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Opening Statement by Ambassador Barbara M. White, United States
Representative on the Trusteeship Council, on the Trust Territory
of the Pacific Islands, May 27, 1975.

Mr. President:

It is a great pleasure for me to appear again as the Representative of the United States in this most important body of the United Nations. I look forward to our meetings during the coming days and assure you of the full cooperation of my delegation.

Before discussing developments in the Trust Territory of the Pacific Islands, I should like to welcome and bring to the Council's attention other members of our delegation. Once again we are fortunate to have with us as our Alternate Representative, the Honorable Edward E. Johnston, the United States High Commissioner of the Trust Territory of the Pacific Islands. Mr. Johnston has participated in every session of this Council since 1969. I should also like to introduce our two Special Advisers from the Congress of Micronesia, Senator Wilfred Kendall of the Marshalls, who attended last year's session, and Representative Raymond Setik of Truk.

High Commissioner Johnston will introduce those members of our delegation from Trust Territory headquarters, to whom I also extend a very warm welcome.

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I now turn to the record of the past year on the negotiations concerning the future political status of the Trust Territory of the Pacific Islands. The United States Delegation is pleased to report progress toward the goal of self-government and self-determination for the peoples of the Trust Territory, a goal shared by the peoples themselves, the United States, and this Council. On February 15, 1975, the President's Personal Representative, Ambassador Franklin Haydn Williams and the Marianas Political Status Commission signed a Covenant to Establish a Commonwealth of the Northern Mariana Islands in Political Union with the United States of America. While not the final act in determining the future political status of the Marianas -- I will have more to say presently about the necessary additional steps -- the signing of the Covenant brought to a close negotiations lasting more than two years. It was a milestone in the continuing efforts of the United States to carry out its obligations to promote self-government under the Trusteeship Agreement. The proposed Covenant now is being put to the test of public opinion in a plebiscite to be held June 17 in the Northern Marianas.

The United States wishes that it were possible to report to this Council that the proposed Compact of Free Association with the other five districts of the Trust Territory -- the Caroline and Marshall Island groups -- likewise had been fully approved and was awaiting the judgment of the peoples concerned in a plebiscite. While such is not the case, there have been continuing discussions during the past year between the United States Government and representatives of the Congress of Micronesia to clarify and narrow the remaining issues.

Proposed Compact of Free Association

I propose now to deal in somewhat greater detail with developments in the two separate streams of negotiations. First, negotiations for the proposed Compact of Free Association. In this Council Chamber last year, the United States Delegation reported that both sides had expressed great satisfaction with the progress made in reaching tentative agreements in the three remaining areas of finance, termination and transition. We also reported that the heads of delegations had reached agreement at Carmel, California in April 1974 on a draft Compact of Free Association.

This draft was referred to the full Joint Committee on Future Status (JCFS) in June and at the request of this Committee, the United States met in Guam the following month to consider the Committee's requests for amendments to the Carmel draft Compact. The Guam meeting resulted in some changes, and once again agreement between those representing the JCFS and the United States on a revised draft Compact of Free Association.

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In August, the agreed draft Compact was taken up by the full membership of the JCFS and was then submitted to the Congress of Micronesia for its information. Later in the fall, the United States was again asked to meet to consider additional amendments to the draft Compact. This meeting was held in Honolulu in October. For the third time in 1974, the United States negotiator and the Co-Chairman of the Joint Committee on Future Status of the Congress of Micronesia reached agreement on a draft Compact of Free Association.

The next step was consideration of the agreed draft by the Congress of Micronesia. In March of this year, just prior to adjournment, the Congress voted to reject one title of the draft Compact -- that dealing with finance -- and directed the Joint Committee to renegotiate new terms and levels of assistance to be provided Micronesia by the United States following termination of the Trusteeship Agreement. This is where the matter stood at the end of the Congress of Micronesia's most recent session on March 3.

While the Congress was still in session, the United States proposed an early meeting with the leadership of the Congress of Micronesia and the Joint Committee to discuss the full range of questions relating to transition, including the levels of funding to be provided during the remaining years of the Trusteeship. The United States also suggested that the agenda include a full review of all remaining status issues in preparation for the next and hopefully the last round of negotiations. This review would include the land sub-negotiations called for by the agreed draft compact.

Due to other commitments and responsibilities of the members of the Congress of Micronesia and the Joint Committee on Future Status, including attendance at the Law of the Sea Conference in Geneva, it has not been possible to arrange such a meeting this spring. The invitation of the United States remains open, however, and we very much hope that discussions with the Congress of Micronesia will resume in the near future.

