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FM HICOMTERPACIS SAIPAN
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Saipan
6/11/71

DEPARTMENT OF STATE A/CDC/MR

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HAVFACNGCOM HDQTRS
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UNCLAS /// SEC I OF II ///
(BILLS TRANSMITTED)

SAIPAN, JUNE 11, (MNS)---SEVEN MORE BILLS PASSED BY THE FOURTH
SPECIAL SESSION OF THE CONGRESS OF MICRONESIA HAVE BEEN OFFICIALLY
TRANSMITTED TO THE HIGH COMMISSIONER'S OFFICE.
ONE OF THEM IS THE IMPORTANT MERIT SYSTEM ACT.
MOST OF THE BILLS WERE TRANSMITTED THURSDAY (JUNE 10), MEANING

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THAT THE HICOM WILL HAVE TO TAKE SOME ACTION ON THEM BY JULY 10, GIVING HIM AND HIS ADVISORS THIRTY DAYS TO CONSIDER THE MEASURES. EIGHT OF THE FIFTEEN BILLS PASSED BY THE SPECIAL SESSION HAVE NOW BEEN TRANSMITTED, AND ONE, DEALING WITH THE SOUTH PACIFIC COMMISSIONER PETER T. COLEMAN.

THE MERIT SYSTEM ACT IS CLEARLY THE MOST SIGNIFICANT BILL AMONG THE FIFTEEN, IT WOULD HAVE FAR REACHING IMPLICATIONS FOR THE SYSTEM OF PERSONNEL ADMINISTRATION IN THE TRUST TERRITORY.

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IT WOULD, AMONG OTHER THINGS, ESTABLISH A SINGLE PAY SYSTEM FOR ALL EMPLOYEES OF THE EXECUTIVE BRANCH, WITH SOME EXCEPTIONS. IT WOULD ALSO TAKE AWAY MUCH OF THE POLICY MAKING POWER IN PERSONNEL MATTERS NOW HELD BY THE DIRECTOR OF PERSONNEL, AND GIVE THAT POWER TO A THREE-MAN PERSONNEL BOARD.

THE PROCEDURE ON THE MERIT SYSTEM, AND ON ALL BILLS, WILL BE FOR COPIES TO BE CIRCULATED TO THE ATTORNEY GENERAL AND THE DEPARTMENTS INVOLVED. THEY WILL STUDY THE BILL AND MAKE THEIR RECOMMENDATIONS. ONE DEPARTMENT THAT SEEMS SURE TO OPPOSE THE MERIT SYSTEM ACT IS THE PERSONNEL DEPARTMENT.

IN ADDITION TO THE MERIT SYSTEM ACT, OTHER BILLS OFFICIALLY TRANSMITTED THURSDAY AND FRIDAY MORNING WERE: A BILL APPROPRIATING FUNDS FOR THE ADMINISTRATION OF DISTRICT CUSTOM AND TAX OFFICES; TWO BILLS APPROPRIATING MONEY FOR THE ADMINISTRATION OF THE SOCIAL SECURITY SYSTEM IN FISCAL YEARS 1971 AND 1972; TWO BILLS PROVIDING DISASTER RELIEF FUNDS FOR THETRUK AND MARIANAS DISTRICTS FOR DAMAGE INFLICTED BY TYPHOON AMY; AND A BILL APPROPRIATING \$600,000 TO THE TRUST TERRITORY ECONOMIC DEVELOPMENT LOAN FUND.

ALL OF THE BILLS TRANSMITTED SO FAR ARE HOUSE MEASURES. NONE OF THE THREE SENATE BILLS PASSED DURING THE SPECIAL HAD BEEN TRANSMIT-

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TED. AS OF NOON FRIDAY (JUNE 11).
(JOHNSTON STATEMENT)

NEW YORK, JUNE 11 (SPECIAL TO MNS)---IN HIS CLOSING STATEMENT TO THE UNITED NATIONS TRUSTEESHIP COUNCIL ON FRIDAY, JUNE 4, TRUST TERRITORY HIGH COMMISSIONER EDWARD E. JOHNSTON ANSWERED SOME OF THE QUESTIONS AND CRITICISM THAT HAD BEEN OFFERED DURING THE EARLIER

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DEBATE.

