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ISSUE PAPER

POLITICAL FUTURE

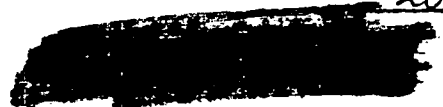
TRUST TERRITORY OF THE PACIFIC ISLANDS

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Issue Paper

POLITICAL FUTURE

TRUST TERRITORY OF THE PACIFIC ISLANDS

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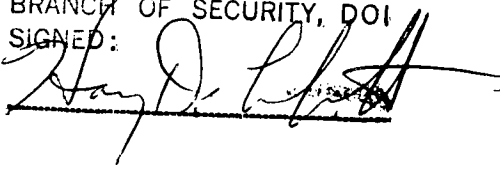
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POLITICAL FUTURE

TRUST TERRITORY OF THE PACIFIC ISLANDS

I. PROBLEM

To analyze the alternative political arrangements for the Trust Territory of the Pacific Islands and develop a possible time schedule for implementing the recommended political alternative. The purpose of this analysis is to complement the Interior Department's current legislative proposals for a study commission and to provide the executive branch with needed background material for future action on the proposed status of the Trust Territory.

II. RECOMMENDED ACTION AND TIME SCHEDULE

A. Permanent Affiliation as a National Objective. Of the various political alternatives analyzed herein, the Department of Interior recommends, and we understand that the executive branch generally concurs, that the national objective for the Trust Territory be permanent association with the United States. The Department considers integration with an existing state of the United States to be the most desirable ultimate political status for the Trust Territory. Although attainment of such a political solution in the near future would appear to be difficult, (see 3.h., p. 15), the possibilities for integration should be thoroughly investigated. If integration is not feasible within two to three years, the Department of the Interior recommends that association with the United States be achieved without delay in the form of affiliation as a non-self-governing territory, moving toward eventual self-government within the American governmental framework. We believe its status at the outset should be either as an unorganized, unincorporated territory (similar to American Samoa), or an organized, unincorporated territory (similar to Guam). The exact status would, of course, take into consideration the wishes of the Micronesians. Such a status would terminate United Nations trusteeship surveillance, but, since the status is not in United Nations terms fully "self-governing," it would not wholly terminate United Nations interest in the area. The United States annually reports to the United Nations on its "non-self-governing"

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territories of the Virgin Islands, Guam, and American Samoa and formerly so reported with respect to Alaska, Hawaii and Puerto Rico.

The Department of Interior believes that the study commission, as proposed in its pending legislation, would be the surest and quickest means of attaining this national objective, while at the same time giving voice to the Micronesians themselves.

B. Time Schedule. It is estimated that the first phase, completion of the Commission's recommendations, would permit enabling legislation to be sought in the Second Session of the 90th Congress. The Department of the Interior timetable calls for the proposed executive communication on the study commission to be submitted to the Congress by April 1, 1967. The draft provides that the members of the commission will be appointed and the first meeting be held within 60 days of the enactment of the bill. The commission would be charged with completing its task within six months of its initial meeting.

In submitting this timetable we are mindful of certain critical, though not controlling dates---the meeting of the Trusteeship Council in May-June of 1967 and the July session of the Congress of Micronesia. The 1967 United Nations Visiting Mission can be expected to make political status recommendations. Pending the outcome of the Commission's recommendations and subsequent Congressional action, assumed to require about six months, it is not feasible to set a definite timetable for the holding of a plebiscite. However, once the options and their certain consequences are known, a plebiscite could be mounted within a six-month period. In addition to the technical tasks of printing and distributing ballots and related voting paraphernalia, some time will

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be needed to inform the electorate as to the specific questions at issue and their meanings. Thus, given the most expeditious handling, a total of twenty months would be minimal from the date of enactment of the Interior proposal through the date of the foreseen plebiscite.

III. BACKGROUND

A. Assumptions. Before examining the political alternatives for the Trust Territory, it is essential to review the assumptions underlying the national objective of permanent association between Micronesia and the United States. It is our understanding that other major interested executive branch agencies (Defense and State) concur with these assumptions.

1. Defense needs of the United States require a continuing American presence and identification in Micronesia, not only in the immediately foreseeable future, but in the long-run as well. A 1965 Joint Chiefs of Staff study and Department of Defense statements before the Senate's Interior and Insular Affairs Committee in 1966 and 1967 emphasize that because of military facilities now located or potentially to be located in the Trust Territory, and because of the need to deny control of Trust Territory islands to any other power, continued control is essential to United States national interests.