Principal Features of Draft Compact

The principal features of the draft Compact are as follows:

1. The future relations between Micronesia and the United States will be governed by a Compact of Free Association. The rights and responsibilities of both parties will derive from the Compact, which will be submitted for the approval of the Congress of Micronesia, the people of Micronesia and the Congress of the United States.

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2 In accordance with the Compact, the future Government of Micronesia will have full authority and responsibility for internal affairs, including the right to draft and adopt its own constitution. Micronesians will have the right to establish the inter-relationships of the individual districts as they deem proper; the right to pass their own laws; the right to regulate domestic air and maritime commerce within Micronesia; the right to use United States currency; the right to become United States nationals with the right freely to enter the United States; the right to establish a resident office in Washington, D.C.; and the right to participate in various international activities.

3. The United States will have full authority and responsibility for the foreign affairs and defense of Micronesia.

4. The United States will provide the future Government of Micronesia substantial financial and economic assistance during the first fifteen years of the status relationship.

5. During the first fifteen years, the Compact can be terminated by mutual consent of the parties. Thereafter, either party may terminate the Compact following a two-year notice and after conclusion of a security agreement.

In the Compact of Free Association as now drafted, the United States would be committed to provide the future Government of Micronesia, on a grant basis in constant dollars (i.e., adjusted for inflation), the sum of \$52.5 million for the first five years of the new relationship, \$46.0 million for the second five years, and \$39.5 million for the third five years. In addition, the United States would provide the Government of Micronesia without compensation U.S. Postal, Weather and Federal Aviation Administration services. It is estimated that the value of these three services is \$2.5 million per year. The United States would provide other services as agreed to, on a paid basis.

While progress has been made toward the status of Free Association, the many voices of Micronesia remain divided as to Micronesia's political future, and quite frankly, political fragmentation is a threat. The Marshall Islands and to a lesser extent Palau, have spoken openly of a possibility of separating from the rest of Micronesia. We hope that the forthcoming Constitutional Convention will provide the Marshalls and Palau a forum and a means for resolving their differences and grievances with the Congress of Micronesia.

We also call to the Council's attention an informal referendum, arranged by the Congress of Micronesia to test popular sentiment for the various status options, which will be conducted July 8. The Council will hear more from High Commissioner Johnston about both these exercises in the democratic process. We hope both will assist Micronesians to define purposes and order priorities, thus helping them to move forward toward final decisions on future political status.

United States policy has not changed. It continues to support the unity of the Carolines and Marshalls, and hopes that the Compact of Free Association will eventually be acceptable to the peoples of the Marshalls, Ponape, Truk, Yap and Palau.

Proposed Covenant

I now turn to discussion of the proposed Covenant between the Northern Mariana Islands and the United States. On February 20, 1975, five days after the signing of the Covenant, the Marianas District Legislature unanimously approved the Covenant and on February 28, 1975, formally requested the United States Government to call a plebiscite at the earliest opportunity. As a further step in the orderly progression contemplated by the negotiators and this Council, and in response to the request of the Mariana Islands, the United States has called a popular plebiscite to be held less than three weeks from today, to record the approval or disapproval of the Covenant by the people of the Northern Marianas. If the plebiscite indicates approval by 55 percent of the valid votes cast, the Covenant will be presented to the Congress of the United States for approval or disapproval. If both the people of the Northern Marianas and the U.S. Congress approve the Covenant, it will come into force in accordance with its provisions in a manner allowing the maximum realization of the wishes of the people of the Northern Marianas to become self-governing at the earliest possible moment, and consistent with the continuing responsibilities of the United States under the Trusteeship Agreement.

In order to assure complete objectivity in the conduct of the Plebiscite and to facilitate the full opportunity for free expression of opinion in this act of self-determination, the U.S. Government established the Office of Plebiscite Commissioner to supervise the conduct of the plebiscite. On April 11, President Ford named Mr. Erwin D. Canham, Editor Emeritus of the Christian Science Monitor, to serve as his Personal Representative in that position. Duties of the Plebiscite Commissioner include the conducting of an objective plebiscite education program for the people, to inform them fully of the nature of the provisions of the proposed Commonwealth arrangement and the alternatives available to them if they reject the Covenant.

Mr. Canham arrived on Saipan on April 18th and set about at once to carry out his responsibility for the planning, the preparations for, and the holding of the plebiscite. He is assisted by a special Plebiscite Advisory Committee and a Voter Registration Board. These bodies are composed of citizens of the Northern Marianas and include supporters and opponents of the Covenant.

