



UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF THE SECRETARY
WASHINGTON, D.C. 20240

Memorandum

JUN -4 1968

To: Harry C. McPherson, Jr.
Special Counsel to the President

From: Assistant Secretary, Public Land Management

Subject: Letter from Antonio B. Won Pat expressing concern over the growing feeling on the part of the people of the Trust Territory that the United States is neglecting them.

In accordance with your request of May 28, there is enclosed a draft letter from you to Mr. Won Pat acknowledging his letter to the President of May 20. The following comments on the Saipan situation may be of interest to you.

The people of Guam and the Marianas District of the Trust Territory are ethnically and culturally the same. (Guam is geographically the southernmost and largest of the Marianas chain of islands.) They were separated politically as a consequence of the Spanish-American war when the United States retained Guam but returned the remainder of the Spanish Micronesian empire to Spain. There is a substantial "irredentist" movement in the Marianas, fostered by political groups on Guam and in the Marianas, which is urging the association of all of the Marianas with Guam as a territory of the United States -- "a reintegration of the Marianas." This movement is frustrated by the trusteeship agreement with the United Nations and with prevailing United Nations sentiment holding that no part of the Trust Territory can be disposed of until all parts are prepared to come to some determination as to their political future. To dispose of parts of the territory piece-meal, the "fragmentation" concept, would, the United Nations holds, leave toward the end of the process some unviable bits and pieces. Perforce, the United States has accepted this UN view and, instead of pursuing fragmentation, has attempted to move forward the day of determination for all of the territory, including, of course, the Marianas. This situation has been explained to the politicians of Saipan and Guam who have chosen, nonetheless, to continue their policies of "reintegration of the Marianas."

In the wake of Typhoon Jean, which struck Saipan very heavily in mid-April, this political movement took two courses. Immediately following the visit to Saipan of two Guamanian political figures, charges of

incompetence and indifference to the needs of the people of Saipan and Tinian were leveled at the Trust Territory administration. The charges were widely reported in the Guam press and subsequently were picked up by the newspapers in the Trust Territory and elsewhere. These charges were soon echoed by the Saipanese politicians. For they found no one in charge and the High Commissioner at home. They arrived at noon and the High Commissioner was in fact at home - - having lunch. There was no place else for him to have lunch.

The effect of these allegations is to create or to increase popular discontent with the Trust Territory administration and to encourage the "reintegration" movement as a solution.

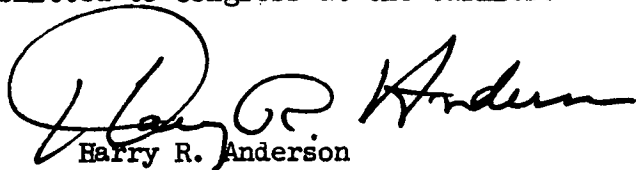
The second course of the irredentist political movement was to seek aid from Japan, ignoring in terms of the public the massive assistance which had been and is being made available by the United States. There is no question but that the amount of private and governmental Japanese interest in the Trust Territory is increasing and a number of formerly relatively impecunious Saipan public figures recently have suddenly found the capital to engage in various business enterprises. It is not possible to track this development fully and completely, but observers of the Micronesian scene have few doubts that these people are serving as fronts for Japanese capital.

In any event, the typhoon evoked expressions of sympathy from Japan and the Saipanese seized upon the opportunity to make a highly publicized visit to Tokyo to obtain aid from "our friends in Japan." The mission to Tokyo has apparently failed to achieve much in the way of help. According to the New York Times of May 26, 1968, the Government of Japan has pledged \$2,000 or \$3,000 and the Prime Minister has personally pledged a like amount.