2. United States defense needs can be met only through PERMANENT AFFILIATION of Micronesia and the United States. Any course of action which would result in sovereign independence for the Trust Territory and which would permit a newly independent Micronesia to enter into foreign

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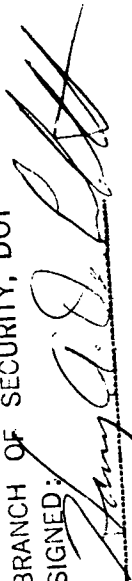
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agreements would be contrary to United States national interests. Permanent affiliation with the United States is therefore essential to preclude such a conflict.

3. Despite the protections built into the trusteeship agreement with the Security Council, continuation of the trusteeship status quo is neither feasible nor desirable for an indefinite period of time. The "Big Five" veto in the Security Council, as well as the express provision of Article 15 of the Trusteeship Agreement, protect the United States from having the Trusteeship Agreement altered against its wishes. However, from an international standpoint, the United States is in an increasingly embarrassed position through maintenance of the trusteeship arrangement for Micronesia. Pressures of the Afro-Asian majority in the United Nations for decolonization are expected to continue to embarrass the United States, because the Trust Territory is among the last of the original eleven trust territories placed under United Nations supervision following World War II. It may in fact soon be the only remaining United Nations trusteeship area.

4. Termination of the trusteeship status can only come about as a result of a United Nations-supervised plebiscite. We understand that a United Nations supervised plebiscite is not legally required to terminate trusteeship status, but such a plebiscite has been the practice in determining the status of all former trust territories. The presence of United Nations observers would be advantageous by providing a United Nations oriented certification on the conduct of the plebiscite. This United Nations involvement would be significant in adding to the credibility of the results of the plebiscite.

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5. An early plebiscite would help assure a vote favorable to the United States interests. Indications are that a substantial majority of the people of the Trust Territory are presently in favor of permanent political association with the United States. In addition, the people of the Trust Territory are increasingly anxious to express themselves on this issue, as evidenced by the Congress of Micronesia resolution, H.J.R. No. 47. That resolution, adopted in August of 1966, stated in part that "this generation of Micronesians should have an early opportunity to determine the future constitutional political status of Micronesia." This Department believes that the sentiment of the people to vote in favor of permanent affiliation with the United States is not likely to increase. On the contrary, undue delays on the part of the United States might cause an erosion of current Micronesian pro-United States attitudes.

B. Alternatives as to Political Status. As noted above, the Interior Department understands that all three of the interested Departments (Defense, State, and Interior) concur in these basic assumptions. Such differences as may exist relate instead to the form of political association. Before examining the principal alternatives as to form, a statement of ^{the} Interior Department's understanding of the basic positions of the Defense and State Departments may be useful.

Interior understands that Defense is not deeply concerned with the precise form of political association between the United States and Micronesia, so long as that association is permanent, is not unilaterally revocable by Micronesia, and is conducive to political stability within Micronesia. While Defense would join State and Interior in preferring an

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arrangement whereby any United Nations scrutiny of Micronesia would be terminated, we understand Defense would find acceptable a status whereby the trusteeship would be terminated and the area would be placed under United States sovereignty, becoming a non-self-governing territory of the United States.

Interior understands that State considers that our choices for the political status of Micronesia are limited to the three categories of self-government set forth in the United Nations General Assembly Resolution 1541 of 1960: i.e., (1) sovereign independence; (2) integration; or (3) free association (each of these is discussed further below under sections 1; 3(g) and 3(h); and 3(f) respectively). Interior agrees that the first of these must be offered but equally clearly must be rejected by the Micronesians. The second, integration, despite the difficulties involved, (see 3.h., p. 15). seems to Interior to be worthy of thorough investigation./ The third, free association, whether immediately or within five years, Interior regards as unacceptable in light of the current and immediately foreseeable political development of the area. The people of the Trust Territory are not, in our judgment, ready to assume by themselves full powers of self-government (which would include an elected chief executive, for example), and cannot be expected to be ready to do so within five years.

Twenty years of American administration have not offset centuries of social, cultural and political tradition. The creation of the Congress of Micronesia has without question given major impetus to the development of a "Micronesian-identity," a consciousness that is increasingly being discussed by the more sophisticated political leadership

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in the six districts. Yet the phrase still has more meaning in United Nations circles than it has in Micronesia.

