



Opportunities to Improve Social Services in the Republic of the Marshall Islands

SUMMARY REPORT

The Republic of the Marshall Islands (RMI) is one of the most generously funded countries in the Pacific, yet outcomes in education, health, and social protection have been disappointing. With funding from the United States accounting for 80 percent of the country's annual budget, observers inside and outside of the RMI government have identified this dependency relationship as a problem.

Acknowledging this situation, the RMI government has made efforts to improve its performance, adopting in 2004, for example, a performance-based budget approach. Additionally, the current national development strategy, Vision 2018 of the RMI, advocates "principles of transparency" that are already being implemented. The RMI's openness in making social sector data freely available is particularly noteworthy in comparison with many Pacific island countries that restrict or withhold such data.

This summary report, which draws on a much longer study of the RMI that was completed by The World Bank in 2005,¹ presents an overview of social services performance in the RMI and some opportunities for improvement.

The Context for Social Service Delivery in the RMI

The RMI is a country of 29 small atolls and five islands, widely dispersed across 1.9 million square kilometers of the Pacific Ocean. A total land area of 181 square kilometers is home to a population of 55,400. About 20,000 Marshallese live in remote, outer island communities. The rest, 68 percent of the population, is concentrated on two atolls, Majuro and Kwajalein, which are urbanized and overcrowded, with growing social and environmental problems.

The country's complex relationship with the United States began at the end of World War II when the US took on administration of the Marshall Islands as a United Nations Trust Territory. During part of this time, between 1946 and 1958, the US conducted 67 nuclear tests there, including, famously, those on Bikini Atoll. When the Marshall Islands became an independent republic in 1979, it entered into the first of two Compacts of Free Association with the United States. These agreements have been the basis for continuing US financial support. The second Compact is scheduled to expire in 2023, with no further compact agreements envisioned.

Human Development Performance, Issues, and Opportunities

Given the relatively high levels of funding allocated to education and health in the RMI, the overriding issue is how to use existing resources more efficiently and effectively. For example, in education, improvements in transition

to secondary school and survival rates in both elementary and secondary school are moving extremely slowly; the very low performance of students on standardized literacy and numeracy tests continues with no improvement. In health, good progress has been made in lowering infant and child mortality, but other key health indicators seem to have stalled.

In the social protection sector, where the government has taken a very limited role and few programs are in place, the key issue is how to extend the country's limited safety net to all those in need. Social issues related to urbanization have taken on a tragic character, as unemployment and inactivity have soared and socially destructive behaviors have increased, some to alarming levels.

EDUCATION SECTOR PERFORMANCE

In a country with a per capita income of US\$1802, the government of the RMI spends about \$515, or 30 percent, of its income on recurrent education expenses.² High per capita expenditure on education is common in Pacific island countries, but spending in the RMI well exceeds four of the five Pacific island countries shown in figure 1, with only Palau approaching the RMI rate.

This spending is disproportionately skewed toward post-secondary education. Of the \$27.3 million budget for recurrent education expenses, more than \$7.3 million, or 40 percent, is spent to support the education of 465 full-time and 179 part-time students.

Persistent problems are reflected in the fact that while the RMI is on track to meet its Millennium Development Goal (MDG) of eliminating gender

disparity in primary education, it is not on track to reach its goals for net primary enrollment or grade 5 survival rate. Fundamental problems facing the RMI education system include low and variable government investment in education, persistently low survival and transition rates, inequitable access to secondary school, poor academic performance overall, and substantially poorer academic outcomes in public schools compared with private schools.

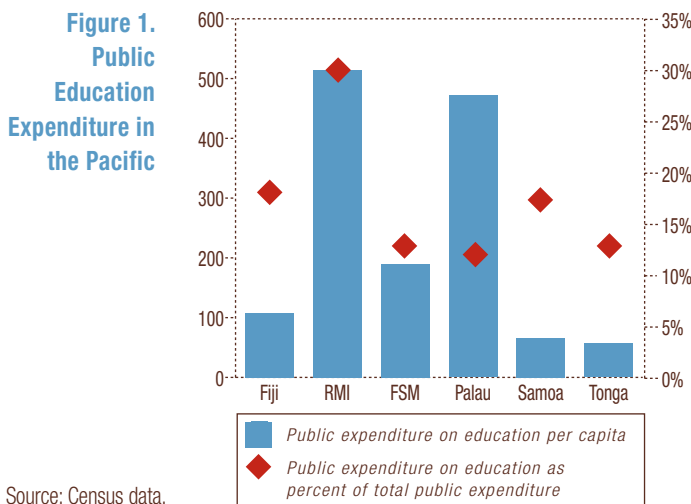
Education Ownership and Fungibility

The RMI's heavy reliance on Compact funding and US federal grants has created a situation in which the government of the RMI does not need to commit many of its own funds to education.

