several experiments to determine uses has been unclear. Its monthly payment for the \$25,000 loan is \$496.00 and is paid out of TASC. There are no buyers.

- REcommendations: 1) A blueshirt full time to work out plan and execution of it.
2) A buyer for the products.

TUNA BOAT

Have the parts for repair. Could possibly have a buyer.

Issue: Reassembly is dragging out. It is an unknown performer as to whether it can profitably catch tuna with a gasoline driven boat.

- Recommendations: 1) Timeline for fixing boat
2) Experiment with a four man crew for two weeks.
3) Buyer standing by.

METAL SHOP

Metal is arriving on next Australian ship. Wheels are presently lost in shipment from Taiwan. The welder is ready. This will be the first industry so heavily financed by local capital.

Issue: Location and personnell to make the copra carts.

Recommendations: 1: a Bludshirt for at least one quarter to get the industry moving.

M.P.R.C.

A three part service of auto-refrigeration and electrical services. Only the refrigeration business is moving both servicing local needs and training Marshallese. It now has one day tune up service and can get parts on the next plane from Honolulu.

MARSHALL ISLANDS

M.P.R.C.

Issues: Rearranging space, recruiting mechanics for training and performing quick repairs are the outstanding issues for the auto repair. The refrigeration service is continuing to struggle with an expanded parts on hand inventory.

Recommendation: 1) Top mechanic--top priority for new assignments to Majuro.

SOCIAL DEVELOPMENT

STAKES

Five stakes are gridded with weekly Tuesday meetings, a year's curriculum model roughed out. Participation ranging from 25-75 on a given evening. A Stake work day has produced signs in each stake. Leadership in three stakes is beginning to emerge. Each stake has produced a plan for Quarter I.

GUILDS

There are five going. Small Industry Guilds. The three company teachers guilds are just beginning. All have planned Quarter I, have rites and symbols. There is a Friday afternoon assembly at 5:00pm with a curriculum and report time. Toward the end of Quarter IV the Friday gathering held 50 Marshallese. It is becoming a quietly powerful group.

CONGRESS

The First Community Congress was held Tuesday July 6. Over 200 people heard reports of guilds and stakes, and listened to speeches by local citizens extolling the accomplishments of the past quarter. A fish fry prepared by the guildsmen and stake people completed the celebration. It was a deeply moving experience.

THE PRE-SCHOOL

Now a full day-full week-all ages preschool at Uliga and Rita with a noon meal. Enrollment is up and continuing to grow. Received a USDA Grant to feed up to 70 pre-schoolers a day one meal and 2 snacks.

JETS

A summer Jet program was begun July 7 with an initial enrollment of 20 and expected to grow.

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SUMMER SERVICES '76

This program is the M.T.C. in summer dress. Leader-workers began training on July 7 with youth enrollment. This program is envisioned at 500. Received a USDA Expandable Grant to feed the youth 3 meals a day and hire one of us as administrator.

METHODS ACTUALIZATION TEAM

Out of the 90 day model worked in Majuro there are several variations that come to mind which need to be considered.

1) The 90 day model is a good time plan, giving time to actuate and plan. The fact we arrived during planning of Quarter IV was important since it allowed us a way to work on the things needing to get done. I believe to come in after the quarter planning is done would be less desirable.

2) A sixty day plan which would put you on site a month on either side of the planning and release the team to do consults, planning, etc. in the middle month of each quarter. This would required heavier pre-entry planning and has the disadvantage of not seeing through the quarter. It could, however, keep a team free to help on consults and other forms of research.

JULY	AUGUST (consult)	SEPT.
OCT	NOV. (consult)	DEC.
JAN	FEB (consult)	MARCH
APRIL	MAY (consult)	JUNE