Paradoxically, this problem is perhaps most evident in the northern Marianas where the majority Chamorro political leadership has publicly resolved to turn its back on the remainder of the Trust Territory and has petitioned to join Guam as an American territory now, rather than await development in the rest of the territory.

Despite education programs which have produced more college graduates than many newly-emerged nations had at birth, and despite outstanding performances by several Micronesian leaders, there is a relative shortage of trained political leadership and there are scarcely any pan-Micronesian leaders. A few Micronesians have developed reputations which transcend their district boundaries, but in the near future their political influence is unlikely to enable them to achieve significant and lasting support. Political concerns as understood in the Western World have barely risen to the District level among the population-at-large. Political lines in this context are most frequently drawn between the traditional elements and the relatively few who have begun to identify themselves with political, social, and economic modernization. There are no territory-wide political alignments, formal or informal.

In light of these considerations, the three options which might be submitted to the voters of Micronesia are examined below. The third of these, i.e., association with the United States, is discussed in terms of eight different forms which the association might take.

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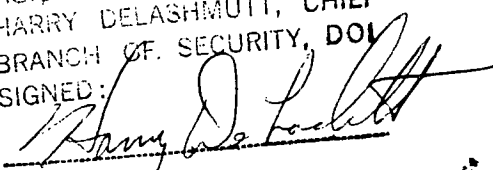
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1. Sovereign independence. The realities which exist in the United Nations apparently require that the Micronesians be afforded the plebiscite option of sovereign independence. Interior's best appraisals to date indicate that, if a plebiscite were held promptly, independence would obtain no more than 10 to 25% of the total vote.

2. Perpetuate the status quo. In any referendum, the questions should, from the political science viewpoint, be confined to a yes-no or an either-or alternative. The voter should be asked either to approve or to disapprove, to choose this course of action or that course of action. The introduction of a third choice confuses the voter. Of equal seriousness, it can confuse the decisiveness of the vote.

Ideally, from the standpoint of American national objectives, a plebiscite on the political future of the Trust Territory should have only two alternatives---independence or affiliation with the United States. United Nations pressures, however, may require the inclusion of a status quo question regardless of the disadvantages. The only advantage of including this alternative in a plebiscite lies in the realm of credibility. There is some sentiment in the United Nations that "trusteeship status" is a "higher" status than that of a "non-self-governing territory." The option of continuing this status against a probably unviable independence or against affiliation with the United States may, therefore, have some United Nations-oriented advantage.

Disadvantages include a Micronesian predilection to postpone difficult decisions or actions. Additionally, there are numbers of Micronesians who sincerely think it is too early for them to be asked to

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make a choice. Lastly, trusteeship status is something the Micronesians understand; they do not really know the consequences of the other alternatives. From the vote standpoint, the status quo is likely to attract the undecided, hesitant, or luke-warm voter, thus reducing the total and the decisiveness of the vote for association with the United States.

3. Permanent affiliation with the United States. This political alternative, which we believe to be the only one consistent with United States interests, has some eight possible variations. We believe that, if we cannot achieve integration of the Territory with an existing state within two to three years (see 3.h., p. 15), the first and third variations, as discussed below, would best meet the needs of the United States, while also comporting with the current state of political development and the rising aspirations of the Micronesians.

Either of such alternatives (that is, the status of an unincorporated territory, either organized or unorganized) would result in Micronesia becoming, for UN purposes, a non-self-governing territory of the United States. As such, the UN and particularly its Committee of 24, would continue to have a legitimate interest in it. UN authority, however, would be limited to the power to offer recommendations to the United States, and the United States could and presumably would proceed, as it has in the case of our present non-self-governing territories (the Virgin Islands, Guam, and American Samoa) to accept and act upon only those recommendations it regards as suitable. By becoming a non-self-governing territory of the United States, Micronesia would be a part of the United States, United States sovereignty would extend over it, and the United States alone would be responsible for its administration. The Interior Department recognizes, of course,

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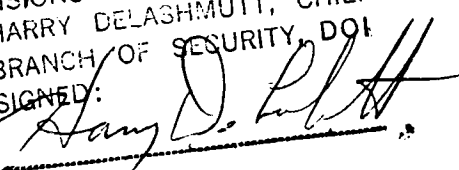
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that the pertinent United Nations organ, i.e., the Security Council, is unlikely to approve a modification of Micronesia's status from that of a trusteeship area to that of a non-self-governing territory. It seems to us unlikely, however, that the Security Council would find acceptable any of the status alternatives discussed below, except for sovereign independence, statehood per se, or union with an existing state (alternatives a., g., and h., respectively). Even the free association-commonwealth alternative (f.), is likely to be unacceptable to the UN, in the absence of an amendment to the United States constitution terminating the power of the Congress to legislate unilaterally for Micronesia.

