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(AMBASSADOR WHITE REBUTTS KENDALL'S CHARGES) UNITED NATIONS, MAY 30 (MNS) --- AMBASSADOR BARBARA WHITE, US REPRESENTATIVE TO THE TRUSTEESHIP COUNCIL, TOOK SHARP EXCEPTION THURSDAY TO SENATOR WILFRED KENDALL'S REMARKS MADE IN HIS OPENING STATEMENT ON TUESDAY,

SENATOR KENDAL HAD STATED THAT NEGOTIATIONS FOR FREE ASSOCIATION HAD ARRIVED AT A DEAD END. HE ACCUSED THE UNITED STATES OF BOTH DESTROYING FOREVER ANY PRETENSE OF GOOD FAITH.

PAGE 03 RUHGSAA1994 UNCLAS TWICE AMBASSADOR WHITE RESPONDED TO THESE CHARGEY.

IN ANSWERING A QUEYTION POSED BY THE REPRESENTATIVE OF THE SOVIET UNION CONCERNING PROSPECTS FOR RENEWING TALKS ON A COMPACT OF FREE ASSOCIATION, AMBASSADOR WHITE INFORMED THE COUNCIL THAT SENATOR KNEDALL'S REMARKS ABOUT FREE ASSOCIATION NEGOTIATION CAME "AS A COMPLETE SURPRISE TO US."

DURING THE AFTERNOON SESSION, IN RESPONSE TO A QUESTION FROM THE REPRESENTATIVE OF FRUNCE, QUOTING SENATOR KENDALL THAT THE "MARIANAS AFFAIR WAS INHIBITING THE CONCLUSION OF AN AGREEMENT ON A COMPACT," AMBASSADOR WHITE SAID THAT THE UNITED STATES WAS "SURPRISED AND DISSAPPOINTED BY SENATOR KENDALL'S STATEMENT CONCERNING WHAT HE CALLED AMERICA'S BAB FAITH IN THE MARIANAS NEGOTIATIONS."

SHE THEN REVIEWED THE PAST HISTORY OF THE MARIANAS NEGOTIATIONS FOR THE BENEFIT OF THE COUNCIL MEMBERS, AND CONCLUDED BY SAYING THAT THE UNITED STATES STANDS READY TO NEGOTIATE AS SOON AS THEIR REPRESENTATIVES AND THE MICRONESIAN REPRESENTATIVES ARE READY TO DO SO.

ASIDE FROM THESE INSTANCES, THE QUEYTIUNING OF THE ADMINISTERING AUTHORITY BY THE DELEGATES FROM THE SOVIET UNION,

PAGE 04 RUHGSAA1994 UNCLAS UNITED KINGKOM, AUSTRALIA AND FRANCE, WAS OF A ROUTINE NATURE. THE REPRESENTATIVE OF THE THE SOVIET UNION, THEHFIRST QUESTIONER, EXPREYSED CONCERNS PRIMARILY ABOUT THE FUTURE OF MICRONESIA AND THE CONCEPT OF MICRONESIAN UNITY.

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AMBASSADOR IVAN MEKLESSA ASKED FOR MORE SPECIFICS ON THE

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BREAKDOWN OF THE NEGOTIATIONS AND UDDRESS HIS REMARKS TO THE SPECIAL ADVISERS, SENATOR KENDALL AND REPRESENTATIVE RAYMOND SETIK:

REPRESENTATIVE SETIK SAID THAT THE AMOUNT OF MONEY INDICATED IN TITLE IV OF THE DRAFT COMPACT OF FREE ASSOCIATION WAS INSUFFICIENT TO PROVIDE THE INFRASTRUCTURE FOR A NEW GOVERNMENT. HE SAID THAT THE CONGRESS OF MICRONESIA ESTIMATES FOR THIS AFDITIONAL INFRASTRUCTURE RUN AS HIGH AS \$600 MILLION VERSUS THE \$145 MILLIUN SUGGESTED BY THE ADMINISTRATION.

AMBASSAFOR WHITE SAID THAT THE FUTURE CONDUCT OF FOREIGN AFFAIRS FOR THE GOVERNMENT OF MICRONESIA BY THE UNITED STATES WOULD NOT INHIBIT SUCH PROBLEM.

SHE RECOUNTED THAT THE TRUST TERRITORY PARTICIPATING WITH THE UNITED STATES, AND THE WORLD HEALTH ORGANIZATION, WAS

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GIVEN OBSERVER STATUS AT THE LAW OF THE SEA COFFERENCE AND A VOTE IN THEHSOUTH PACIFIC CUMMISSION AND IN PARTTING IN SUCH UNITED NATIONS PROGRAMS AS UNDP AND ESCAP.