HIS FIRST REMARKS WERE DIRECTED TO THE COMPLEX LAND PROBLEM IN MICRONESIA, AND WERE IN LARGE PART AN ANSWER TO CERTAIN STATEMENTS MADE ON THE PROBLEM BY VICENTE N. SANTOS, PRESIDENT OF THE MARIANAS DISTRICT LEGISLATURE, WHO APPEARED BEFORE THE COUNCIL AS PETITIONER.

JOHNSTON SAID HE WAS "QUITE AMAZED AT SOME OF THE TOTALLY ERRONEOUS STATEMENTS MADE BY THE PETITIONER APPARENTLY WITH THE ADVICE AND ASSISTANCE OF HIS OWN LEGAL COUNSEL" BILL NABORS, WHO ACCOMPANIED SANTOS TO THE SESSION. SANTOS HAD SAID IN HIS REMARKS THAT THE GOVERNMENT OF THE TRUST TERRITORY REGULARLY AND CONSISTENTLY INVOKED THE RIGHT OF SOVEREIGN IMMUNITY AND REFUSE TO ALLOW ITSELF TO BE SUED BY MICRONESIAN CITIZENS.

JOHNSTON REPLIED THAT SUCH A RIGHT HAS BEEN INVOKED ONLY ONCE IN THE PAST THREE YEARS, AND NO MORE THAN A DOZEN TIMES IN THE HISTORY

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OF THE TRUST TERRITORY. HE SAID BOTH THE PETITIONER AND HIS LEGAL COUNSEL SHOULD HAVE BEEN AWARE OF THE FACT THAT THE CONGRESS OF MICRONESIA PASSED AND THE HIGH COMMISSIONER SIGNED, IN 1967, A LAW SPECIFICALLY GIVING THE CITIZENS OF MICRONESIA THE RIGHT TO SUE THE GOVERNMENT IN TORT ACTIONS.

JOHNSTON SAID THAT SINCE THE ESTABLISHING OF LAND COMMISSIONS IN EACH OF THE SIX DISTRICTS IN 1966, MUCH PROGRESS HAS BEEN MADE ON THE LAND QUESTION. "THE ALLEGATION OF THE PETITIONER THAT THE LAND COMMISSIONS WILL NOT DEAL WITH CONTESTED OR CONTROVERSIAL CASES IS TOTALLY FALSE," THE HIGH COMMISSIONER SAID, "SINCE THE COMMISSIONS NOW IN OPERATION VERY DEFINITELY HANDLE PROBLEMS ON A SYSTEMATIC GEOGRAPHICAL BASIS WITH PROBLEM CASES BEING DEALT WITH IN DUE COURSE."

SANTOS IN HIS PETITION HAD ALSO CHARGED THAT LAND FORMERLY CONSIDERED PUBLIC HAD SOMEHOW FOUND ITS WAY "INTO THE OWNERSHIP OF FRIENDS AND RELATIVES OF FORMER AND PRESENT OFFICIALS IN THE DISTRICT LAND OFFICE."

"THIS UNFAIR ALLEGATION," SAID JOHNSTON, "IS TOTALLY AND CATEGORICALLY DENIED BY THE TRUST TERRITORY GOVERNMENT AND PARTICULARLY THE DISTRICT ADMINISTRATOR'S OFFICE."

IN CONCLUDING HIS REMARKS ON THE LAND ISSUE, JOHNSTON SAID THE TT

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GOVERNMENT "WILL CONTINUE ITS POLICY OF ATTEMPTING TO PUT ALL LANDS IN THE TRUST TERRITORY TO THEIR MOST PRODUCTIVE USE."

