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**Mr. Robert F. Rogers**  
**Deputy Political Adviser**  
**Commander in Chief Pacific**  
**FPO San Francisco 96610**

Dear Mr. Rogers:

Thank you for your letter of January 29, 1970 and the interesting report on your trip to Micronesia which your letter enclosed.

In response to your question about Japan Airlines landing rights at Saipan, I enclose a Department of State Press Release dated November 12, 1969 describing an exchange of notes of that date between the United States and Japan which, inter alia, provides Japan with a route that will permit JAL to operate from Japan to Guam by way of Saipan. JAL now has an application pending before the US Civil Aeronautics Board for a permit for such service. In September 1969, when the new route authority was negotiated, the Japanese Delegation indicated that JAL would probably not commence service to Saipan before January 1971.

I hope that the above information and the enclosure will be of help to you in replying to the High Commissioner's question.

Sincerely yours,

Frank E. Loy  
Deputy Assistant Secretary  
Bureau of Economic Affairs

Enclosure

As stated.

E/AN:TCColwell:hme 2/6/70

Clearance: E/AN - Mr. Styles

File 19 PAE 77

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COMMANDER IN CHIEF PACIFIC  
FPO SAN FRANCISCO 96610

January 29, 1970

OFFICIAL INFORMAL  
CONFIDENTIAL

Frank E. Loy, Esquire  
Deputy Assistant Secretary  
Transportation and Telecommunications (E/TT)  
Bureau of Economic Affairs  
Department of State  
Washington, D. C. 20520

Dear Mr. Loy:

I traveled recently to Micronesia as a staff representative of the Commander in Chief Pacific and enclose a report of that trip. During the trip the High Commissioner for the Trust Territories of the Pacific asked if JAL has been granted landing rights on Saipan, and, if so, could a copy of the agreement be furnished to him. His interest is noted on page seven of the enclosed report.

It would be greatly appreciated if you could inform us of the status of the JAL request so that an informal reply can be made to the High Commissioner if it is appropriate to do so at this time.

Sincerely yours,

Robert F. Rogers  
Deputy Political Adviser

Enclosure:  
Trip Report on TTPI

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January 23, 1970

FROM: PA  
TO : JOO  
SUBJ.: Observations on the Trust Territory of the Pacific  
Islands (TTPI)  
REF. : CINCPAC 042301 Jan 70

1. From January 7 to 21 CINCPAC Deputy Political Adviser Robert F. Rogers and LCOL James M. Leslie, J5155, accompanied CINCPAC REP Guam/TTPI, RADM Paul E. Pugh, and members of his staff on a trip through Micronesia. The party visited Ponape, Truk, Yap and the Marianas, and LCOL Leslie additionally visited Majuro. Attached is a report on political-military issues observed during the trip. LCOL Leslie is submitting a separate detailed descriptive report of the places visited. The trip was highly educational and was made even more useful by the many kind courtesies provided the two CINCPAC representatives by RADM Pugh during the travel.

## 2. SUMMARY

Political Climate and Attitudes: The most outstanding politico-economic characteristic of the TTPI is the lack of development due to the historical neglect of the area by the US. Politically this is now being redressed through an active elected legislative system. But economic development lags badly; much of the economic infrastructure is a decayed inheritance from the Japanese administration. The form <sup>and</sup> timing of association with the US is the principal political issue. Independence would probably be rejected if a referendum were held now. However, the Micronesians (and the HICOM staff) are looking for more specific clarification of Washington intentions, to include preferred option of association, long range economic plans, and US military needs in the area. The region remains politically disparate, and parochial district tendencies may increase if association is delayed. The placing of Micronesians in the High Commission (HICOM) structure has been most helpful. The Micronesian public is uninformed on political association issues, and it would be useful if an information program could be launched on the political options open to them.

