Tot Under Secretary
From: Director, Office of Torritoriea
Subject: "fary "Point Paper" on U. S. Control of Cuam and the Trust perritory of the Pacific Islands

Encloced for your ready reference is the aforementioned Nary nPoint Paper" which kes sont to irs. Nic ieorgo Euncly at the White House, to Pessre. :H1lian Eunty and lialt fo liostow in the Stato Department, and to the secretary of tho Interior. It has the "strong andorsement" of the Secretary_of the liavy. Interior has not been asked to coreent, but we have received several tolophom calls from Stata ackinf for the definitions of unincorporated and incorporated tomele torios; how one tecores the other; und how either becomes a State or pert of a Stats. All such inquiries were baeed upon the Nayy paice. In visw of Stata's activity, wo suspect that you or the Secretary, may bo asked about the paper and, therefore, we offer tincse ccirnents. If you thini it ciosirable, ke shall arrance to forward a copy of this memorandum with letters siened by you to each of the rociplents of the Navy Point Paper.

Ifith respect to the atatements contained in the paper, those concernin: Dacis round are entirely accurate. As to the Points, we either concur in or have no opinion (because it is not onr bureaue cretic business to do so) concernin all save three (mumbered 4,5 , and 11). As for number $L$, wo do not think that either Statohood or inclusion in Hasail exhausts the possiblo forms of ultimate political status for Guan. As for number 5, wo see no necessary reason to rerard incorporation as the noxt stop for Guam. As for number 11, specifically the last sentonce thereaf, if the implication is that Guam is not now "incontrovertibly a part of the united States", we would differ with it. whe sentence is somonhat ambiguous, however, and it may simply menn that the lslands of the Trust Forritory are not incontrovertibly a part of the Unitod States. With tha statoment 80 construed we uould of course entirely concur.
rurnins to tine Fecombruations, the paper recomends, first, that Guan be converted into an incorporated territory preparatory to

admission of Guam into the Union as a State or inciusion in the Stato of Hawail; and, second, that acononic, social and political tics tetreen the Unitod Statos and the Trust Torritory bo atrencthened so as to facilitate a plebiscite leadins to conversion of this area into an unincorporated torritory of the United States.

Insofar as the Trust Torritory is concerned, cur present procrank are bent toward the foreroing recommondation of the Point Paper, althon th we have not, and in my judment should not now, dotormine that the ultirato ctatus of the Trust Territory will necessarily ke that of an uninccrporated territory. I belleve that we ahould retain somn flexibillty with respect to the hoped-itor form of association sith the United States, kecanse the satisfactory altematives are serveral.

Tumin: to the recompendations on Cuam, one of the two reasons for beine of the office of Territories is "to further international peace and security by conducting tarritorial affairs in close coordiration with the defense policies oi the Unitod States." Accordingly, we could not and ve will not onfect to the recomendations of the Point parer, or to any other proposal eorioasly advanced as anrying tho ptrateic interests of the Inited States, simply because it departs comphat fron the settled patiom of the past or because it mifht bo difficult of achievement.

In this instanco, howerer, we surgest that the Navy recommendation may be kased upon a misconception eitior as to what an act of incorporation means or as to what it will achieve. We do not know this, jor the Point Pannr is brief, but it may be helphul if we would come mont on both aspects.

As a matter of law, an incorporated territory is one to which the ronrross has expressiy extended the provisions of the Enited States Constitution. By so doing, the ConTress has been reparied as stating that the territory is an "inchoate state", and that it will in due course be admitted to the Union by the Coniress, but o.ily when it is "ready" for Statehood. Usually the period of timo between incorporation and Statchood soans eeveral decades (roughly five in the case of our two newest States), but this need not be the case. Indeed, it is not essential as a matter of law that an area be incorporatod prior to its admission to the union.

Beosuse the act of incorporation has been rerarded historically as the first step toward Statehood, we suspect that the lagislative process of "incorporating" Cuay as a territory today would be as

 as a State or part of a State. Cnce "ineorporatod", the interrational in: al status of tho torritory would not have been altered. (Ihe Jnited States reported to the Enited Vations on its ajainistration of the former incorporated territories of Alaska and llawall because they were rovarded as "non-solf eovermini, ). From the standpoint of the guamnlans, they will not have echieved anything new in the exercise of polite Lcal pemr, aince incorporated territorios in the past have not olected their oin rovernors; thoy have been suhfect to oreanic acts which can bo arended or repealed at the win of tine Coneress; and a Delodato to the liouse of representatives is only custonary, not mandatory, for incorporatod ceritcries. In short, the frodiate poifitical effect of incorporition rould appear to us to be nil.

As wo zead the payer, tha Vary's reasons for urfine incorporation of Sina apicar in pararaph 4, to Comptall futuro subversion attempts and rcon utn fior statehood, and in prampaph 17 (ejven a construction which my not bo accarate) to cauco ousia to bscnise incontrovertsbly a pirt of tho Inited States. Because, as stated above, we foreeee no innediata political benefits for fuan resulting from incorporation, we aro dubious that rubrorsion attempts kould be affected one why or another. Although incorporation would, indeed, lead toward Statohood, we do not ece shy that status would necessarily bo helprul to the achinvemnt of the Nary's coals. As for parenceph 1I, we think Taay 13, for all relavant purpeses, a part of the united Siates. In sl:ort, we cannot see shat incorporation per so would accomplish.
 werdant which looic toward pemittinc; United Statos citizons resident in tin American torritories to particinate in Fresidantial olections. "a havo also proposed a bill which weuld provido delenates to the :iouse of Reprecentatives from Cuat and th:o Virpin Iolands. Fe hava artiorsed lealslation authorizing Cham and the Virein Islands to elnct theis own governors. These threa proposals have direct political interest, application, and berefit to the people of Guam. These bills have popular support and are in the tradition of covernment by the consent of tha roverned. Fnactront of any one sould, wo knileve, do more to accomplish the llavy's roals as we understand then than the mere act of incorporation of tho teritiory. In addition, we exmect to ask the concress to enact le?islation to permit articins from the Trust Territiory to enter the Enited States on the same farciod venis as articles from the territories of the United States; to pernit Trust Territory citizers to enter the manland on rpprosimately tho same basis as U. S. nationals; and to permit appeals Cren the H1:h Count of the Trust Territory through the Federal judicial systera. We would, of course, welcome the support of 212 interestra Federal aganciss in achlaving the enactmont of those measures.


We would welcome the opportunity to explore matters touched upon in the Point Paper, along with all possible alternatives, by matins with or writing to any and all interested agencies. We shall await your pleasure or their's in this regard.
(Sgd.) Mrs. Ruth G. Via. Clive

Irs. Ruth O. Van Clave

## Enclosure



