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STATEMENT OF STANLEY S. CARPENTER, DEPUTY ASSISTANT SECRETARY FOR TERRITORIAL AFFAIRS, DEPARTMENT OF THE INTERIOR, ON S. 1385, H.R. 6129 AND H.R. 6378, AT HEARINGS BEFORE THE SENATE AND HOUSE INTERIOR AND INSULAR AFFAIRS COMMITTEES, SUBCOMMITTEES ON TERRITORIAL AND INSULAR AFFAIRS, APRIL 11-12, 1973

FOR RELEASE UPON DELIVERY

Mr. Chairman and Members of the Committee:

I appreciate the opportunity to appear before this Committee in support of (S. 1385) (identical bills H.R. 6129 and H.R. 6378) and recommend enactment of this legislation by the Congress.

Public Law 91-578 currently authorizes the appropriation of \$60 million for fiscal years 1971, 1972, and 1973, but it makes no provision for funds for the civil government of the Trust Territory beyond fiscal year 1973. Our proposed bill would authorize the appropriation of such sums as may be necessary for the civil government of the Trust Territory.

The Trust Territory of the Pacific Islands is administered by the United States pursuant to a strategic trusteeship agreement concluded in 1947 with the Security Council of the United Nations. Under this agreement the United States is charged with the promotion of political, social, educational and economic development. The Trust Territory

was originally under the administration of the Secretary of the Navy, but in 1951 administrative responsibility was transferred to the Secretary of the Interior.

By Secretarial Order there has been established a territorial government which generally follows the American separation-of-powers model: executive authority is vested in a High Commissioner appointed by the President and confirmed by the Senate; the bicameral Congress of Micronesia is elected by the citizens of the Trust Territory and is vested with comprehensive legislative authority; and the judicial authority rests in a high court whose three justices are appointed by the Secretary of the Interior.

Substantial strides have been made in the development of political institutions of which the establishment in 1964 of the territorial legislative body, the Congress of Micronesia, has been the most notable step. Educational progress also has been substantial, and universal education through the twelfth grade has been established as an attainable goal. Utilization of the area's limited natural resources has lagged until recently although tourism and the utilization of the resources of the surrounding seas present immediate opportunities for gainful employment and income.

The Trust Territory Government has made substantial progress in recent years in developing and implementing a coordinated

program, which is normally projected five years in advance. The complexity of the current political situation with respect to Micronesia, however, makes it difficult to project with certainty the needs for that long a period into the future. We are recommending, therefore, an appropriation authorization not restricted as to either an annual amount or for a single year.

While the 1974 budget includes an appropriation of \$56 million for the Trust Territory, we do not foresee this amount as necessarily an indication of appropriation levels for future years since the outcome of the present negotiations on the future political status of the area is so uncertain. Even with the status negotiations continuing, however, it seems clear that appropriations for the civil government of the Trust Territory are likely to continue for some period beyond fiscal 1974. Accordingly, we believe it is desirable not to limit the amount or period of years for which appropriations are authorized for maintaining the civil government.

The United States Government has for over three years been negotiating with a delegation of the Congress of Micronesia toward a mutually beneficial form of association. We have come a long way in developing with that Congress the basis of a compact of free association under which Micronesia

would be internally self-governing and the United States would be responsible for the foreign affairs and defense of Micronesia. Other areas of the relationship have yet to be resolved, but future negotiations are expected to outline in greater detail the framework of the obligations and commitments between the United States and Micronesia.

It should be noted that separate negotiations have been initiated with, and at the request of, the people of the Mariana Islands District, looking toward their desired goal of a close association with the United States, separate from the rest of Micronesia. Moreover, it is possible that agreement on an association of the Mariana Islands with the United States may develop rather quickly.

The High Commissioner will speak in greater detail to notable aspects of the Trust Territory program for FY 1974 and subsequent years. Basically, the FY 1974 program reflects a policy of holding the increasing cost of operations to a minimum in order that maximum amounts may be made available for needed capital improvements. Additional staffing will be held to a minimum but consistent with the need to insure the operation of new facilities. The replacement of United States personnel by qualified Micronesians characterizes many programs during this period, and emphasis will continue to be directed toward the development of a physical infrastructure.

Mr. Chairman, I will be pleased to answer any questions
which Members of the Committee may have. Thank you.