TURNING TO CERTAIN ALLEGATIONS MADE BY THE COUNCIL REPRESENTATIVE OF THE SOVIET UNION, THE HICOM FIRST OF ALL CLARIFIED THE SITUATION WITH REGARD TO FOREIGN CAPITAL INVESTED IN THE TRUST TERRITORY. HE DENIED THAT FOREIGN COMPANIES AND FIRMS OCCUPY A DOMINANT POSITION IN THE ECONOMY OF THE TRUST TERRITORY, AS HAD BEEN CHARGED.

"SINCE FEBRUARY, 1970, NO FOREIGN CAPITAL CAN BE INVESTED IN THE TRUST TERRITORY WITHOUT THE EXPRESS PERMISSION OF FOREIGN INVESTMENT BOARDS MADE UP OF MICRONESIAN CITIZENS IN EACH DISTRICT," HE POINTED OUT. HE ALSO NOTED THAT OF 121 CORPORATE ENTITIES DOING BUSINESS IN THE TT AS OF JUNE 30, 1970, ONLY FIVE WERE U.S. CORPORATIONS. FORTY-NINE WERE CORPORATIONS WITH SOME U.S. OWNERSHIP BUT CHARTERED AS MICRONESIAN CORPORATIONS, AND SEVENTY-TWO WERE CORPORATIONS WHOLLY OWNED BY MICRONESIAN CITIZENS. HE ASSURED THE COUNCIL THAT ANY INFLOW OF FOREIGN CAPITAL IS NOW "VERY DEFINITELY UNDER THE CONTROL OF MICRONESIAN CITIZENS."

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(JOHNSTON STATEMENT 'J CONT'D)

THE HIGH COMMISSIONER NOTED FOR THE COUNCIL THE DRAMATIC PROGRESS MADE IN THE EDUCATION FIELD, POINTING OUT THAT FROM 1967 THROUGH 1971 5,654 INDIVIDUALS HAVE RECEIVED THE BENEFITS OF SHORT-TERM VOCATIONAL TRAINING OF UP TO FOUR MONTHS DURATION, AND 10,216 HAVE BEEN GIVEN VOCATIONAL TRAINING IN VARIOUS LONG-TERM PROGRAMS. HE ALSO NOTED THAT

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665 STUDENTS FROM MICRONESIA ARE PRESENTLY STUDYING AT INSTITUTIONS OF HIGHER LEARNING, AND THAT THIS IS A 530 PER CENT INCREASE OVER 1962. "WE FEEL THAT THIS RECORD IS AT LEAST EQUAL TO, OR PROBABLY BETTER THAN, THE RECORD OF MOST OTHER EMERGING AND DEVELOPING AREAS," HE SAID.

JOHNSTON REPLIED TO SEVERAL OTHER QUESTIONS THAT HAD BEEN RAISED, AND CONCLUDED HIS REMARKS BY THANKING THE MEMBERS OF THE COUNCIL, AND THE TWO SPECIAL REPRESENTATIVES FROM THE CONGRESS OF MICRONESIA, FOR THEIR HELP AND ASSISTANCE DURING THE MEETING.

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(CLOSING STATEMENTS ON STATUS)

NEW YORK, JUNE 11 (SPECIAL TO MNS)---IN THEIR CLOSING STATEMENTS TO THE UNITED NATIONS TRUSTEESHIP COUNCIL LAST WEEK, TWO MEMBERS OF THE UNITED STATES DELEGATION MADE COMMENTS CONCERNING MICRONESIA'S FUTURE STATUS WHICH WERE OF INTEREST.

U.S. AMBASSADOR W. TAPLEY BENNETT SAID "THE UNITED STATES IS ACTIVELY ENGAGED WITH THE PEOPLE OF MICRONESIA IN PREPARING FOR THE EXERCISE OF SELF-DETERMINATION IN ACCORDANCE WITH...THE TRUSTEESHIP AGREEMENT. WE ARE NOT SEEKING TO MAKE MICRONESIA A MILITARY AND STRATEGIC APPENDAGE OF THE UNITED STATES, NOR ARE WE ATTEMPTING TO IMPOSE ANY PARTICULAR SOLUTION ON THE MICRONESIAN PEOPLE. RATHER, WE ARE WORKING WITH THE CONGRESS OF MICRONESIA'S STATUS COMMITTEE TO ACHIEVE A MUTUALLY AGREED STATUS OF SELF-GOVERNMENT IN ASSOCIATION WITH THE UNITED STATES---WHICH IS THE MICRONESIAN STATED PREFERENCE."