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Military Issues: The Seabee Civic Action team program has been outstandingly successful. So much so that cessation of the program would cause serious resentment among Micronesians. The program should be continued and could be expanded. Suspicion of the military remains, and all official visitors should invariably consult with local and HICOM officials upon arrival to allay Micronesian concerns. Increased military reports and general assessments of area developments by the HICOM structure should be encouraged. DIA could initiate some reporting requirements and greater inter-agency sharing of information between State, DOD, and Interior channels would be useful. Land questions remain a source of concern; prompt military responsiveness on land retention issues will assist the HICOM in meeting strong local economic pressures.

Other Issues: The HICOM asked if we might determine if JAL has been granted landing rights on Saipan and obtain a copy of the agreement.

Very respectfully,

H. L. T. Koren

Copies:

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J02  
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OBSERVATIONS ON THE TRUST TERRITORY

OF THE PACIFIC ISLANDS (TTPI)

Trip Report: Robert F. Rogers and LCOL James M. Leslie, USA, CINCPAC Staff,  
January 7 - 21, 1970

POLITICAL CLIMATE AND ATTITUDES

General:

Despite the deceptive natural charm of palm trees and emerald lagoons, the overwhelming impression of the TTPI on a visitor is one of deep-rooted and almost nonchalant neglect of the area by the United States. Except for isolated contradictions, such as the beautiful school on Wonai or the healthy economic cooperatives on Yap, a sense of socio-economic stagnation pervades the islands of all the districts we visited with Rear Admiral Paul E. Pugh ( Ponape, Truk, Yap, and the Marianas), other than Saipan and Rota which culturally and physically are linked to the more progressive world of Guam. This disappointing impression of Micronesia remains predominant regardless of the progress made the past few years politically through the creation of the Congress of Micronesia and allowing Micronesians to play greater local political roles.

Observers of the TTPI have long held that political questions must be resolved before real economic development can take place. Yet past US economic indifference toward Micronesia may now jeopardize resolution of the overriding contemporary political issue of association with the US. After a quarter of a century of American administration, the TTPI remains economically closer to Japan than to the US. The Japanese purchase the largest share of the region's main crop - copra - and supply much of Micronesia's food. Throughout all districts up to ninety percent of the roads were originally constructed by the Japanese (who were there only five years longer than the US has been to date). Much of this Japanese-built infrastructure has been allowed to sink back into the jungle because of severe US limitations on TTPI Public Works budgets. In one place, Truk, we found the language of communication between the US District Administrator and the locally elected Chief Magistrates is still Japanese.

All this has not been lost on the Micronesian. On Truk's Dublon Island, which is one vast relic studded with Japanese ruins, we were frankly told by the Trukese school principal that he preferred life under the Japanese, with their authoritarian but materially efficient regime, to the benevolent poverty of the Americans. Whether or not this selective nostalgia for Japan is representative of wide popular attitudes, it points up that a growing imbalance exists in Micronesia between US political efforts, which currently stress democratic reforms, and US economic programs, which remain embryonic.

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Political Association with the US:

Against this background of uneven US policies, it is not surprising to find serious question in the minds of educated Micronesians about association with the US. On one extreme those (mainly Saipanese) who want permanent association fear that the area is not developed adequately to be capable of an integrated status; on the other side those (Palauans and students predominantly) who oppose association believe they may eventually gain more from some form of independence which allows the economic benefits of Japanese links. However, nearly all knowledgeable Micronesians with whom we talked admitted that full independence was not practicable. Therefore, the principal political issue now is the form and timing of association with the US, not independence.

Even those who stated they preferred putting off a decision for eight or ten years until further development is accomplished admitted that postponement is increasingly hazardous. The general attitude which seems to prevail among Micronesians is that the issue should be settled within the next three years, by the end of 1972 as announced previously by President Johnson and regardless of the lack of congressional confirmation of that date. The underlying assumption in both local attitudes and among the administrators in the High Commission (HICOM) is that the US wishes Micronesia to become a part of the US in some way. But while hurrying the process through tactical political measures, Washington has not yet provided official political guidance to the HICOM lower staffs on what association option the US prefers.