This emerged as grounds for concern for both US and RMI officials as they negotiated the second Compact. As a result, Compact II has been designed to emphasize measured performance and outcomes, as well as output budgeting, in an attempt to reduce some of the planning and performance deficiencies of earlier years. However, the increased amounts of money now flowing into the education sector from Compact II have had the unintended consequence of leading the government to reduce its own funding contribution to the sector in both absolute and percentage terms. In FY2004, the government provided only \$2,089,000 of the education budget from its own resources, down drastically from \$6,491,000 the previous year. Only 8 percent of recurrent educational funding now comes from the General Fund or from locally generated revenues, making it difficult to persuade the government to take responsibility for results and performance in which it has such a low financial stake.

Slow Progress Increasing Primary Completion and Secondary Transition Rates

While about 80 percent of children in the RMI enroll in primary school at some stage, for a relatively high general enrollment rate, completion rates are low. Only 80 percent of grade 1 students complete grade 8. Of those who complete grade 8, only two-thirds go on to attend secondary school. Of those who enter secondary school, only 60 percent graduate four years later. In



other words, for every 100 students who enroll in grade 1, fewer than 30 will subsequently graduate from grade 12.

Of additional concern is the extremely slow improvement in these rates. At present, with a rate of improvement of only 2 percent per year in elementary school completion, it will be 10 more years before the RMI achieves universal access to primary education. Similarly, the rate of transition to high school is increasing by only 2 percent per year. Unless methods and resources can be found to make simultaneous improvements in these indicators, it will be 22 years before all students can start grade 1 with a realistic expectation of entering secondary school.

Equity of Access

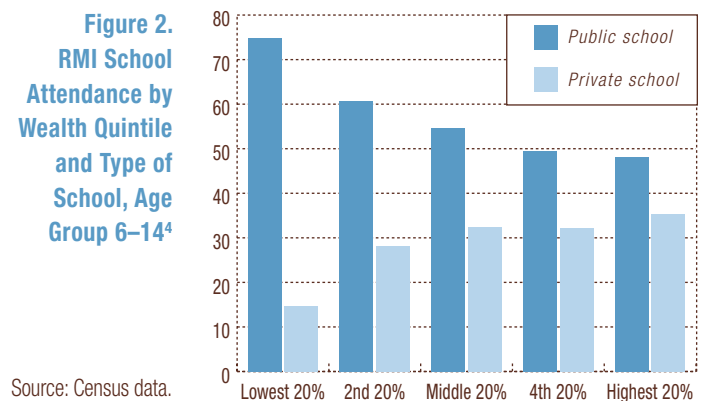
At a basic level, the RMI has achieved equitable access to primary school. However, because private schools perform so much better than public schools, being able to choose (afford) private school is the country's key equity issue. The average score on the grade 8 exams is 62.6 for private schools and 27.4 for public schools.³ Students from the lower wealth quintiles are concentrated (on average) in the lower performing public schools, while wealthier students are more likely to be in better performing private schools (see figure 2).

At the secondary school level, as well, lower income students are concentrated in the lower performing public schools. In both public and private secondary schools, capacity is limited and access is controlled by a competitive grade 8 exam.

Students from the outer islands face two considerable obstacles gaining access to secondary education. First, children educated at elementary schools in the outer islands tend to perform less well than their urban peers on the grade 8 exam, with about a 20 percent pass rate (students on Likiep are an important exception, discussed later). Second, their families tend to have the country's lowest average annual incomes, so it is hard for them to afford school fees, the transport costs, and the boarding costs associated with attending secondary schools that typically are far from their homes.

Poor Academic Performance

In the RMI as in other Pacific island countries, students take the standardized, criterion-referenced PILL tests (Pacific Island Literacy Levels) in English,



numeracy, and the local language (Marshallese in the RMI). The PILL places students into one of five proficiency levels, with levels 1 and 2 consisting of “at risk” students — those who will have difficulty learning throughout the rest of their schooling unless they receive urgent remedial help.

The last available PILL scores, from 1994–98, show that in literacy the percent of students “at risk” never fell below 60 percent. In numeracy, students at risk increased from 50 percent to 65 percent. Overall, by 1998, 65 percent of all RMI students were at risk in all three subject areas.