A particular attraction of territorial status (either under alternative a. or c.) is the freedom it would afford to the Micronesians to move in timely fashion toward integration with an existing state or any other political status, within the American system, which might prove ultimately to be more suitable, including commonwealth status, union with Guam, etc. Different portions of the Trust Territory could follow different routes: the Marianas could affiliate with Guam, the Marshalls could become a part of Hawaii, etc. Once Micronesia becomes a part of the United States, its people, in cooperation with the United States Congress, could follow whatever route or routes toward full self-government, within the American system, seems timely and wisest.

Inasmuch as our responsibility to the Micronesians, in the area of political development, is limited by both the UN Charter and our own Trusteeship Agreement to promoting "their progressive development towards self-government or independence, as may be appropriate...", the

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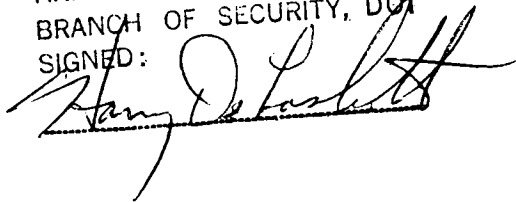
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United States could reasonably argue that its responsibility had been met by conferring territorial status upon the Micronesians. Their further and later progress "towards" self-government is assured, given the history of United States administration of all of its territories.

a. Unorganized, unincorporated territory. This status could be similar to that of American Samoa upon its cession to the United States or to Guam upon its acquisition from Spain. This alternative is probably the most saleable in terms of domestic United States political considerations. It represents an approach which is consistent with the usual historic pattern of United States territorial administration. The Micronesians, as a part of cession or enabling legislation, should receive American nationality or citizenship; neither is of itself dependent upon organized status. Such a status would give the Micronesians the opportunity for future integration with a state or other political development, as mentioned above.

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Political development in Micronesia is moving at an accelerating rate and institutions which seemed very distant as recently as five years ago, such as the Congress of Micronesia, are becoming workable organizations. The major disadvantage to unorganized, unincorporated status is the probability that the United Nations would view this status as neo-colonialism and no better than the current trusteeship relationship.

b. Unorganized, unincorporated territory with locally drafted constitution. This status is a variant of the unorganized territory. It is the political status obtaining in American Samoa today. In terms of United States Constitutional relationship, it rests upon a Congressional delegation to the President (and from him to the Secretary of the Interior) of executive, legislative and judicial authority. Through promulgation of the locally drafted Samoan constitution in 1960, the Secretary has provided Samoa with a discrete basic charter which is amendable, with Secretarial approval, in accordance with local responses to changing political requirements.

Prominent among the advantages of this status are the involvement of the electorate of the territory through the selection of the constitutional convention, the discussions which accompany and follow the convention, and the ability to modify provisions of the document with a minimum of outside concurrence. In the case of American Samoa such outside concurrence is limited to the Secretary of the Interior. (By contrast, amendment of an Organic Act requires concurrence of the Congress and the Federal executive branch.) However, a successful constitutional convention and the development of a workable constitution are dependent

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upon a well-developed political consensus and a substantial pool of political leadership. Both were present to some degree in Samoa in 1959 and 1960; neither is present in the Trust Territory today. The Department of the Interior regards this status for the Trust Territory as one probably not immediately obtainable, but one which might well be reached in a relatively short time in the future. We would defer, however, to the views of the proposed study commission following its meetings with the people of the territory.

c. Organized, unincorporated territory. This alternative has several variations, ranging from relatively simple legal statements as to legislative, executive and judicial authorities to highly complex legal documents, such as the current organic legislation of Guam and the Virgin Islands. In a more developed organized, unincorporated territory (e.g., Puerto Rico in 1948), there is precedent for the local election of the chief executive and for non-voting representation in the United States Congress. Organic legislation can provide unusual techniques for financial support or it can provide special Federal Government assistance to certain relatively expensive activities which would be beyond the capability of the territory. Precedents include the Puerto Rico Rehabilitation Administration, The Alaska Railroad, the Alaska Road Commission, and the Virgin Islands Corporation.

Two major disadvantages to organized status at this time are readily apparent. First, once enacted, the organic act would be relatively inflexible and difficult to change even though the Congress has usually reacted sympathetically to justified modifications in organic legislation.

