

Mr. Williams

Feb. 1971

Hana

12
742

Secondly, I would like to raise for your consideration, the question of what U. S. Services and Programs you might desire in the future. Your thinking and response to this general question will have a direct bearing on the extent to which U. S. legislative and administrative law might apply in the future to Micronesia. I would note that this is a matter for you to decide initially. We are open to your suggestions and I can assure you that my government is sympathetic to the extension of U. S. services and programs of benefit to the people of Micronesia if such are desired and available. As I believe you are aware, there are many U. S. Federal services and programs in education, health, public works and other areas, whose applicability to Micronesia is up to you to request, since we have no reason to urge either their inclusion or exclusion. Therefore, we suggest that you may wish to consider carefully what future U. S. services and programs you would like to see extended to Micronesia. If I may, I would like to touch briefly on some areas in which you have previously expressed interest--and I cite the following only as general examples which might clarify how our relationship would operate if you wanted to take advantage of these U. S. programs and services.

First, I should say that

Extension of any U. S. programs and services require the consent of the appropriate Micro- authorities, as well as legislative or administrative action by the U. S. Government. Further, insofar as a particular program or service might be made applicable to Micronesia, the appropriate U. S. laws and regulations which govern that program or service would also be made applicable, at least to whatever extent would be relevant in Micronesia.

For example, if we both were to agree that the Postal System should service Micronesia, you would agree that, insofar as relevant, U. S. postal laws and regulations would be applicable in Micronesia. This is understandably necessary both for your protection and for effective operation of the Postal Service. U. S. laws and regulations thus applicable in Micronesia would, however, be initially subject to your consent and later subject to change. Practical aspects of such applicability would have to be worked out on a case by case basis.

-- Let us look in more detail at the example of U. S. Postal Service. If you were to decide that you wish to invest your own capital resources in order to establish and operate your own postal system, then you

024142

might consider requesting that the U. S. Postal Service continue to operate in Micronesia. Continued use of the U. S. postal system would link you directly to the international postal system through our already existing machinery, without the substantial cost which is involved. In this way you could, if it were your desire, be kept in touch with the latest developments in efforts to improve the efficiency of postal service, and international developments in the area of standards and regulations without establishing and maintaining a separate system of your own. The principal kinds of U. S. laws that would accompany service by the U. S. postal system would be criminal prohibitions against mail theft, fraud, or forgery or counterfeiting postal stamps or envelopes, etc., as well as those laws which empower the Postal Service to establish and maintain delivery systems, etc., most of which are contained in Title 39 of the U. S. Code.

2. Banking and Currency

If you were to decide you did not wish to establish and administer your own currency, you could request inclusion within the U. S. currency system. You might similarly consider inclusion in the U. S. banking system. The potential value to you of using a U. S. currency system is substantial. Any new currency