AMBASSADOR MEKLESSA OF THE SOVIET UNION ALSO QUESTION UNITED STATES DELEGATION ABOUT THE VETO OF THE RETURN OF PUBLIC LANDS BILL. HIGH COMMISSIONER EDWARD E. JOHNSTON CAREFULLY EXPLAINED HOW SEVERAL PROVISIONS OF THE BILL WERE NOT IN ACCORD WITH THE ADMINISTERING AUTHORITY'S GUIDELINE.

JOHNSTON ALSO EXPLAINED HOW PALAU AND THE MARIANAS HAVE ALREADY PASSED PUBLIC LANDS LEGISLATION AT THE DISTRICT LEVEL.

CONCERN OVER THE INADEQUATE FUNDS TO PAY ALL THE WAR CLAIMS WAS EXPRESSED BY THE REPRESENTATIVE OF THE SOVIET UNION. THE HIGH COMMISSIONER EXPRESSED THE HOPE THAT THE UNITED STATES CONGRESS MIGHT EVENTUALLY APPROPRIATE SUFFICIENT FUNDS TO SETTLE ALL CLAIMS THAT COME UNDER TITLE II, THE POST SECURE CLAIM. BUT THAT TITLE I CLAIMS WERE A MATTER OF NEGOTIATIONS ALREADY UNDERTAKEN BY THE UNITED STATES AND THE GOVERNMENT OF KAPAN.

IN RESPONSE TO A QUESTION ABOUT THE APPARENT IMPACT OF

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PAGE 06 RUHGSAA1994 UNCLAS TOURISM AMONG THE DISTRICTS, HIGH COMMISSIONER JOHNSTON REPLIED THAT TOURISM IS A DISTRICT OPTION, THAT EACH DISTRICT HAS ITS OWN TOURIST COMMISSION AND CAN EMPHAISZE OR DE-EMPHASIZE THIS ACTIVITY AS THEY SEE IT.

HIGH COMMISSIONER JOHNSTON ALSO STATED THAT INFLATION HAS HIT MICRONESIA HARDER THAN ANY WHERE IN THE UNITED STATES MAINLAND, HE SAID THAT IS BECAUSE THE TRUST TERRITORY USES DIESEL FUEL FOR 100 PERCENT IN GENERATION OF POWER AND THAT DIESEL COSTS HAVE TRRIPLED SUSTAINING SEVERE BUDGETARY PROBLEMS DURING THE PAST YEAR. WHEN QUESTIONED ABOUT MANPOWER NEEDS SURVEY AS REQUESTED

BY THE CONGRESS OF MICRONESIA, HIGH COMMISSIONER JOHNSTON TOOK THE OPPORTUNITY TO PLEDGE THAT SUCH A REPORT WILL BE MADE IN THE SPECIAL SESSION OF THE CONGRESS OF MICRONESIA SCHEDULED FOR THE LATTER PART OF JUNE.

UNITED KINGDOM AMBASSADOR THOMAS RICHARDSON EXPRESSED HIS DELEGATION'S CONCERN OVER THE HIGH PERCENTAGE OF GOVERNMENT EMPLOYEES IN THE TRUST TERRITORY.

IN HIS RESPONSE, HIGH COMMISSIONER JOHNSTON EXPLAINED HOW THE PROBLEM OF ADMINISTERING SIX DISTRICTS EVEN THOUGH

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THERE IS ONLY A POPULATION OF APPROXIMATELY 110,000 PEOPLE, MEANS THAT THERE MUST BE SIX OF EVERYTHING.

SAID JOHNSTON, "IT'S NO GOOD TO HAVE A FIREMAN IN YAP WHEN THERE IS A FIRE IN THE MARSHALLS."

CONCERNING A QUESTION FROM THE UNITED KINGDOM ON TARIFF AND TRADE RESTRICTIONS, THE HIGH COMMISSIONER SAIF THE ANWER LIES IN THE FUTURE NEGOTIATION OF THE COMPACT. THE RUESTIONING OF THE UNITED KINGDOM FILE COMPACT. THE

RUFSTIONING OF THE UNITED KINGDOM ENDED THE MORNING SESSION. AMBASSADOR A. DUNCAN CAMPBELL OF AUSTRALIA BEGAN THE RUFSTIONING IN THE AFTERNOON SESSION. HIS DELEGATION'S MAIN CONCERN WAS THE TERMINATION OF THE TRUSTEESHIP AGREEMENT.

IN RESPONSE TO THE QUESTION OF THE TRUSTEESHIP AGREEMENT. DELEGATION CONCERNING THE TERMS OF THE SECURITY AGREEMENT AS PART OF THE DRAFT COMPACT, AMBASSADOR WHITE SAID THAT ALL CONCDITIONS INCLUDING THE DURATION OF THE SECURITY AGREEMENT

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## WAS SUBJECT TO THE NEGOTIATIONS.

AMBASSADOR CAMPBELL THEN INQUIED AS THE REACTION OF THE MARIANAS IF THEY SHOULD APPROVE THE COMMONWEALTH AGREEMENT AND THE REST OF MICRONESIA HAD NOT CONCLUDED THEIR NEGOTIATIONS AFTER FIVE OR MORE YEARS.