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The procedure of moving an organic act amendment through the Congress frequently takes many months, a substantial disadvantage as long as political practices in the territory are still rapidly evolving and subject to change. A second major disadvantage is the natural tendency of the Congress to view territorial political needs in terms of home-constituency precedents. Although parallels are numerous, widely differing conditions render some critical ones invalid.

The Department of the Interior cannot assess Micronesian attitudes toward organized versus unorganized status and we would, therefore, defer to the views of the proposed study commission following its meetings with the people of the Trust Territory.

d. Organized, incorporated territory. Erection of the territory into an incorporated territory would probably be almost as difficult to achieve as direct admission as a State. An incorporated territory is looked upon by the Congress as an "inchoate" state, a view supported by United States Court decisions. For the reasons set forth in paragraph (g) below, we regard early statehood for the Trust Territory as difficult to the point of impossibility and, therefore, unwise to assert in good conscience as a practical or immediate political alternative to the Micronesians.

e. Union with Guam as a territory of the United States. This alternative may have some appeal because of the geographic proximity of some of the Trust Territory islands to Guam and because of possible economies resulting from a common legislature, executive and judiciary.

Except for the Marianas, however, the cultural and economic development of

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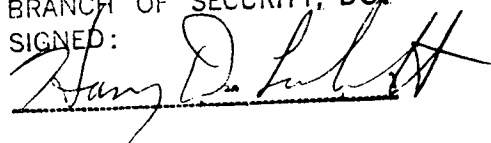
Guam and the Trust Territory differ markedly. There is considerable sentiment in the Northern Marianas for union with Guam and there is some corresponding sentiment in Guam. This view is not shared in the other districts of the Trust Territory, where attitudes with respect to Guam range from neutrality to distaste. There are no strong natural or historic ties which form a basis for amalgamation of Guam and the Trust Territory.

f. Creation of a "commonwealth" such as Puerto Rico.

Interior's basic objection to a free association, or commonwealth arrangement, for Micronesia goes beyond two practical problems to which we advert in passing. First, the Congress of the United States seems unlikely, given the sour reaction of most members to the Puerto Rican experiment, to attempt an action for Micronesia following similar lines. Secondly, current United Nations concern for Puerto Rico would seem to indicate that, notwithstanding acceptance by the General Assembly in 1953 of the proposition that Puerto Rico is no longer non-self-governing, the United States continues to be embarrassed by it internationally.

Interior's objection is, however, far more basic. It is our position that the people of the Trust Territory, although they have moved the equivalent of centuries within the last 20 years, remain unprepared to accept the responsibilities of genuine self-government. Commonwealth, or free association, would require them to assume such responsibilities now (or within five years, at most). Among these responsibilities would be the election of their Governor (something we are trying hard now to cause the Congress to grant the infinitely more sophisticated Guamanians and Virgin Islanders), and some form of continued Federal financial help

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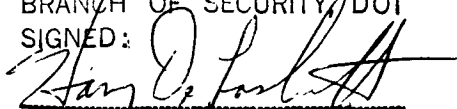


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(presumably at approximately the rate of the current annual Federal grant of \$17.5 million or the proposed grant of \$35 million), but with the requirement that the United States Congress permit the legislature of Micronesia to appropriate such grant (something which the Congress has never allowed in any similar circumstance).

These powers are, in Interior's judgment, too vast to be effectively discharged by a people who have only in small part entered this century -- people who largely remain involved in a tribal system in which their principal loyalties run to hereditary chiefs and not even to their islands or districts, let alone their entire territory; people who have thus far produced virtually no leaders who are recognized as such throughout the territory; people no more than 25% of whom speak a common language; people whose experience with the democratic process is brief (20 years at most) and faulty (in the sense that their extremely limited local fiscal resources have meant that their numerous legislative bodies have had almost no experience with the major legislative power of appropriating funds). Given these circumstances, Interior could not favor conferring upon the Micronesians by themselves, either now or within five years, the massive powers required to meet the "free association" test. If the Micronesians were to participate in the exercise of such powers as part of a larger, more stable entity, such as an existing state, the situation would probably be politically viable.

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g. Admission as a state. Statehood as an alternative might represent a long-range solution, but is an unlikely one in the foreseeable future, and certainly not within the time-frame here set out. (Considerations militating against statehood for the Trust Territory alone would militate against the sometimes-suggested "Pacific State" composed of American Samoa, Guam and the Trust Territory.) The Congress has historically imposed three tests in passing upon statehood for a territory:

- (1) Do the people of the territory want statehood;
- (2) Do they have republican forms of government; and
- (3) Can they afford the obligations of statehood?