EDUCATION SECTOR OPPORTUNITIES

An important goal of the study that led to this report was to understand why private elementary schools in the RMI outperform public elementary schools and what can be done to bring public elementary schools to par with private schools.

A series of calculations established that the better performance of the private schools was not simply a measure of the characteristics of the students attending those schools.⁵ So, to get a better appreciation of the individual and systemic differences in school performance, structured interviews were conducted with public and private school staff, Ministry of Education staff, and parents from both public and private schools.⁶ The main finding was that the higher performing RMI private schools tend to possess the characteristics that international research has shown to typify effective schools, while the public schools in several critical areas do not.⁷

The hypothesis that schools with more characteristics of effective schools produce higher scores was further tested by comparing the characteristics of a very high performing public school, the Likiep Elementary School, with those of a poorly performing private school. Here again, the weight of evidence suggests that school-specific differences matter and that Likiep Elementary had achieved its remarkable academic results because it had many of the effective-school characteristics, despite being a public school. On the other hand, the poorly performing private school had many characteristics in common with the majority of the RMI’s public schools. (See box 1 for a description of Likiep Elementary School.)

Improving Public Schools — Decentralization of Functions

Most of the major functions of the school system are highly centralized. The budgetary needs of each school are decided at the Ministry of Education level, while the actual disbursement is controlled by the Ministry of Finance (MOF). As one interviewee explained, the MOE controls schools’ finances and procurements because the schools themselves do not have the capacity to manage finances well and without corruption. However, this assessment ignores some obvious lessons from the more autonomous private schools.

A first step toward realigning accountability within the education sector would be for the MOE to be given the freedom to disburse its own funds, albeit under the broad budgetary oversight of the MOF. This would make the MOE both more empowered and more accountable. The key second step would then be for the MOE to disburse operating funds to schools and let them decide how best to spend the funds. This would give public school principals the authority to manage their own schools within a given budget and subject to

Box 1. Excellence at Likiep Elementary School

Likiep atoll is similar to many other remote atolls: cash poor, copra dependant, and with no high school on the island. However, in 2003, as in many past years, Likiep Elementary School was at the top of primary school performance on the grade 8 exam; all 18 of the school’s students taking the test scored above the cut-off level. The school began to develop its track record of success during the 1950s, when the Maryknoll Sisters first ran the school. When low enrollment due to low population caused the Sisters to close the school, it reverted to public status. In subsequent years, the school resembled many other public schools with high teacher absenteeism, classes held for only part of the day, and few students passing the grade 8 exam and progressing to high school.⁸ It was not until 1994 that the Maryknoll Sisters returned to Likiep Elementary, agreeing to administer it as a public school. The return of high student performance followed, and without closer analysis of what other factors might have contributed, it would seem that the Sisters had much to do with this change.

As many observers inside and outside of the education system in the RMI know, the Maryknoll Sisters were intentional about building personal capacity in their Marshallese colleagues while developing the institutional features that would support better student learning. After managing the school for a number of years, the Sisters turned its administration over to Marshallese staff. The Sisters now return every two or three months to give guidance, conduct training, and provide overall quality control.

the oversight of the community, including the many highly motivated parent-teacher associations in the RMI.

Furthermore, centralized hiring of teachers is currently done through the Public Service Commission (PSC) in Majuro. Delegating most of the recruitment process from the PSC to the MOE, with internal processes that involve school principals in recruitment and compensation decisions, could further strengthen school performance through timely recruitment support for schools and principals.

Improving Public Schools — Monitoring and Evaluation

Effective schools have qualified teachers. The MOE is well aware that the skill level of most teachers in the RMI is inadequate and is devoting substantial resources to improving the educational qualifications of teachers. Additionally, the ministry has introduced mandatory testing of teachers’ literacy and numeracy skills.

While teacher testing can be an appropriate aspect of monitoring and evaluation, compared with the accreditation process used in some RMI private schools (that of the Western Association of Schools and Colleges [WASC]),

there are major differences of note. Whereas teacher testing is seen as a bureaucratic ordeal to endure, schools undergoing WASC review reported the experience stimulated school-level discussion about quality schooling as well as problem solving among teachers and parents. The school changes arising from the WASC assessments are typically felt to be owned by teachers and parents, and sustainable. What seems missing from the MOE's approach is building consensus for reform between the MOE and public schools. The MOE might consider developing school quality standards through a collaborative process with public and private schools, and inviting international accreditation bodies to participate.