A vigorous campaign is now in progress. In addition to the plebiscite, education materials provided by Mr. Canham's office, both supporters and opponents of the Covenant are putting their arguments before the voters. Both are given time on radio, the principal means of communication in the district, and the activities of both are reported in the Micronesian news service.

The United States welcomes the prospect of a special mission from the Trusteeship Council to observe all aspects of the campaign and of the plebiscite.

History of Negotiations

Because of the important steps now being taken with regard to the Covenant, it perhaps would be profitable to review briefly some of the principal historical events which give shape to its form and substance. The document was negotiated on behalf of the Northern Marianas by the Marianas Political Status Commission. This Commission was created in May 1972 after long years of effort by the people of the Marianas because, as their legislature has declared, the people of the District desire a "close and permanent affiliation with the United States of America". The status of Free Association, on which the representatives of the people of the remainder of the districts of the Trust Territory are now negotiating, is, in the words of the Marianas District Legislature, "not in accordance with the wishes and aspiration of the people of the Marianas". For more than twenty years, the elected leaders of the Marianas have expressed their desire through petitions and resolutions that the Marianas become members of the American political family. The people themselves voted to become part of the United States in referenda in 1961, 1963, and 1969.

The July 1969 report of the Congress of Micronesia's Joint Committee on Future Status noted the freely-expressed wishes of the people of the Marianas, and indicated that it would "not oppose a political union which reflects the freely expressed desire of a majority of the residents of the district".

On October 4, 1971, the Joint Committee informed the Americans with whom they were meeting in Hana, Maui, Hawaii, that it fully recognized the desire of the people of the Marianas to become "more closely affiliated with the United States" than the association sought by the other districts. Thus it came as no surprise during the next round of talks with the Micronesians when the Marianas representatives on the Joint Committee on Future Status, after formally notifying the Committee, requested on April 11, 1972 that the United States agree to separate negotiations. The United States then responded affirmatively to the Marianas' request.

There has been concern, Mr. President, that the negotiations between the United States and the Northern Marianas signify a departure from traditional United States support for the principle of unity. The record shows clearly that the United States agreed to separate discussions with the people of the Northern Marianas only after two decades of petition by those people that they become a part of the United States. The most fundamental commitment under the Charter of the United Nations and the Trusteeship Agreement is to the principle of self-determination. It is this principle that the people of the Northern Marianas are exercising, first through their elected representatives during the negotiations, and now through the popular plebiscite to be held on June 17.

Agreement on a Commonwealth Covenant

United States and Marianas negotiators were able to reach agreement in principle by June 1973 on the outline of their future relationship, and by February 1975 at the conclusion of five negotiating sessions, agreement on precise language which the two negotiating teams felt guaranteed their respective interests. Throughout the negotiations the public was kept informed of the proceedings. Additionally members of the two delegations on several occasions met with the general public in open meetings to explain the Covenant and to answer questions. Thus the necessary political education for popular understanding of the issues was well advanced even before the signing of the Covenant. And this highly democratic procedure has in the judgment of the United States ensured that the agreed text of the proposed Covenant truly represents the expressed desires of the majority of the people in the Northern Marianas.

The text of the Covenant, which has been distributed to members of the Council,

--establishes the political relationship between the prospective Commonwealth and the United States,

--provides that the people of the Northern Marianas will write and approve their own constitution,

--bestows United States citizenship on Micronesian residents of the Northern Mariana Islands (with an individual given the option to select United States nationality rather than United States citizenship if preferred),

--creates a federal judicial system for the proposed Commonwealth,

--outlines United States financial assistance to the islands, and

--places limitations on the sale of land to persons not of Northern Mariana Islands descent.

In addition, the Covenant specifies how United States law is to be extended to the Northern Marianas, grants revenue and taxation rights, authorizes official representation for the Commonwealth in Washington, D. C., and outlines terms for the lease of land to the United States Government to carry out its defense responsibilities.

As outlined in the Covenant, the Northern Marianas Constitution will provide for maximum local self-government by stating that in certain fundamental areas of the relationship, the United States can act only with the approval of the Northern Mariana Islands. A republican form of government is to be established in a locally drafted Constitution, which will provide for separate executive, legislative and judicial branches elected by the people. The Legislature will have two houses, one of which will provide for equal representation for each of the chartered municipalities of the Northern Marianas to guarantee local self-government.