Without passing upon the ability of the Trust Territory to meet the first two tests, it is unlikely that the area in the foreseeable future could qualify with respect to the third. These considerations are entirely aside from the political considerations which the Congress would face in extending Congressional representation in the form of two Senators and one Representative to a community of 93,000 persons.

h. Union with an existing State of the United States. Within recent years, several Hawaii-based individuals (including the Governor and the senior Senator) have suggested that the Trust Territory be made a part of Hawaii. This status alternative has numerous advantages: United Nations scrutiny would be terminated; for defense purposes, United States sovereignty in the area would be in the most secure position possible; Micronesians would have precisely the same powers of self-government as do citizen-residents of the States; the manpower resources of Hawaii would be available to the Micronesians. There are practical difficulties in effecting the union which would probably make it difficult to attain as a short-range solution. There apparently is skepticism among the people of Hawaii about the schema, largely we understand because of the financial burden, which clearly would be great. Imaginative and legally acceptable

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means of assuring continued Federal financial help could in all probability be developed.

The primary issue in this respect would be the length of time required to persuade all necessary parties, including the U. S. Congress, to accept such means. Little enthusiasm has been detected among Micronesians for the Hawaii-Micronesia merger, although, admittedly, no sampling of opinion has been taken in Micronesia on this particular question. Similarly, the sentiments of the Congress of the United States have not been determined. The length of time necessary for the mechanics of integration-- amendment of the Hawaii Constitution, enactment of Federal enabling legislation, a plebiscite in Micronesia -- has not been determined with certainty. However, all of these difficulties concerning the timing of and sentiment for integration, are matters for further inquiry by the proposed status commission or the Executive Branch. This Department believes that integration is the most desirable ultimate political goal for the Trust Territory from the standpoint of both the United States and the Micronesians themselves. The only question involves the short term feasibility of effecting integration. We believe that a plebiscite should be held in Micronesia in the very near future, within two to three years, while sympathy toward the United States remains at its present level. Five years might be too late. If integration cannot be achieved within this very short time frame, which may well be the case, we recommend, as mentioned above, that affiliation as a territory be sought as an interim step. Work on integration could then continue if, in fact, the climate is favorable.

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C. Alternative Means of Achieving Permanent Political Association.

Affiliation with the United States will require some form of affirmative action by the United States Congress, whether it be a version of territorial status, "commonwealth", or statehood. Article IV of the United States Constitution, Section 3, provides that "New states may be admitted

by the Congress into this union . . ." and the same Section 3 confers upon the Congress the ". . . power to dispose of and make all needful rules and regulations respecting the territory and other property belonging to the United States" Thus, devising a solution to the question of political future of the Trust Territory must take into account the views of the Congress and achieving that solution requires the active support of the Congress.

The following alternatives are possible methods of sorting out political possibilities:

1. Trust Territory Status Commission (Interior's Legislative Proposal). Attached and made a part of this paper is a copy of the Interior Department's legislative proposal, which represents the Department's preferred alternative for moving toward an expeditious solution of the political future question. The proposal discusses the problem in detail, but essentially it provides:

- a. For Congressional involvement in the study and at least an implied Congressional commitment to its results;
- b. For Micronesian involvement in the study from its inception;
- c. Through the Commission's authority to travel to the territory and the requirement that it consult with Micronesians, for an unexcelled opportunity to educate Micronesians as to political alternatives;

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- d. As a converse of (c.), for an unexcelled opportunity for the United States to assess political aspirations in Micronesia; and
- e. For a forum bringing together the three essential parties--the Congress, the Executive, the Micronesians--in an open appraisal of the political future.

The proposal has a number of risks. Its very openness means that all interested observers will have knowledge of American plans--those who will oppose us in the United Nations as well as those who might support us. It is always possible that the Commission proposal will not meet with Congressional approval in this or the next session or that the Commission's recommendations will not meet with Congressional approval. However, at some point, all alternatives are subject to these risks. In our estimation the proposal's advantages more than offset its risks. Its openness will help offset the official public ambiguity which has of necessity colored American administration in the territory--leading to essentially unrefutable charges of lack of policy, direction and program. Congressional education is required almost as much as Micronesian education, and laying the proposal before the Congress will afford a specific proposal for consideration. To date, there has been no Congressional study of the specifics of the political future. While the Department of Interior would prefer Micronesian membership on the Commission, and has so recommended, we recognize that efficiencies could accrue from a smaller group. Micronesian

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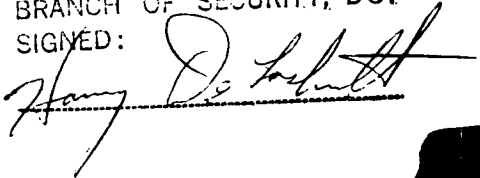
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membership might be deleted in view of the Commission's obligation to consult fully with the Micronesian people.