Education Access and Equity

To increase opportunities for children on the outer islands to attend secondary school, the MOE should target subsidies such as waivers, travel grants, and housing allowances explicitly to outer island residents. Also, to increase the motivation of outer island elementary students to perform well on their grade 8 exams, the MOE should award scholarships to those outer island students with the highest academic scores.

Finally, reallocation of funds within the education budget from the post-secondary system to primary and secondary schooling could improve the quality of primary school and increase the limited supply of public secondary places, increasing the social returns to education as a whole.

HEALTH SECTOR PERFORMANCE

Recurrent expenditure on health care was about US\$16.2 million in FY2004, or about 15 percent of GDP. This is exceptionally high relative to the rest of the Pacific island countries and to other developing countries, and represents funding from the US of 59 percent of the RMI's health budget. Health insurance premiums collected from worker's salaries are another significant source of revenue in the health budget, and have ranged from \$2.9 to \$4.3 million in recent years.

Work done by the Ministry of Health and the Ministry of Finance to map budget allocations makes it clear that an inadequate share of the health budget is spent on primary and secondary prevention services, with the bulk of funds going to tertiary services — hospital stays and overseas treatment. And the share for tertiary services is increasing (see figure 3).

While health funding in the RMI is high, health outcomes have been slipping, with many areas of stagnation or decline in primary health care, communicable diseases, and lifestyle diseases.

Primary Health Care

Data suggest that in the area of primary health care, performance is stalled after many years of notable improvements. The RMI has lowered mortality rates for children under five from 92 per 1,000 live births in 1990 to 68 in 2000. There is evidence, however, that the performance since 2000 has leveled off and the goal of decreasing this MDG indicator by two-thirds by 2015 is not on target.⁹

Relative to the MDG target of improving maternal health, maternal mortality seems to be very low and is a rare event in the small RMI population. The proportion of first trimester pre-natal visits increased sharply from 1997–1999¹⁰ (see, for example, figure 4), a notable achievement related to the expansion of health services and health education efforts, although recent data show it stagnating between 2002 and 2004.

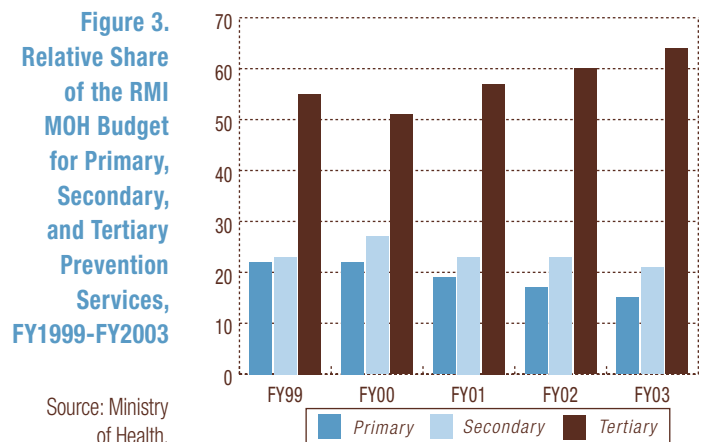
Contraceptive acceptance is relatively high for the Pacific region, if the reported rate of 30 to 35 percent is accurate,¹¹ and total fertility, while still high, has declined sharply over the long term, from 7.88 in 1980 to 5.71 in 1999 (the most recent data).

In several other key areas, performance has declined in recent years, or is relatively low. Of particular concern are high teenage pregnancy rates, low birth weight babies, child malnutrition, and low immunization coverage.

Teenage pregnancy has been high in the RMI for many years. From a base of less than 10 percent in 1980, teenage births as a percentage of total live births reached 16 to 20 percent in the period from 1997 to 2001¹² and in 2004 represented 17 percent of total births. The teenage pregnancy rate is also correlated closely with large numbers of low birth weight (LBW), undernourished babies. The proportion of LBW babies among all babies born to teenage mothers reached a high of 30 percent by 2001. More recent MOH data show that the proportion of LBW babies born to all mothers has fluctuated between 12 and 23 percent, similar to performance before 2001.

The nutritional status of children is still a challenging issue in the RMI. Inadequate early nutrition is well known to compromise children's cognitive development and long-term health. In a 2003 study, nearly 60 percent of children aged 1 to 5 years old were diagnosed with vitamin A deficiency and 25 percent were diagnosed with iron deficiency anemia; one-third of children in the RMI have both deficiencies simultaneously.¹³ In elementary school, undernutrition continues to be a problem. For example, a 1999 study of one elementary school in Majuro found more than 70 percent of the 111 students in Grades 3 to 7 to be suffering from undernutrition measured by weight for age.