A United States federal district court will be established for the Mariana Islands, to hear cases arising under federal law. It may also hear appeals from local courts and other cases arising under local law to the extent determined by the local legislature.

Of particular interest is the provision in the Covenant constituting a self-imposing restriction of the exercise of the plenary powers of the United States Government. A number of the provisions of the Covenant which are fundamental to the relationship between the United States and Commonwealth can be changed only by mutual consent. These provisions are: Article I, establishing the political relationship; Article II, defining the basic elements of the internal government of the Northern Mariana Islands; Article III, providing United States citizenship for the people of the Northern Mariana Islands; Section 501, applying specific provisions of the United States Constitution to the Northern Mariana Islands; and Section 805, prohibiting during the first twenty-five years the alienation of land to people not of Northern Marianas' descent.

Under the Covenant, the United States Government will acquire a leasehold interest in 18,182 acres of land for an initial period of fifty years, with an option to renew for fifty years. For these rights, the United States will make a lump sum payment of \$19,520,600. Three aspects of these land agreements are particularly noteworthy. First, the use of the land for defense purposes is prospective only, to allow the United States to carry out its defense responsibilities on the lands if it should become necessary in the future to do so. Second, major portions of these lands will immediately be leased back to the Government of the Northern Mariana Islands for a nominal rental and will thereby be available to the people of the Northern Mariana Islands for their own use and enjoyment. Third, while the leasehold has a potential lifetime of 100 years, the total rental amount will be paid by the United States at the outset of the period. Accordingly, the payment under the Covenant is of much greater value to the people of the Northern Mariana Islands than would be indicated by the simple division of the specified lump sum by the number of acres to be leased and the number of years of the leasehold.

Financial Provisions

The general financial provisions of the Covenant are also significant. If the Northern Marianas become part of the American Community, the United States will assume greater responsibility to assist in achieving a progressively higher standard of living for the people of the islands and to develop the economic resources needed to achieve their goals of local self-sufficiency. In order to accomplish this, the Covenant will authorize \$14 million per year for the first seven years for the Government of the Northern Marianas in direct grant assistance and, in addition, will make available the full range of Federal programs and services available to the Territories of the United States.

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Of this \$14 million, \$8.25 million will be provided in direct grants for budgetary support for government operations. Each year \$250,000 will be used for special education and training of local employees in connection with the transition of the Northern Mariana Islands to a new political status. Four million dollars each year will go into capital improvement projects, with \$500,000 earmarked for projects on Tinian and \$500,000 for projects on Rota. An economic development loan fund will be created to receive \$1.75 million each year, of which \$500,000 will be reserved for small loans to farmers and fishermen and to agricultural and marine cooperatives and \$250,000 will be reserved for a special program of low interest housing loans for low income families.

The \$14 million financial assistance from the United States in direct grants will be in 1974 dollars; that is, it will be adjusted each year to allow for inflation in order to provide the same purchasing power which the money had at the beginning of fiscal year 1975. The annual level of direct grants will continue beyond the initial seven year period unless the U.S. Congress acts to change it. While the United States, under the existing status of the Marianas already provides the extremely high amount of \$550 per capita, financial assistance under the Covenant more than doubles the current amount, and will be helpful in assisting the Marianas to fully develop their economic infrastructure and potential.

If the Covenant is approved by the people of the Marianas in the plebiscite June 17, 1975, it is our intention to submit the Covenant as a bill to the U.S. Congress for approval after the Plebiscite Commissioner certifies the results of the plebiscite. We anticipate that the U.S. Congress would deal with the Covenant as a matter of priority.

We would anticipate separate administration of the Northern Marianas, as was the case during a previous period of the Trust Territory's history. But, as we assured the Council last year, it is the intention of the United States to terminate the Trusteeship simultaneously for all areas of the Trust Territory.

In order to provide for a smooth transition from the trusteeship status to whatever ultimate political status is decided upon by the peoples of the Trust Territory, it will be necessary to provide for a transition period of approximately five years. This concept has been discussed and accepted by negotiators from both the Northern Mariana Islands and the Congress of Micronesia.

The United States wishes to complete the negotiations, and the transition to new status, just as rapidly as the peoples of Micronesia are willing to move. If the proposed Covenant is approved and if negotiations with the other Districts of the Trust Territory of the Pacific Islands can be completed and approved in the near future, the United States should be able to propose termination of the Trusteeship in 1980 or 1981.

By that date, it is our hope that the peoples of Micronesia will have completed their route to self-determination.

Thank you, Mr. President.

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