Educated Micronesians appear to be waiting for further public clarification on specific US intentions on timing and steps, to include economic development programs and military plans for the area, and expect it soon. Some believe specific US policy decisions are being held up as much by unfinished US military strategic planning as by consultations with commissions of Micronesian legislators. Under these conditions, including strict budgetary constraints, the HICOM has been unable to undertake long-range planning other than in the educational and public health sectors, where progress has been significant.

An informed TTPI official told us that at this late date it is academic to talk of basic changes in the US administering authority, such as placing the administration under the State Department or the White House, although greater White House concern would be welcomed.

We were informed by a number of Micronesians and HICOM officials that if a referendum were held now independence would be rejected. Few would predict the general choice, but attitudes among the educated seem to favor an incorporated territorial status in which the US Constitution applies and allows customs, tax and other administrative benefits while permitting creation of an internal Micronesian executive (to replace the HICOM structure) and postponement of definitive political integration until further development occurs. There also appears to be favorable consideration (illustrated by the recent opinion referendum in the Marianas) of the Marianas being separated from the TTPI to join

Guam, despite fears of Guamanian economic domination, in the status of an unincorporated territory, leaving the Marshalls, Yap, Truk and Palau as a separate Micronesian entity.

Political Cohesiveness and Micronesianization:

One of the hazards of postponing the association issue is the danger of greater political divisiveness among the districts. When the Congress of Micronesia was launched many authorities thought it would bring about greater area cohesiveness and a unified Micronesian outlook among the six very disparate districts. This unification has not occurred to the degree anticipated. As political awareness has seeped down, each district has tended to accentuate its distinctive needs and identity, compounded by restiveness among previously dormant outer-island groups. This is exemplified by growing Palauan uncooperativeness toward US efforts, such as refusing a Seabee Civic Action Team.

An educated Marshallese told us that one danger of the US putting off a referendum until later in the nineteen-seventies is that we may face five or six disparate Micronesias, each with its own parochial problems of an underdeveloped mini-state, instead of just one general area. Inadequate economic development could tend to split further the districts as they compete for the limited funds and projects.

On the other hand, one recent development has tended to bring about more unity, and that is "Micronesianization," or the placing of educated Micronesians within the HICOM structure. The HICOM is accentuating this program, but the effort is historically very late. A Marshallese serving as Deputy District Administrator said that he has more prestige, as do his Micronesian colleagues working on the HICOM staffs, than do the elected local and congressional legislators other than high traditional chiefs. There is, he said, no political stigma attached to being a part of the US administrative authority.

Now that a single merit and pay system is becoming a reality, positions in the HICOM organization may be more eagerly sought by Micronesians. Micronesianization of the HICOM structure should ease the growing local concern with sharing HICOM's executive powers, as recently brought up in the Congress of Micronesia debates. Although it has been traditional for the US to utilize the legislature as the chief mechanism through which to develop the local political capabilities of its territories, widespread Micronesianization of the existing HICOM structure offers a unique vehicle to develop the core for an experienced and sympathetic local executive which would be functioning at the time the switch is made to self-government. This transformation of the executive may also balance the concentration of local political power in the hands of the legislators, and mute the dichotomy now pertaining which pits Micronesian legislative power against American executive power in the TTPI government at all levels.

One problem in Micronesianization is the lowering morale we found among American HICOM employees. This might be counteracted by rewarding (with government positions in the US or elsewhere) those who work themselves out of a job by training Micronesians to replace them. Regardless of the lowering of administrative skill levels it may cause, accelerated Micronesianization should tangibly aid in bringing about smoother TTPI political association with the US.