On the other hand, the United States has made available \$8,500,000 through the Office of Emergency Planning and an additional allowance of up to \$800,000 for emergency housing. Virtually all of this will go to Saipan. The High Commissioner has requested a supplemental appropriation for 1968 which, if approved, will permit the construction of permanent public facilities, including utilities, but, more important, will make a start on the provision of low-cost, typhoon-resistant housing. This is an urgent need throughout the Trust Territory but, because of the heavy typhoon destruction on Saipan, the need is most immediate and acute there. Nearly 90% of private housing is destroyed or severely damaged. In fiscal year 1968, which is fast waning, the Trust Territory

has a \$24,000,000 appropriation against a \$35,000,000 authorization. Thus, there is a maximum of \$11,000,000 which potentially could be made available as a supplemental appropriation without running afoul of the appropriation ceiling. In fiscal year 1969 the authorization remains \$35,000,000, but the budget request was \$34,000,000. The House of Representatives approved \$31,606,000 for 1969 (the appropriations bill is before the Senate Appropriations Committee which has held hearings but has not yet reported the bill).

One of the greatest possible signals of United States' concern for the territory would be the prompt submission of this supplemental request to the Congress including the private housing assistance. Enactment of the supplemental appropriation under the fiscal year 1968 authorization is considered particularly vital in that insufficient authorization exists in fiscal year 1969 to accommodate even the minimum needs of the Micronesians. We urge strongly that the Trust Territory fiscal year 1968 supplemental request be submitted to Congress at the earliest possible date.


Harry R. Anderson

Enclosure

Vaccini

530 million FY69
\$6 million supplemental

Dear Mr. Won Pat:

(same time ago) (Thank you for)

The President ~~has~~ asked me ^{enclosing} to acknowledge your letter of May 20 with the clipping from the Guam newspaper and to express ^{ing} our

~~appreciation for your concern about the Trust Territory. I apologize for my delay in responding to your letter, but I wanted to give it the attention it warrants and the press of immediate business made an earlier reply difficult.~~ We have been bending major efforts to the task of assisting

~~in the economic, social and political development of the Trust Territory~~

~~although this Administration would be the last to claim that the job has been completed. Obviously, it has not.~~ However, ^{During the past four years} we have doubled

the level of appropriations ~~during the past four years~~ from \$15,000,000

in 1964 to a fiscal year 1969 budget request of \$34,000,000. In the same period we ~~increased~~ elementary and high school enrollment ^{has been increased} from

18,000 to 23,000 pupils and the number of college scholarships from 196

to 300. ~~With funds contained in the fiscal year 1969 budget request,~~

^{In the near future,} we plan to build the first modern hospital ever to be constructed in

the territory and to follow it with a start on a major teaching-referral

hospital on Ponape. In the field of economic development, we laid the

ground-work for spirited competition for air service in the territory,

which ^{culminating} has culminated in a jet service which started last month and a

positive plan for hotel-resort development with Micronesian participation.

~~The foregoing examples are cited merely as indications that we have indeed been interested in and concerned about the Trust Territory and its needs.~~

As you know,

The damages inflicted by Typhoon Jean last April in the Marianas and in the Truk District ^(economic and psychological) were a serious blow and without question

to the people of the

struck heavily at public morale. The President has allocated more than

Subsequently, however,

\$8,500,000 for typhoon relief, most of which will go to the Marianas Islands and to Saipan, and we are actively considering a supplemental appropriation

Furthermore, a supplemental appropriation of \$6,000,000 was

an additional \$4,000,000 for the purchase of Guam home mortgages by the FNMA.

obtained to
which will materially augment the resources already made available

to the Trust Territory by the United States. The outcome of the letter, *Despite / (restrictions under) the federal govern-*
of course, is closely related to the fiscal problems which we are now *operating, \$30,000,000 has been appropriated for 1969.*
currently facing. *Nevertheless,* If some of the political leaders of Saipan choose to

seek assistance from Japan, we would wish them well, although *It is our*
understanding from press reports that their quest has met with little
success. *however, so far only very*

~~Again, our thanks for your thoughtful and perceptive letter.~~

I am sure that you also know that
the Department of the Interior has
actively supported proposed legislation
to authorize the election of the Governor
of the Trust Territory.

Harry C. McPherson, Jr.

This record,
I believe,
demonstrates that although our
job in the Trust Territory is far
from complete, it is fair to say
that this Administration has
been making major efforts to assist
in the economic, social and
political development of the Trust
Territory. That will continue to
be our goal.