Low immunization coverage among children is also a concern and reflects the difficulties involved in providing services to a population that is widely



dispersed among many atolls and islands. According to a 2001 immunization survey, immunization levels have declined in every single category except the birth dose of hepatitis B. With no survey data available since 2001, it is impossible to estimate accurate coverage rates for recent years, but the level of immunization doses distributed in 2004 suggests no improvement.¹⁴

Communicable Diseases

Communicable diseases such as HIV/AIDS, malaria, and TB remain a concern in the RMI. While rates of leprosy are creeping down, only two countries in the Western Pacific have not succeeded in eliminating leprosy, the Federated States of Micronesia (FSM) and the RMI, with the RMI rate twice that of the FSM. From 1992 to 1996, the tuberculosis incidence rate mainly stayed within a narrow range of about 100 to 130 cases per 100,000 population. From 1998 to 2003, the range dropped to between about 40 to 70 cases per 100,000 population.

There is still no sign of a breakout of HIV infection, and only one case of AIDS has been diagnosed in the RMI. But STDs, which are a risk factor for HIV infection, are reported to be high among the adolescent population.

Diabetes and Lifestyle Diseases

Diabetes was the number one cause of death in the RMI in 2000-2001, ahead of heart disease and cancer.¹⁵ For a number of years, the RMI has had a diabetes prevention and management program, but it seems to be having a very limited effect. It is estimated that 75 percent of hospital admissions are for diabetes and related complications.¹⁶ Prevalence seems to be rising, although there are no prevalence data. It is reasonable to anticipate that public expenditure on diabetes will grow well beyond the 14 percent registered for the 2001 health budget.

In view of the attention paid to diabetes prevention by the MOH and the large amounts spent to treat it, the question arises — why has the prevalence rate apparently increased? First, the nature of the disease means that those exposed to risk factors early in life will develop diabetes as they age, increasing the number of people presenting with the disease. The second and

perhaps more worrying reason is that Type 2 diabetes is not well controlled in the RMI. Primarily, this means that patients do not take their medications as instructed and make little effort to eat a healthier diet or exercise regularly. As a consequence, more people with diabetes than should be the case will develop debilitating and high-cost complications.

HEALTH SECTOR OPPORTUNITIES

Some opportunities to improve health outcomes are anticipated by the MOH's intention to allocate more funding to primary prevention care.

The pattern of disease in the RMI, which is still dominated by childhood communicable diseases, clearly warrants redirecting public spending to fund important primary health services such as immunization and family planning. There are undoubtedly other technical and organizational factors at work within these primary services that could be improved, but allocating more of available resources to primary services will be an important first step toward aligning the MOH's stated policy with its expenditures.

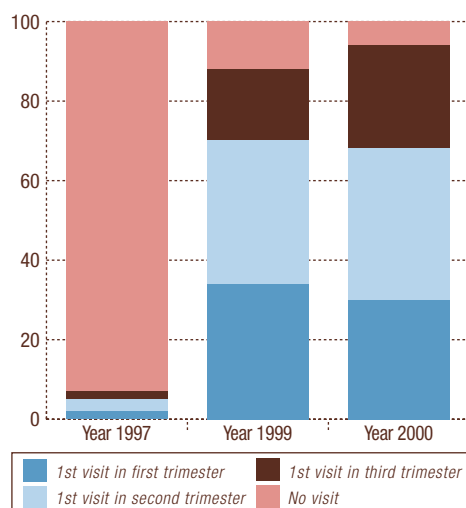
The MOH expects to reduce some of the cost of tertiary care by shifting tertiary care to RMI providers instead of continuing to provide seriously ill citizens with free or highly subsidized care in Hawaiian hospitals. Other savings can be found by improving the efficiency of existing hospital services. The MOH can learn lessons from the many health care agencies, both in the developed and developing worlds, that have wrestled with the issue of increasing the efficiency of their services. Possibilities that might be applicable to the RMI include changing some inpatient surgeries into day surgeries, improving discharge planning, providing post-discharge care to patients in their homes or local clinics instead of in the hospital, and admitting patients to hospital on the day of their surgery instead of two to three days earlier.