2. Presidential Commission. The Congress of Micronesia resolution which constitutes one of the bases of the Department's study commission proposal, calls only for the President to appoint a commission to study the political alternatives. Such a commission could include Congressional and Micronesian representation upon Presidential appointment. Two hurdles remain, however. One is obtaining the Congressional commitment to the study and its results that is required if post-plebiscite consequences are to be achieved; the other is gaining the prestige and authority with respect to the Congress that a legislatively-supported Commission would have. This proposal runs fewer risks at the outset than the favored alternative; it would not have to run the gauntlet of Congressional review in order to be established. Subsequent risks multiply; thus recommendations are less likely to meet Congressional acceptance and endorsement.

3. Executive Branch Task Force. A task force would probably not include Congressional members. It is little different from the inconclusive meetings which have been held during the past five years by representatives of the interested departments. Its deliberations are most likely to revolve around classified matters and its conclusions will be equally classified. Its advantages lie in its lack of immediate risks. Its disadvantages lie in its inability to serve as an educational device;

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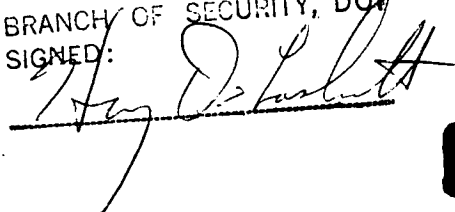
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its inability to involve the Congress and the Micronesians; and its inability to assess accurately political realities in Congress and the Trust Territory.

4. Executive Branch Communication requesting the Congress to extend a particular status to the Micronesians. This alternative could be followed in its own right or be a consequence of either the Presidential Commission or the task force alternatives. Followed as an independent alternative, it would have the major disadvantage of no visible prior contributions by either the Micronesians or the Congress. It would also leave little room for adjustment without implying a repudiation in whole or part of the original submission.

5. A United Nations Recommended Commission. This alternative is a real one, whether desired or not. The Visiting Mission recently in the territory is very aware of the growing political interest in the area and will be more interested in political development than in any other single problem in Micronesia. If the United States does not take the initiative, the Mission, through the Trusteeship Council, may well recommend that the United Nations establish a commission to assist the Micronesians in sorting out their political alternatives. The likelihood of such an endeavor accomplishing the objectives of the United States is negligible. If this alternative is adopted as American policy, it is assumed that the United States would ask the United Nations to establish such a Commission. However, inaction in seeking to resolve the political question could well result in the United Nations taking the initiative.

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IV. CONCLUSIONS

It is apparent that there is no simple solution to this issue which would satisfy all of the interested parties, i.e., the Micronesians, the United States Congress, the executive branch, and the United Nations. Each of the political alternatives examined in this paper has a built-in point of conflict. For example, it can be expected that what may be preferable in terms of the United States position at the United Nations may not be acceptable to the Congress. It is also evident that this problem is much too vital to all concerned to permit it to remain in its present state of indecisive discussion in the expectation that somehow unanimity may be reached. The national interests of the United States require that our national objective be pursued forthwith so that our relationship with Micronesia might be stabilized. The continued advancement of the Micronesians calls for their further political, economic, and social development. The United Nations' trusteeship role should be terminated as gracefully as possible.

Given the assumptions enumerated above, which are generally acknowledged to bear directly on United States objectives and national interests, it is the view of the Department of the Interior that there is only one real political alternative among the disparate alternatives which appears feasible in the two to three years within which the United States must move toward a political solution in Micronesia. On balance, conversion of the Trust Territory into an unorganized, unincorporated territory, or an organized, unincorporated territory of the United States, would be the most attainable method of meeting the various needs of this nation's national security, be most acceptable to the Congress and the Micronesians and do the most to set the stage for continued Micronesian

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growth and development. Admittedly, the United Nations may not view such associative status favorably. For that matter, with such widely scattered nations in that international body, it is unlikely that any alternative would ever satisfy a majority of its members' divergent interests. Under such unanimity of purpose, we consider it more realistic to select the alternative which would offer the greatest benefits to the United States and Micronesia, the parties most directly concerned with its resolution, and then seek to win as many members of the United Nations as possible. This can best be accomplished, in our view, by speedily sending to Congress Interior's proposed legislation to establish a study commission.

