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Door Ambassador White:

This letter encloses preliminary information on responses for your use in the upcowing 42nd session of the United Nations Trusteeship Council relating to the Trust Territory of the Pacific Islands.

As you will remember, the State Department in Washington last year supplied you with certain information as to statements which could be made concerning U.S. efforts to advance Micronesian self-government. Hr. Immercan's memorandum to you of January 23, 1975, listed the statements which you did make. Should the U.S. Delegation be questioned as to its actions in this area, I would suggest responses along the following lines:

1. Limitation of the Secretary of the Interior veto power over Congress of Micronesia legislation to "areas of direct interest to the United States."

Because of the considerable importance of events in Micronesia to the United States and in consideration of responsibilities of an international nature which the United States undertakes to fulfill under the Trusteechip Agreement, the Administering Authority feels that the flexibility provided by the present executive-legislative arrangement should be preserved for the time being. This is not to say, however, that Congress of Micronesia legislation in purely local matters need involve the Secretary of the Interior at all. In point of fact, the Migh Commissioner last summer failed to sustain his own veto (a process accomplished by submission of the legislation to the Secretary for a ruling) on legislation of a primarily local impact.

2. U.S. consideration of the appointment of a Micronesian as Associate Justice on the Trust Territory High Court.

The United States hopes that the Secretary of the Interior can appoint a Micronesian to the High Court in the relatively near future. We do feel, however, that there are three very critical qualifications which any appointee must possess since the High Court has original jurisdiction over all civil and criminal causes in the Trust Territory. These qualifications are formal legal education, a command of professional English and courtroom experience. There are at the present time several Micronesians attending law school in the United States. It is our hope that, upon their return after graduation, they will be

able to replace those who by then will be qualified so the latter can serve in such positions as the High Court.

3. U.S. supports in principle the granting of compensation to the people of Bikini.

We are very pleased to report this year that the administration's efforts have proven successful in effectively supporting this concept before the U.S. Congress. The Interior Department's request for an ex-gratic payment of \$2,270,000 was increased to \$3,000,000 by the house of Representatives Subcormittee on Territorial and Insular Affairs which reported the proposed bill to the full Committee. You will recall that the sikini petition asked for \$3,000,000. It is anticipated that the House bill will go to the floor probably around May 5, 1975 where we anticipate passage before the time of the Trusteeship Council meeting. The bill has been introduced in the Senate also but as of this date no action has occurred. This money, when finally appropriated, will be put into an interest-bearing trust fund with the interest to be made available in regular payments to the Bikini/Kili municipal council as representatives of the 400 some Bikinians. Additionally, of course, substantial rehabilitation, education and health projects are in process to assist these people.

4. Increase of Congress budgetary authority over the Trust Territory budget.

At the present time, the Congress of Micronesia has full authority over the appropriation and use of locally generated revenues in the Trust Territory except for those portions which they have decided to return directly to the district legislatures. As for grants from the U.S. Congress, these are spent according to the Trust Territory budget which receives input from each district legislature as well as the Congress of Micronesia. Last fall, officials of the Office of Territorial Affairs in the Department of the Interior met with the leaders of the Joint Program and Budget Committee of the Congress of Micronesia. At that meeting, the Congress of Micronesia was requested to develop several alternatives by which their authority over budget development and expenditure of Federal grants could be increased. We understand this is presently under review by the Congress and the Administering Authority is awaiting this report so that serious consideration can be given to this issue.

5. Appointment of Micronesians to four out of five senior positions which were vacant as of June 1974.

We are pleased to report this year that not four but seven senior positions have been filled with Micronesians since last year. These are Deputy Director of Transportation, Deputy Distad of Ponape, Deputy Distad of Yap, Deputy Director of Public Affairs and Director of the Department of Resources and Development. These five positions are subject to the advice and consent of the Congress of Micronesia.

ONSN-Ambassador F.H.Villams, Rm. 3356 Interior
Mr. John deYoung, IA

Additionally, a Micronesian has been appointed to the High Commissioner's immediate staff as Trust Territory Executive Officer. Finally, a Micronesian was approved by the Congress of Micronesia as District Administrator of the Truk District. While a Micronesian has held this position before, the new appointment marked the first time a Trukesh has held the post of Distad.

6. Support of Micronesian membership in the Asian Development Bank through U.S. Congressional legislation.

The United States continues to strongly support the membership of the Trust Territory in the Asian Development Bank. In this connection, we anticipate action by the U.S. Congress to make this objective possible. We might also mention here that just a few weeks ago, the Trust Territory, represented by members of its executive and legislative breaches, participated in an observer status in ADB meetings in Manila.

7. The alleged "basic study" of the U.S. Government which addresses self-government in Electronesia.

While the U.S. Government had considered addressing the issue of Micronesian self-government and the ways by which it might be increased through the vehicle of a basic study, it was subsequently decided, however, that the issues involved would be better dealt with on an ad her basis and by consultation with the Congress of Micronesia and other Micronesian leaders. This is because the issues were of such import including foreign investment, the return of public lands and fiscal and budgetary matters. A series of on-going working surveys and analyses on these items were conducted prior to any major decision. This was the case, for example, with the lifting of restrictions on foreign investment, the changes in the ship transportation system, and the return of public lands.

Other sections of this memorandum (numbers 5, 4, and 2 above) point up further examples of self-government.

Should you require additional information, this Office will be pleased to assist. We are also preparing briefing material setting forth the current status on such items as the return to Bikini; the cleanup and rehabilitation of Enewetak and other items of interest to the Trusteeship Council and will be forwarding these shortly.

Sincerely yours,

Emmett M. Rica

Emmett M. Rice Acting Director of Territorial Affairs

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