The Client's Voice in Health Service Management

Obesity, poor diets, and physical inactivity are serious problems, contributing to high and rapidly increasing rates of diabetes and circulatory disease. Health education and promotion has had little success to date in changing people's behavior. The main issue here is to get individuals and families more engaged in their health. Mothers are usually a keen source of demand for immunization services, for example, but immunization coverage has declined in recent years in the RMI. In most countries, people who have diabetes and the associations that represent them are involved with designing care and prevention policies, but this is not the case in the RMI. Diabetes and leprosy conditions often reach an advanced stage before patients seek any medical care. Some ideas for dealing with this complex but core public health issue have emerged during discussions with RMI health professionals who are troubled by these trends.

One idea is to revive community health councils. Established in 1995 to encourage communities and individuals to take more responsibility for their own health status and to provide a voice for individuals and families, they were hampered by insufficient funding and training; only about 50 percent of these councils still exist, and most function at a very low level. However, the example of the Laura Dispensary

Figure 4.
Prenatal Care
Visits in Majuro



Source: MOH Statistical Abstract, 1999–2001.

on Majuro, which has made impressive gains in utilization rates and client satisfaction, holds promise for reviving community health councils and giving them responsibility for managing local health facilities in partnership with the MOH.

Where public services have had little success in improving outcomes, matching grants or other incentives to community-based NGOs or foundations that are dedicated to increasing individual knowledge of and responsibility for such diseases might help health providers to deal proactively with these problems.

Finally, it may make sense to assess the cost-effectiveness of individual health care accounts, or health voucher cards, which would be held in the name of individual patients and used to “purchase” tertiary care services for such illnesses as diabetes. The unused balance on the account or card would accrue to the account holder as tertiary care use declines in response to compliance with medication and better self-care and prevention, and the account holder would be allowed to spend the excess funds on non-health purchases. This approach risks discouraging patients from availing themselves of needed hospital care (which could be avoided if accompanied by a health promotion or communication strategy for better case management), but it might be effective in encouraging people to use more preventive measures and better manage serious illnesses such as diabetes.¹⁷ If it is effective in encouraging healthier behavior and lifestyles and reducing the severity of diabetes, the cost of issuing and maintaining these cards would be offset perhaps significantly.

Increasing Effectiveness of Primary Health Services

The ineffectiveness of most primary health care services in the RMI will not be reversed simply with additional funds reallocated from tertiary care. There is a clear need for a reliable household survey of health outcomes to determine how services are performing nationwide and where households are turning for help with their various health care needs. Reported statistics on service use are typically overstated and need to be checked against a population-based estimate of such key indicators as immunization coverage and birth attendance.

Another important innovation, already launched in the RMI, is to establish a set of performance goals and targets that can be used by the MOH and donors to monitor progress and adjust financial flows accordingly. The second Compact between the RMI and the US includes mechanisms to measure performance and to adjust the allocation of Compact funds in response. This could easily be expanded to include all of the RMI’s donors in the health sector within a common strategic and financing framework.

Some countries facing difficult health service challenges have entered into contracts with specialized institutions in the NGO or private sector. For example, many health facilities in the outer islands suffer from an irregular supply of medicines and absentee staff. To tackle these problems, the MOH might contract the management of these remote facilities to an NGO with the demonstrated capacity to work effectively in the outer islands. Likewise, leprosy case management might be contracted to an NGO.

SOCIAL PROTECTION PERFORMANCE

As in most Pacific island countries, government in the RMI is not highly engaged in providing social risk management services to its people. In the event of a disastrous typhoon, the RMI can call on the US for Federal Emergency Management Agency (FEMA) assistance. Otherwise, the RMI provides only two significant services that can be classified as social protection: the administration of Social Security for those in the formal workforce, and the TOBOLAR program that subsidizes copra producer prices with a budget of about US\$1 million. While the RMI provides very few other social protection services, this does not reflect an absence of need, especially for addressing social problems arising from urbanization and extremely low labor force participation.