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GLOSSARY

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The term territory may be used to describe any area over which the United States exercises sovereignty. The term is so used in Article IV, section 3 of the Constitution, which provides that the Congress shall have power to "make all needful rules and regulations respecting the territory or other property belonging to the United States."

The term Territory may be used to describe those areas to which the Constitution has been extended and in which it is applicable as fully as in the continental United States. This term is synonymous with incorporated territory, which refers to an area which the Congress has "incorporated" into the United States by making the Constitution applicable to it. The last two incorporated territories were Alaska and Hawaii. During the course of the United States' history there have been others, all on the mainland and all subsequently erected into States.

The term insular possession may be used to refer to any unincorporated territory of the United States, i.e., any territory to which the Constitution has not been expressly and fully extended. The Virgin Islands, Guam, and American Samoa are unincorporated territories.

The unincorporated territories may be further subdivided into those which are organized and those which are unorganized, i.e., those for which the Congress has provided organic acts which serve the same purpose as do the constitutions of the States, and those for which organic legislation has not been enacted. Guam and the Virgin Islands are organized but unincorporated, and American Samoa is both unorganized and unincorporated.

The term commonwealth, when used in the context of American territorial relations, means approximately the status currently occupied by Puerto Rico. The legal consequences of commonwealth status are largely unclear, but the term denotes, at a minimum, a high degree of local autonomy, under a constitution drafted and adopted by the residents of the affected area, pursuant to Congressional enabling legislation earlier approved by such residents by referendum. The constitutional relationship of the Commonwealth of Puerto Rico to the United States is open to great uncertainty, with some parties (supported by court decisions) contending that the Congress retains its plenary authority under Article IV of the Constitution to legislate for Puerto Rico, while others contend (supported by other court decisions) that because the statutes giving rise to the Commonwealth were adopted "in the nature of a compact," the Congress is not free to legislate unilaterally for Puerto Rico. As for fiscal

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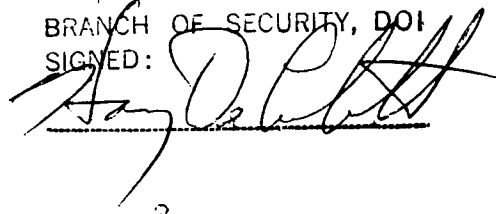
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consequences of Commonwealth status, none appear to be causally related to it. Puerto Rico's particular economic advantages (particularly the inapplicability to Puerto Rico in general of the Federal income tax laws, and the payment to Puerto Rico of taxes paid on Puerto Rican products entering the mainland) pre-date the creation of the Commonwealth, in 1952, by several decades.

A trust territory is one which has been placed under the international trusteeship system of the United Nations. Chapter XII of the Charter of the United Nations provides for the creation of a system for the administration and supervision of territories formerly held under mandate, of territories detached from enemy states as a result of the Second World War, and of territories voluntarily placed under the system by states responsible for their administration. Such territories are administered pursuant to the terms of individual trusteeship agreements approved by the Security Council or General Assembly of the United Nations, on the one hand, and by the administering authority of the particular trust territory, on the other. Chapter XIII of the Charter provides for the establishment of a Trusteeship Council to assist in the General Assembly and the Security Council in carrying out the objectives of the trusteeship system. The United States is administering authority for one trust territory, the Trust Territory of the Pacific Islands, comprising certain islands held by Germany prior to World War I and subsequently by Japan under a mandate from the League of Nations. The Trusteeship Agreement respecting the Territory of the Pacific Islands was approved by the Security Council on April 2, 1947, and by the President of the United States, pursuant to Congressional authorization, on July 18, 1947.

A mandated territory refers to an area held under the mandate system established by Article 22 of the Covenant of the League of Nations. The system was devised in order to provide for the post-World War I administration of certain Middle Eastern colonies formerly belonging to the Turkish Empire and of certain colonies and territories in Central Africa, Southwest Africa, and the Pacific formerly held by Germany. The Supreme Council of the Allies assigned these colonies to the administration of various League members, known as Mandatory Powers, whose administration of the mandates was supervised by the League through the medium of a standing committee, the Permanent Mandates Commission. The League's mandate system has now been replaced by the trusteeship system of the United Nations.

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