Political Awareness:

All officials, both American and Micronesian, complained that the populace does not know what the options are in political association with the US. A referendum could not therefore reflect an informed public consensus in the near future. Even the educated often seemed uninformed on what the various forms of association ( Commonwealth versus Territory versus Statehood, etc.) mean in terms of taxation, citizenship, economic benefits, et.al. In Truk, the District Administrator ( Juan Sablan, a Saipanese) is initiating a program to send a team to the district islands to present a three-month course to the people on political association. But elsewhere there appears to be little effort along these lines. Several District Administrators stated such a program is needed, but their staffs were inadequate to do the job.

It may be timely for Washington to consider a TTPI-wide program in the near future to educate the Micronesians ( to the degree possible ) or at least the local leaders on what their future political options are. Officials with whom we discussed the question stated that the HICOM should not undertake the program because it would be biased in the minds of the people who would assume the HICOM was selling association with the US instead of objectively presenting choices. Several asked if the State Department or USIA could carry out such a program by sending in teams with prepared language materials, films, etc., for a brief, mass information effort. Several also discussed the possibility of the Congress of Micronesia or the US inviting the UN to undertake such a program as a technical UNESCO ( as opposed to a Security Council or GA matter which would involve politics) or other UN agency response to the Trusteeship needs.

MILITARY ISSUESSeabees:

The Seabee Civic Action teams have all been extremely successful. At every stop we made during the trip the local legislators and traditional chiefs requested that the program be continued and expanded. Having successfully launched a military civic action effort, to halt the program now would be worse than if it had not been initiated at all. The Micronesians would view cessation of the program as another example of the continuing lack of US interest in the TTPI, contrary to statements by Secretary Hickel and High Commissioner Johnston. This judgment may seem exaggerated in relation to the presumably limited effect that a small, thirteen-man Seabee team could have, but neglect of the area has been so widespread that the few projects the Seabees ( and also the Peace Corps, which appeared to us to be doing an excellent job overall ) accomplished have had a beneficial grass-roots impact far broader than such efforts would have had in a more developed region.

Consequently, it is politically important at this point in the evolution of the TTPI that the military civic action program be maintained and that it be funded by the US Government ( i.e., not by local legislative budgets or matching



Micronesian funds ), regardless of which agency pays for it. A measured expansion of the program would pay big political dividends.

The political nature of the Seabee program as a limited but high impact US initiative to respond to local needs and thereby eventually ease political association raises the question of evaluating the overall impact of the teams ( as distinct from the technical progress reports on project tasks). After we discussed the matter with the High Commissioner, he asked his staff to have the District Administrators initiate a monthly report on the general results of civic action teams in the local communities. These reports will be made available through CINCPACREP Guam/TTPI.

RADM Pugh explained to the Micronesians at each stop on this trip that the teams were in the TTPI in response to local needs and requests, that they were not there just to raise the image of the US military or any particular military branch, and that they were not the forerunners of further military units or bases with different missions. He also explained to HICOM officials that the teams had limited capabilities and could not undertake long-term economic development tasks which most officials desired. These explanations appeared to allay any lingering Micronesian suspicion of US military motives behind the Seabee program. The District Administrators do not believe the local populations will distinguish between services among multi-service civic action teams. Whether Seabees, Army, or Air Force, all teams will probably be considered as "US military" with little local distinction between services.

#### Suspicion of the Military:

Suspicion of US military intentions remains, although little outright dislike of the military was apparent and the Seabee efforts have been largely responsible for this favorable development. The Marianas welcome military bases in Tinian or Saipan; Palau opposition to bases is apparently genuine. RADM Pugh took time to talk long and patiently with the local leaders at each stop to explain the various military command responsibilities and relationships in the Pacific ( even the District Administrators did not understand the relationships between COMNAVMARIANAS, COMSERVPAC, CINCPACFLT and CINCPAC ), and he noted how CINCPACREP Guam/TTPI ties in to the HICOM. RADM Pugh's visit did much to dispel local concern since these military chains of command had apparently not been explained to local and HICOM officials before. District Administrators stressed that all US official visitors, especially military officers, should make a courtesy call on principal local authorities, regardless of rank or of mission of the visitors. Consultation with the Micronesians is the key to success of any project in the area, they emphasized.

