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MEMORANDUM OF CONVERSATION

Participants: Ambassador Eugenie Anderson
Mr. Richard Posnett, First Secretary, UK UN

Subject: Mr. Posnett's Views on His Visit to the TTPI
As Member of UN's Visiting Mission

1. Economic Development

The most pressing over-all need for the Trust Territory is economic development. Posnett thinks that it will be difficult for the people to mature politically without developing their own economic resources. He disagrees somewhat with the Nathan Report in its view that the decision on basic political status of the Trust Territory must come first although on further discussion he seemed to understand why the US would find it difficult to embark on a massive economic development program until political status is resolved.

Posnett suggested that a Micronesian should serve as Chief of Economic Development Plans (with a good US "adviser") in order to involve the Micronesians themselves in economic planning and growth. He feels it necessary to avoid "imposing" a plan on people from the top which would not be understood nor supported by Micronesians themselves.

2. Taxation

Posnett believes that the Micronesians should develop their own improved system of taxation, and has succeeded in convincing the other members of the Visiting Mission to include this in the recommendations of the Visiting Mission Report. He suggested that a plan, which Posnett helped to develop in Africa, could be used as a model for setting up different tax rates, etc.

3. Need to Train Micronesians in Executive Positions in Administration

Posnett suggested that the High Commissioner should have a sort of Advisory Cabinet of Micronesians who would then be in a position to learn more about administration.

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4. Need to Secure Higher Calibre of District Administrators

Speaking confidentially, Posnett felt that the weakness of several of the Distads was one of the most serious deficiencies in the Trust Territory. He considers the position of Distad almost as important as that of the High Commissioner and thought it should be possible to place the ablest US and Micronesian Administrators in these key positions.

5. Peace Corps Value

Posnett thinks that the PC's most important influence will be in teaching the Micronesians how to do things for themselves, and that the Peace Corps' ability to impart new ideas and inject a more dynamic attitude into people may turn out to be a positive force for change. He mentioned one or two places where there appeared to be differing views between P.C. volunteers and the Distad, but thought High Commissioner Norwood was aware of this.

Posnett suggested that the Peace Corps might usefully undertake projects to study the past and restore Micronesian history, monuments, archaeology, and anthropology.

Posnett plans to see Mr. Jack Vaughn in Washington regarding this project.

6. Future of the TTPI

Posnett said that the Micronesians often urged the Visiting Mission not to "hurry" them into deciding on their own future status.

They discussed various alternatives which the Micronesians should be offered when time for a plebiscite is at hand, and Posnett mentioned that the Micronesian people would need a good bit of preparation in advance.

Posnett stated, in passing, that he would suppose that any form of association with the US, such as Guam's, would not meet the terms of the Trust Agreement, but that possibly the Puerto Rico Commonwealth version might.

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