AMBASSADOR BENNETT CONTINUED, "WE HAVE NOT YET REACHED AGREEMENT ON THE TERMS OF SUCH AN ASSOCIATION. BUT I AM GLAD TO REITERATE THE VIEW OF MY GOVERNMENT THAT WE BELIEVE THE TALKS TO DATE HAVE BEEN USEFUL. WE ARE CAREFULLY CONSIDERING THE MICRONESIAN POSITION AND ARE REVIEWING OUR OWN. IT IS TO BE EXPECTED THAT THE MICRONESIANS ARE DOING LIKEWISE. WE LOOK FORWARD TO A CONTINUATION OF OUR DIALOGUE

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AND REMAIN OPTIMISTIC THAT AGREEMENT WILL BE REACHED AFTER FULL, UNHURRIED CONSIDERATION."

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IN HIS CLOSING STATEMENT, CONGRESS OF MICRONESIA SENATOR PETRUS TUN (YAP) SAID "I AM MOST ENCOURAGED BY THE REMARKS MADE BY THE DISTINGUISHED REPRESENTATIVES FROM THE UNITED STATES TO THIS COUNCIL RELATIVE TO THE FORTHCOMING DISCUSSIONS BETWEEN REPRESENTATIVES OF MICRONESIA AND THE UNITED STATES ON THE FUTURE POLITICAL STATUS OF OUR ISLANDS. I AM HAPPY TO LEARN," HE SAID, "THAT THE UNITED STATES GOVERNMENT, WOULD SERIOUSLY AND FAVORABLY GIVE CONSIDERATION TO AN ARRANGEMENT WHEREBY MICRONESIA MAY BECOME A SELF-GOVERNING COUNTRY IN FREE ASSOCIATION WITH THE UNITED STATES. IF THIS BE THE CASE, THE WAY IS NOW CLEAR FOR OUR MICRONESIAN DELEGATION AND THE DELEGATION OF THE UNITED STATES TO RESUME ANOTHER ROUND OF DISCUSSIONS ON THIS IMPORTANT ISSUE, AND TO EXPLORE VARIOUS ALTERNATIVES AND STEPS WHEREBY A MUTUALLY ACCEPTABLE FREE ASSOCIATED CONSTITUTIONAL AND POLITICAL STATUS OF MICRONESIA MIGHT BE FORGED. I AM CONFIDENT," SENATOR TUN CONCLUDED, "THAT WE WOULD BE ABLE TO REPORT NEXT YEAR A MUCH GREATER PROGRESS THAN WE HAVE BEEN ABLE TO DO IN PAST YEARS ON THIS ALL IMPORTANT QUESTION."
(MANGEFEL STATEMENT)

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YAP, JUNE 11 (MNS)---CONGRESS OF MICRONESIA REPRESENTATIVE JOHN MANGEFEL OF YAP RELEASED A STATEMENT FRIDAY (JUNE 11) IN RESPONSE TO RECENT MOVES BY CERTAIN GROUPS TO PROMOTE INDEPENDENCE AS A POLITICAL STATUS ALTERNATIVE FOR MICRONESIA. THE STATEMENT, HE SAID, WAS PARTICULARLY IN RESPONSE TO THE POSITION TAKEN BY THE "INDEPENDENCE COALITION" IN THE CONGRESS OF MICRONESIA, AND THE PLATFORM FOR INDEPENDENCE OUTLINED RECENTLY BY A STUDENT GROUP IN HAWAII CALLING ITSELF "MICRONESIAN INDEPENDENCE ADVOCATES."