Copra and TOBOLAR

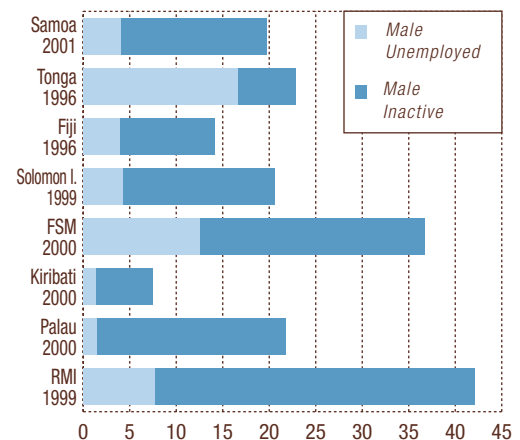
Copra is the second largest source of income in the outer islands, after government salaries. The government’s TOBOLAR program subsidizes the copra producer price, but in relation to global prices for copra, which are at the historical low point of a 25-year decline. The TOBOLAR board sees its objective as reducing the government subsidy and making TOBOLAR profitable. However, the program also serves as a social safety net to sustain the livelihoods of outer island families and to minimize migration to urban areas. Currently, the government’s main instrument of rural social protection operates between the conflicting mandates of rural social risk management and commercial viability for the industry. As a social protection program, the subsidy has not stabilized producer incomes nor is it preventing the depopulation of the outer islands.

Unemployment and Inactivity

Up to 50 percent of Marshallese of working age are not participating in the workforce. The unemployment rate, which was 7.6 percent in 1999 and almost three times that for young people — one of the higher such rates in the Pacific — tells only a small part of the story. Looking at male joblessness, for example, about five times as many Marshallese men are not even in the workforce as are unemployed (see figure 5). A very large group of Marshallese are idle.

How do so many inactive people survive without incomes? The country has a negative net flow of remittances, so overseas Marshallese, of which there are 5,000 or more, are not supporting family members left behind.

Figure 5. Male Joblessness in the Pacific Region



Source: Census data.

One possible explanation is that urban households, which are large, might bring in enough income to support members who prefer not to work at the low wage rates on offer. The study team for this report tested several different explanatory variables, including household income, remittances, gender, age, and education. Only one variable proved to be significant after controlling for age and atoll of residence — the percentage of household income attributable to domestic transfers.¹⁸ This implies that the low labor force participation and high unemployment rates in the RMI are due in part to a high reservation wage for males, which itself is driven by household transfers from relatives that increase the rewards for not working. For example, when work was offered recently at below minimum wage at a tuna processing plant, 80 percent of the workforce turned out to be women who had not held cash jobs before. Unemployed males did not come forward. For now, however, the role of domestic transfers can only be regarded as an interesting hypothesis.

Regardless of the explanation for the high unemployment and inactivity, so many idle working-age people can be expected to contribute to a range of the difficult and entrenched social problems in the urban areas of the RMI.

Alcohol Abuse

Alcohol-related offences have increased since 1997, but have increased the most in the last three years. In 2003, nearly 76 percent of all reported criminal offences in Majuro were associated with drunkenness.

Urban Youth and Youth Suicide

Young people in the RMI, particularly in Majuro, are increasingly involved in criminal activities and with youth gangs, as in other Pacific countries. However, the most striking problem involving young people in the RMI is the high suicide rate, particularly among young men.

The MOH reports that its services cared for 42 attempted suicide victims and dealt with 24 completed suicides in 2003. This total represents an increase of 20 percent over the numbers in 2002. The majority of suicides recorded by the MOH resulted from excess alcohol consumption or were facilitated by alcohol consumption. In 2004 the government made efforts to reduce suicides in Majuro through public education and outreach, and initial data seem to suggest that the numbers of attempted and successful suicides in 2004 have fallen, at least in Majuro.¹⁹

Domestic Violence

A study undertaken by the Women United Together Marshall Islands (WUTMI) in 2003 and 2004 revealed that there are significantly more cases of domestic violence than have been reported to any of the public institutions. The WUTMI believes that domestic violence is increasing.

The survey was carried out on four islands — Majuro, Mili, Ebon, and Ebeye.²⁰ A referral methodology was used to find women who had experienced domestic violence. Of the 130 women interviewed, 86 percent said that they had experienced abuse of various kinds (66 percent sexual; 87 percent physical; 84 percent emotional; 74 percent verbal). In 92 percent of the cases,

the abuser was the woman's husband. About 65 percent of the women had experienced abuse more than 10 times. Overall, 52 percent of the cases were alcohol-related; in Majuro this was true for 86 percent of the cases.

While the WUTMI survey must be seen as preliminary, it shows a need to focus on men's problems as well as on women's protection.

Adoptions

Faced with rising numbers of illegal international adoptions of Marshallese children, including adoptions that involve the bullying of very young mothers to give up their babies, the government has taken aggressive and effective action to curtail the activities of unregistered agents who pay mothers to give up their children. An adoption law enacted in 2003 established the Central Adoption Authority within the Ministry of Internal Affairs to license and monitor adoption agencies. The government should be applauded for its efforts to monitor adoptions, and its successful response to this issue is an important example of the government's ability to undertake effective social risk protection.