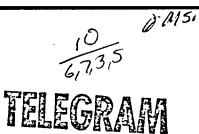
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UNCLASSIFIED 5039 PAGE 01 301438Z 43 ACTION INT-05 INFO OCT-01 IO-10 EA-10 PM-03 P1-02 L=03 1034 W P 3010002 MAY 75 121721 FM HICOMTERPACIS SAIPAN MARIANAS ISLANDS. TO ALDISTADS TERPACIS TT. LND GUAM MARIANAS ISLANDS TT LNO KWAJALEIN MARSHALL ISLANDS CUMNAYMARIANAS GUAM MARIANAS ISLANDS CINCPACREP GUAM/TTPI GUAM MARIANAS ISLANDS CINCPAC HUNDLULU HI TAC HONUTATA HI NAVINVSERVO GUAM MARIANAS ISLANUS CUMTWELVE SAN FRANCISCO CA RUFHC /SECSTATE WASHINGTON DC SECUEF WASHINGTUN DC JCS WASHINGTON DC CNO WASHINGTON DC CINCPACELT MAKALAPA HI CINCPACAF HICKAM AFB HI CGEMEPAC CAMP H M SMITH HI CONCEPAC PEARL HARBOR HI CUMNAVFACENGCUM ALEXANDRIA VA PACNAVFACENGCUM PEARL HARBOR HI SAMTEL VANDENDENG AFB CA FCONA-LGA KIRILAND AFB NM CURUSAGO MAKIMINATO JA//TTPI~LND// AMEMB CANBERRA ACT AS RUFHKO JAMEMB TOKYO JA RUPHDI JUSMISSION USUN NEW YORK NY UNCLAS SECTION 02 OF 02

AMBASSADOR WHITE THEN EMPHASIZED THAT IT IS THE FIRM INTENTION OF THE UNITED STATES TO TERMINATE THE TRUSTEESHIP FOR ALL THE DISTRICTS AT THE SAME TIME.

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THE AUSTRALIAN AMBASSAUOR ASKED THE HIGH COMMISSIONER TO RESPOND TO CHARGES MADE BY SENATOR KENDALL IN HIS OPENING STATEMENT THAT TT CITIZENS WHO HAVE REPLACED EXPATRIATES ARF NOW IN POSITIONS IN WHICH RESPONSIBILITY HAS GREATLY DECREASED FROM THOSE APPLICABLE TO THEIR EXPATRIATE PREDECESSURS.

HIGH CUMMISSIONER JOHNSTON REPLIED SHARPLY BY STATING, "I CATEGORICALLY DENY THAT THE SCOPE OF ANY JOB WAS REDUCED

#### PAGE 03 RUHGSAA1995 UNCLAS WHEN MICRONESIANS ASSUME DIRECTURSHIPS." HE THEN PROCEEDED TO DETAIL ALL HIS MAJUR PUTNTS AND CLOSED BY SAYING THAT THTS WAS NOT, IN HIS WORDS, "AN EXCERCISE WITH THE PEUPLE IN THE PUSITION JUST TO CREATE STATISTICAL PROGRESS."

"I AM," HE CONTINUED, "ENTIRELY IN ACCORD WITH THE CUNCEPT OF TURNING UVER THE GOVERNMENT TO MICRONESIANS AT THE EARLIEST POSSIBLE DATE."

THE REPRESENTATIVE OF FRANCE, THE FINAL QUESTIONER WAS CONCERNED ABOUT A NUMBER OF TUPICS INCLUDING THE POSSIBLE HARLANAS CONSTITUTION, THE REGISTRATION OF VOIERS FOR THE FURTHCOMING PLEBISCITE, AND THE STATUS OF THE MARIANAS DURING THE PERIOD 1975-1981 SHOULD THEY VOTE FOR THE COVENANT.

HE ALSO INGUIRED ABOUT THE STATUS OF THE NEW POLICY ON FOREIGN BUSINESS PERMITS AND THE MEDEX PROGRAM.

THE COUNCIL ADJOURNED AT 5:55 P.M., NEW YORK TIME. UN FRIDAY'S AGENDA, IS A GENERAL DEBATE AT WHICH TIME THE MEMBERS OF THE TRUSTEESHIP COUNCIL WILL MAKE OBSERVATIONS ON ALL THE STATEMENTS, AND SESTIMONY, WRITTEN AND ORAL SUPPLIED TO DATE, THURSDAY, NEW YORK TIME.

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IT IS ANTICIPATED THAT THE GENERAL DEBATE WILL EXTEND Well into next week.

THREE SAIPAN STUDENTS KILLED

GUAM, MAY 30 (MNS) -- THE BODIES OF THREE SAIPAN YOUTHS, ONE WITH 51400 IS A POCKET, WERE FOUND THURSDAY MURNING IN

