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(2211)

Subject: The Future of the Trust Territory of the Pacific Islands

Prompted by the noticeably deteriorating situation in the strategic Trust Territory of the Pacific Islands, which the United States administers under an agreement with the United Nations Security Council, the Under Secretaries

Committee met on March 24, 1969 to review the problem of the future of the Territory. The Committee agreed that there is an urgent need for action, not only to check the process of deterioration before it is irretrievable, but

also to formulate a sufficiently definite position by the end of April so that we can disclose our general intentions to the Micronesians and the UN Trusteeship Council.

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able to respond to the political discontent in the Territory which is reflected in numerous petitions which the Council has for consideration.

The Under Secretaries Committee concluded that we con-

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possible fallback deptoyment area; (b)

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area to be denied to an unfriendly power.

The Committee agreed we could no longer assume that the Micronesian. leadership would automatically see that their interests were fundamentally interlocked with ours and prove cooperative in bringing about association with the United States. Nevertheless, the Committee believes that a mutually acceptable arrangement could still be found.

Finally the Committee, although recognizing the problem of obtaining Congressional approval for any program aimed at settling the future of the Territory, believes that an acceptable program can be devised to lead the Territory from its present trusteeship status to one of permanent association with the United States in a manner consistent with the Trusteeship Agreement. Presumably, such a program would involve (a) a relatively early exercise of self-determination for the inhabitants of the Territory, including an appealing offer of self-government under United NX States sovereignty, and (b) a marked improvement in the United States administration of the Territory to help convince the people that it is in their interest to choose permanen ressociation with the United States.

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Nevertheless the specific program of the past Administration involving the legislative creation of a UN Status Commission, seems almost certain to be blocked by the House Interior Committee. In addition, such a program is not geared sufficiently to the urgency involved.

Recommendation

The Committee therefore decided to recommend the appointment of a Special Representative of the President, whose responsibilities would involve both aspects of the broad policy. He would, with your support, be responsible for determining the status to be offered to the Micronesians -- one that would meet both the needs and desires of the Micronesians and the US Congress. At the same time, he would have broad responsibilities relating to Executive Branch coordination and the improvement of the Territorial administration.

We are currently considering a number of possible nominees for this position and we shall be forwarding our recommendation to you in the near future. In the meantime, a Subcommittee has been created, which, in addition to

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defining the terms of reference of the Special Representative will formulate specific recommendations for a program for settling the future of the Trust Territory. These terms of reference and recommendations, after approval by the full Committee, will be forwarded to you through the National Security Council no later than May 1.

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