#### Information Flow:

The flow of assessments and analyses of the Micronesian political climate and attitudes could usefully be increased from the District level through HICOM to Washington and between agencies. There is reportedly a fair amount of material available to the military intelligence staff of COMNAVMARIANAS, but assessments

of developments in the area have not been made since they often touch on political matters and DIA has not levied any requirements for such reports. There is also a substantial amount of nonsensitive data available in area military commands which might be usefully disseminated to the civilian side. An example is the informative Ponape supplement to the 1969 "Micronesian Survey" drafted by Mr. Scott Hamilton, Jr., of Naval Facilities Engineering Command for use of COMPACDIV.

It would perhaps be useful for DIA to levy general analytical and initiative reporting requirements on the area military staffs on military-related matters in the TTPI, and these be made available where appropriate to the Departments of Interior and State. It might additionally be suggested that DIA or the Department of State explore the possibility of a greater sharing of TTPI material with Interior ( and the HICOM), to include requesting Interior to initiate a modest flow of more analytical reports from the HICOM field structure, if this can be done without overly burdening the hard-pressed District Administrators.

As an example of how lateral information flow can be improved, some District Administrators were not aware until so informed by RADM Pugh that they could pass copies of their messages to the HICOM on military-related subjects laterally to RADM Pugh as CINCPACREP Guam/TTPI. Coordination between RADM Pugh's command and the High Commissioner's staff will be greatly improved as of this month when a CINCPACREP Guam/TTPI liaison officer, a LCDR, sets up an office on Saipan in the HICOM building.

#### Kwajalein:

The Congress of Micronesia is currently discussing a new and broader tax measure. A principal concern is whether it will apply to the military and DOD civilian personnel on Kwajalein and other Marshall Islands administered directly by military authorities from Washington. If it does not, the issue could lead to Micronesian agitation over the whole special administration of the special parts of the Marshalls.

#### Visit by Admiral McCain to the TTPI:

A visit by CINCPAC does not appear appropriate until after the upcoming UN Mission visit, and only if the budgeting of an ongoing military civic action program is successfully resolved. While not imperative, a visit by CINCPAC later in the year to review the civic action effort would be useful. It could be especially helpful if military force levels and base planning for the area were sufficiently crystalized at that point to permit the admiral to clarify with Micronesian leaders what facilities may or may not be needed, thereby helping to dampen any continuing Micronesian concern over exaggerated military base possibilities, notably in Palau.

#### Land Issues:

Land rights remain the principal concern of the Micronesians and of American investors and cause the HICOM considerable problems. The military refusal to release the retention land at Micro Point, Saipan, ( on which Air

Micronesia planned a major resort hotel) and the requirement to renegotiate the agreement to improve Isley Field, Saipan, which the HICOM had worked out with the USAF, have added to the wariness by all local officials of US military intentions and cooperativeness.

OTHER ISSUES

JAL Rights in Saipan:

The High Commissioner stated that there were numerous rumors to the effect that Japan Air Lines had been granted landing rights in Saipan. But he has been unable to get official confirmation of the agreement. He asked if we might find out if landing rights have been granted to JAL, and he would also like a copy of the agreement.

Tourism:

Hotels are being constructed by Continental in several districts and there is widespread local anticipation of a tourist boom. However, we found little evidence of local preparation in the form of tour services, transportation facilities, sites to be visited, cultural presentations, or other backup arrangements except the clearing of a few beaches near the new hotels. Consequently there may be considerable strain as tourism increases, and the growth may not be as rapid as locally anticipated.

Surplus Military Property:

Everywhere officials expressed interest in obtaining construction equipment from surplus military stocks from Vietnam. The HICOM recently assigned a TTPI representative to Okinawa to obtain such equipment, and Public Works officials especially look forward to receiving badly needed dozers, graders, etc., for which there are now sufficient trained Micronesians to operate in most areas.