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MEMORANDUM

TO: M - Mr. Rostow

THROUGH: 8/5

FROM: IO - Joseph J. Sisco

ENDORSE EXISTING MARKINGS | DECLASSIFIED RELEASABLE RELEASE DENIED

SUBJECT: Your Luncheon with the Members of the United Mations

DEPARTMENT OF STATE A/CDC/

REVIEWED BY 13, H. BAAS DATE 3/27

REASON(S)

RDS or XDS EXT. DATE

Visiting Mission to the Trust Territory of the Pacific Islands, Tuesday, January 31, at 1:00 P.M.

TS AUTH.

BRIEFING MEMORANDUM

You have agreed to host a luncheon for the Visiting Mission to the U.S. Administered U.N. Trust Territory of the Pacific Islands (TTPI). Attached is a copy of the memorandum requesting that you host the luncheon (Tab A) and a copy of the guest list (Tab B).

The luncheon will be on the second of two days of conferences with officials of the Departments of the Interior and State. The members of the Mission will assemble in Honolulu on Pebruary 6 and, after three days of visiting with students and trainees from the TIPI and visiting institutions with Pacific area programs, will depart on February 10 for a five-week tour of the Trust Territory.

Background

The U.S. Administered Trust Territory of the Pacific Islands (TTPI), is one of only three remaining territories in the UN Trusteeship System. (The others are New Guinea and the island of Nauru, both administered by Australia.) A Japanese Mandate under the League of Mations, the TTPI was placed under the UN Trusteeship system in 1947 by agreement between the United States and the United Nations. It is the only "stretegic" trust territory under the Charter of the United Nations. It is also unique in its size and geography, covering an ocean expanse of 3,900,000 square miles, with a land area of only 687 square miles and a population of some

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90,000. It includes the Marshall, Caroline, and Marians islands groups. Nine major languages are spoken in the Territory. While the State Department is responsible for the international aspects of the Trusteeship Agreement, the Department of the Interior has primary responsibility for the internal administration of the Territory.

In the Trust Territory the Visiting Mission will be looking for evidence of progress (or lack of it) in the economic, educational, social and political fields. We can expect them to be particularly interested in evidence of progress moving the Micronesian people to the ultimate goal of self-determination. Miss Angle Brooks (Liberia), the Visiting Mission chairman, can be expected to press this issue. The other Mission members have territories in the Pacific, and are understandably interested in any U.S. action there that might affect political progress in their own territories.

Future of the Territory

The question of self-determination for the TTPI is a complex one for the U.S. The Trusteeship Agreement commit us to promote self-government or independence. We also believe that for strategic reasons it is essential for the area to remain associated with the U.S. Our problem is to find a way in which the Micronesians will exercise their right of self-determination so as to ensure their continued association with us and at the same time remove all basis for further UN supervision.

The future of the Territory will be discussed with the Visiting Mission immediately after your luncheon. In the absence of an agreed position in the U.S. Government, we intend to respond to the Visiting Mission's questions along the following lines:

- 1. Our present efforts are simed at greatly accelerating all phases of our program in the Territory; these efforts concentrate on increasing the rate of economic development and improving the standard of living in the TTPI.
- 2. The United States anticipates that largely as a result of the accleration of all phases of its program the

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inhabitants of the Trust Territory will make their decision regarding the future political status of the Territory within a "reasonable period of time."

3. The timing of the Territory's expression of self-determination has not been fixed and will be largely determined by the wishes of the people of the Territory as expressed by the Congress of Micronesia and by the success of that Congress in developing a sense of community within the Territory and in acting as a governing body for its widely scattered and differing people. Unless pressed on this subject, we suggest that you limit your comments to pointing out that this question will be discussed in detail that afternoon.

Other important topics that will have been discussed in the sessions prior to your luncheon will have been: (1) Congressional appropriations for the TTPI; (2) Micronesian claims against Japan (3) Peace Corps in the TTPI; (4) health conditions. These are discussed below.

1. Congressional Appropriations for the TTPI

Because of comparatively meager economic resources and the present state of economic development, the TTPI is dependent on U.S. Congressional appropriations. In 1962 Congress raised a long-standing statutory limitation on total annual appropriations to the TTPI from \$7.5 million to \$17.5 million. Larger appropriations are necessary and in 1966, the Department of the Interior requested legislation authorizing capital expenditures of \$172 million. in addition to an expanded operating budget totaling \$152 million, for the five year period. The Congress took no action on the Interior proposal, and Interior now intends to introduce legislation raising the appropriations ceiling to \$35 million annually through fiscal 1970. The President, however, has requested only \$30 million in the present budget. While encouraging large U.S. appropriations, the Trusteeship Council has expressed its concern that dependence on external mesources is not conducive to the exercise of

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self-determination. The Council has urged consideration and adoption of concrete measures for increasing internal revenue. It is particularly interested in an economic development program seen to be submitted by Robert R. Mathen Associates.

2. Micronesian Claims - Micronesians have claims for loss of life and property during the Second World War: -- war damage claims in whose satisfaction the Trusteeship Council is much interested. Last year, the Department appointed a special representative who discussed settlement of the claims with the Government of Japan, our proposal being that Japan and the United States join in an ex gratia payment of \$10,000,000 to the Congress of Micronesia for distribution among the claimants. The GOJ has not yet responded to our proposals. We are endeavoring to promote resumption and successful conclusion of negotiations before the 1967 session of the Trusteeship Council.

Miss Brooks is very interested in this question and attempted unsuccessfully to persuade the members of the Visiting Mission to include Japan in their itinerary in order to put pressure on the GOJ to settle.

- 3. Peace Corps In the Spring of 1966, the U.S. announced its intention to send Peace Corps volunteers to the Trust Territory. The first phase of the Peace Corps operation began in October 1966. It included 200 teachers, over 100 health workers and a group of engineers, architects, surveyors, urban planners, lawyers and business advisers. The second phase of the project will include volunteers in agricultural extension, credit union and cooperative development, more teachers and additional workers, in education, public health, and communications. Initial reports on the volunteers work have been excellent.
- 4. Health Conditions Following complaints of unsatisfactory health conditions in the Territory, the U.S.
 invited an inspection by a team from the World Health
 Organization. The WHO report, released early in 1966, was
 particularly critical. Using President Kennedy's yardstick
 that health conditions in the Territory at least meet the
 minimum acceptable in a U.S. community, the report cited

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inadequate control of communicable diseases, inadequate water and sanitation facilities, understaffed and ill equipped medical facilities, and dissension between the Territory Government and the professional medical staff. Some steps have been taken to remedy the inadequacies.

IO:UNP:RJones/DMcHenry/jc 1/30/67

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