SOCIAL PROTECTION OPPORTUNITIES

The opportunity for the government to intervene in an effective way in the area of social protection is limited, partly because of fiscal constraints and partly because of the danger of crowding out existing private safety net mechanisms. However, there are two crucial areas where the government could and should intervene. First, it should make a serious attempt to tackle the growing plague of urban social problems. Second, it should consider introducing some kind of income support program as a safety net for the outer islands.

Increased Engagement in Social Problems

It is likely, though not proven, that urban inactivity and unemployment play a role in the recent upsurge of urban social problems, particularly among young men. In other countries, urban job creation or workfare programs that pay relatively low wages have been created at the public expense. However, this kind of intervention probably would not be effective in the RMI because of the high reservation wage that seems to be encouraging young men to stay idle and unemployed.

A more effective government intervention might be to establish an employment service that provides the unemployed with reliable information on work opportunities overseas and some financial help with travel costs. This idea may or may not be practical; being seen to encourage emigration from a lightly populated country as well as the sad history of overseas temporary work contracts in the Pacific are both cause for caution. But the severity and urgency of the RMI's urban social problems argue for considering fresh ideas.

The Ministry of Internal Affairs (MIA) has taken a role in addressing youth suicide, with what appears to be a measure of success on Majuro. The ministry may want to increase its efforts to prevent youth suicide. Additionally, preventing domestic violence and providing counseling for victims and abusers are areas where the MIA has a natural interest in taking action, whether directly or by involving capable local NGOs in areas in which the government has little expertise.

The problem of alcohol abuse is widespread and particularly challenging. The obvious step of raising import duties on beer and other alcohol is unlikely to reduce alcohol consumption since locally made alcohol is easily available. One approach is to increase the enforcement of underage drinking and public intoxication laws. The police in Majuro have already begun doing this.

Outer Island Safety Net Strategy

Outer island development is a central policy dilemma for the government of the RMI, and raising the productivity of agriculture and fishery in the outer islands is a constant challenge (one currently being addressed by a new Asian Development Bank project that will invest in infrastructure and other support to agricultural producers). The primary aim of the government's safety net strategy for these remote, sandy atolls is to sustain the viability and productivity of current livelihoods by subsidizing the producer price of copra. However, as constituted the subsidy is linked to very low world prices for copra and has limited effectiveness as a reliable safety net or brake on outer island depopulation.

The government might consider launching a policy review of the copra subsidy, and its role in an outer island safety net strategy, as a first step toward refining options and choices for outer island development.

Endnotes

- ¹ World Bank. (2005). *Opportunities that change people's lives: Human development review of the Pacific islands: Country case study: Republic of the Marshall Islands*. Washington, DC: Author.
- ² Ministry of Education, *Portfolio Budget Statements 2003-04, Chart 4*.
- ³ Ministry of Education.
- ⁴ 1999 Census.
- ⁵ World Bank. (2005). p. 23.
- ⁶ The interview process included 18 individual education professionals and six focus groups at the community level on Majuro and Arno atolls during November and December 2004.
- ⁷ World Bank. (2005). Annex I, p. 57.
- ⁸ Hezel, F. (2002). *Taking responsibility for our schools: A series of four articles on education in Micronesia* (p. 36). Honolulu: Pacific Resources for Education and Learning.
- ⁹ World Development Indicators.
- ¹⁰ Ministry of Health Statistical Abstracts 1999-2001.
- ¹¹ Ministry of Health service data.
- ¹² Ministry of Health Statistical Abstracts 1999-2001.
- ¹³ Semba D., & Bloem, M. (Eds.). (2003). *Nutrition and health in developing countries*. Totowa, NJ: Humana Press.
- ¹⁴ Ministry of Health Annual Report. 2004.
- ¹⁵ Ministry of Health Statistical Abstracts, 1999-2001, p. 44.
- ¹⁶ Manager Program, p. 177.
- ¹⁷ World Bank. (2004b). *World development report 2004: Making services work for poor people* (pp. 142-144). Washington, DC: Author.
- ¹⁸ World Bank. (2005). Annex II, p. 56.
- ¹⁹ See Johnson, G. (2005, February 28). *Suicides down in Majuro, up on Ebeye in Pacific islands report*. Retrieved August 31, 2006 from <http://archives.pireport.org/archive/2005/february/02%2D28%2D06.htm>. Numbers for the outer islands are not given.
- ²⁰ The World Bank team has received permission from the Secretary of Health to use these data.

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