

MEMORANDUM

THE WHITE HOUSE

WASHINGTON

August 14, 1967

FOR THE PRESIDENT

FROM Joe Califano *JC*

The attached package from Walt Rostow and Stew Udall contains a legislative proposal seeking Congressional approval -- through a Joint Resolution -- for the establishment of a Special Commission to make recommendations on the future political status of the Pacific Trust Territories (The Marianas, Marshalls and Carolines).

The Resolution calls for a 17 member Commission:

- 9 including the Chairman to be appointed by the President, and
- 8 to come from the Congress (with 4 to be appointed by the President of the Senate and 4 by the Speaker).

Secretaries McNamara, Katzenbach, Udall and Walt Rostow all recommend that you send the Joint Resolution. It has been cleared with Budget.

By way of background, the Micronesian Islands were initially owned by Germany. After World War I, the Germans surrendered the Islands to the League of Nations. The League, in turn, gave the Japanese a mandate over the Islands. During World War II, as you know, these islands were the scene of heavy fighting. After the War:

- The UN took over the League of Nation's Mandate and, in 1947, entered into a "Strategic Trusteeship" with the US.
- The "Strategic Trusteeship" permitted us to use the Islands for military bases and to conduct atomic testing (for example, at Bikini).

- The Islands are run by the Interior Department and a High Commissioner -- William Norwood -- who is a Presidential appointee. Congress appropriates virtually all of the Island's funds (about \$20 million yearly).
- Under U. S. trusteeship, the Islands have moved toward self-determination. They now have an elected two house legislature.
- Last year the people of the territory, through their legislature, petitioned you to create a Special Commission to help determine their future by spelling out the alternatives.
- The Joint Resolution involved here responds to that request. But it recognizes that the Executive Branch "cannot go it alone" regarding the political future of these strategic islands and therefore requests the participation of representatives from the Congress.
- Some of the alternatives which the Commission could look at are a dissolution of the UN trusteeship and a firm political association with the U. S. either by annexing the Islands to Hawaii or Guam or other arrangements. These choices would be voted upon by the people of Micronesia in a plebescite (our target date for the plebescite is 1972, so that there will be plenty of time to prepare for this move).

Udall points out that this proposal will probably not be enacted at this session of the Congress. He urges that we go forward with the resolution, however, because:

- Congress is waiting for some Presidential initiative in this field.
- If we do not act now, we may lose the initiative by default (Some Congressmen have already introduced similar resolutions).
- The Micronesian legislature has called upon the President of the U. S. to create a Commission.

- We will get the measure at the next session, particularly after visits this fall to the Trust Territories by members of the House and Senate Insular Committees.
- It gives the President another opportunity to endorse the principles of self-determination.

The package includes:

1. A speaker letter, prepared for your signature, sending up the resolution. It was prepared by Levinson, and edited by me.
2. Letters prepared for your signature to the President of the Senate and the Speaker of the House of Representatives of the Congress of Micronesia, informing them of the action you are taking. (Udall will send copies of the entire package to High Commissioner Norwood).
3. A memorandum from Walt Rostow. *add C.F. ST-51, 8/1/67*
4. A memorandum on the legislative situation from Udall.
5. A detailed memorandum from the Secretary of Interior explaining the background of the Trust Territories and the need for a Commission.
6. The Joint resolution and supporting papers.

We recommend that you sign the attached letters.

Attachments