"TODAY, AFTER HAVING CONSULTED THE TRADITIONAL LEADERS OF YAP AND THEIR ELECTED LEADERS IN THE DISTRICT LEGISLATURE," MANGEFEL SAID, "I WISH TO ANNOUNCE THAT THE PEOPLE OF YAP DISTRICT THROUGH THEIR LEADERS HAVE UNANIMOUSLY CONCLUDED THAT THEY CANNOT, IN GOOD CONSCIENCE, SUPPORT NOR GIVE THEIR ENDORSEMENT TO EITHER ONE OF THE TWO INDEPENDENCE MOVEMENTS. FURTHERMORE, THE PEOPLE OF YAP WILL NOT COLLABORATE NOR GIVE SUPPORT TO ANY POLITICAL GROUPS OR MOVEMENTS WHOSE INTENT IT IS TO CHARTER A COURSE OF COMPLETE INDEPENDENCE FOR MICRONESIA."

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"THE PEOPLE OF YAP FIRMLY BELIEVE THAT OURS IS A WORLD OF REVOLUTION, A WORLD THAT CONTINUE TO CHANGE AND MAKE CHANGE," THE STATEMENT SAID. "IT IS A REVOLUTION THAT STARTED IN MICRONESIA IN THE

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SIXTEENTH CENTURY WHEN THE SPANISH DISCOVERED MICRONESIA. TODAY IT IS A REVOLUTION NOT JUST FOR PRIDE AND NATIONALISM, BUT ALSO FOR ECONOMIC WELL-BEING, SOCIAL REFORM AND POLITICAL FREEDOM.

"IT IS THE BELIEF OF THE YAPSESE PEOPLE THAT IF WE MICRONESIANS DO NOT KNOW AND CANNOT DECIDE WHAT WE WANT OR WHAT IS GOOD FOR US POLITICALLY, THEN NO ONE ELSE, IN AND OUTSIDE OF MICRONESIA, INCLUDING THOSE AMERICANS WHO HAVE TAKEN UPON THEMSELVES TO ANNOUNCE PUBLICLY THEIR ADVOCACY OF ONE POSITION OR ANOTHER, CAN TELL US WHAT IS GOOD FOR US. THE IMPACT OF WESTERN CIVILIZATION ON THESE SMALL ISLANDS OF MICRONESIA HAS INDEED DISLOCATED OUR SENSE OF PRIDE. BUT WE BELIEVE THAT IT HAS NOT AND WILL NOT MYSTIFY OR DEMORALIZE OUR SENSE OF GOOD JUDGEMENT AND RIGHT DIRECTION.

"FOR THE ABOVE REASONS," CONGRESSMAN MANGEFEL SAID, "THE PEOPLE OF YAP AND THEIR LEADERS HEREBY ANNOUNCE THAT FOR THE IMMEDIATE AND THE FORSEEABLE FUTURE THEY WILL SUPPORT THE POSITION OF A MICRONESIA IN FREE ASSOCIATION WITH THE UNITED STATES OF AMERICA. IT IS OUR ASPIRATION FOR OUR YOUTH, AND IT IS OUR HOPE FOR A FUTURE THAT WILL GIVE SUSTENANCE TO THE POOR, THE HUNGRY, AND THE SICK. WE FURTHER SUBMIT THAT MICRONESIA IS A VERY YOUNG COUNTRY, AND SOME OF THE LEADERS ARE BLIND WITH PRIDE. MICRONESIA NEEDS TIME TO DEVELOP AND TO GROW.

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"WE THINK THAT THE CONCEPT OF FREE ASSOCIATION AND ITS FOUR PRINCIPLES ARE SOUND AND VERY CONSTRUCTIVE. IT IS AN ARRANGEMENT THAT WILL PREPARE MICRONESIA AND ITS PEOPLE TO GROW TO A MORE STABLE FORM OF

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GOVERNMENT. WE HOPE OTHERS IN MICRONESIA WILL JOIN US IN THIS CHALLENGE FOR FREE ASSOCIATION STATUS, BUT WE ALSO VOICE OUR REPUDIATION OF ANY INDEPENDENCE MOVEMENTS AS UNTENABLE AND UNACCEPTABLE FOR MICRONESIA NOW OR IN THE IMMEDIATE FUTURE."

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