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SUMMARY RECORD OF U.S. - MICRONESIA

ROUNDTABLE CONFERENCE

May 18 - 21, 1977

Honolulu, Hawaii

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MORNING SESSION, MAY 18, 1977

Ambassador Manhard opened the meeting and after welcoming all the participants read a message from President Jimmy Carter (appended to this record). The Ambassador, after noting that the US Delegation was not present to negotiate but to explore all possibilities, delivered his own prepared statement (appended to this record). Mr. Robert Oakley, Deputy Assistant Secretary of State for East Asian and Pacific Affairs, then read a message from Secretary of State Cyrus Vance (attached) and Mrs. Ruth Van Cleve, Director, Office of Territorial Affairs, read a statement from Secretary of the Interior Cecil Andrus (attached). Mrs. Van Cleve also noted that she had been concerned with Micronesia since the Trusteeship Agreement was signed and had worked in the Office of Territories in the 1950s and 1960s. She pledged to bring all possible vigor and energy to her job in resolving the issues and problems before the people of Micronesia.

Ambassador Manhard then raised the question of what type of record should be kept of the meetings.

Senator Amata Kabua, speaking for the Marshalls delegation, indicated that they wished to have a verbatim record kept which could later be reviewed to insure that there were no misunderstandings and to which supplements could be added. The Palauan delegation said that it was also their wish to have an accurate transcript.

Ambassador Manhard then indicated he doubted the capability was available to provide a verbatim transcript; he noted that given the nature of the meeting a verbatim record might not be appropriate and that perhaps a summary record was the best way to handle the record of the meeting.

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The conclusion of the discussion was the agreement that a summary record would be produced to be reviewed by all of the participating delegations; statements could be inserted in full if desired and any delegation would be allowed to record the proceedings in full if it so desired.

Ambassador Manhard then raised the question of relations with the press. He noted that there was media interest in the conference and that they could not be ignored even though the meeting was closed. Senator Nakayama suggested that a small group be formed to come up with a policy on how to coordinate and handle press relations. Several other delegations commented on the matter and it was left that Cdr. Wyttenbach and Jim Hall would coordinate the matter.

Following a coffee break, Mr. Oakley delivered a statement on behalf of the US delegation (full text appended). Senator Nakayama then delivered the opening statement of the Congress of Micronesia (full text appended).

After the lunch break, Palau District Administrator Thomas Remengesau opened by thanking the US for its consideration in inviting Palau to the meeting. He stated that the Palauan delegation had come in a spirit of peace, understanding and friendship and with respect for all. Senator Roman Tmetuchl said that they had come to the conference with a sense of optimism and that the meeting indicated that the new Administration in Washington was taking a fresh and open look at world problems and that he hoped that this would be the case with Micronesia. He was sure that a harmonious solution was possible for the problems of Micronesia.

The Senator asked Mr. Johnson Toribiong to present a statement which enjoyed the unanimous support of the Palauan delegation. Mr. Toribiong then presented the opening statement of the Palau delegation (full text appended).

District Administrator Gilmar said it had been agreed that Mr. Dwight Heine would speak for the Administration delegation but he noted that Yap District supported the concept of free association. Truk District Administrator Danis said that Truk had not sent a delegation but would be represented by the Congress of Micronesia and the CFPST. Legislator Johannes Edmund spoke for the Ponape delegation and observed that they looked forward to a productive session.

Speaker of the Nitijela Atlan Anien and Senator Amata Kabau delivered opening remarks for the Marshalls' delegation (full texts appended).

Mr. Jacob Nena, Acting Deputy District Administrator of Kosrae District, said that as representatives of the newest district in Micronesia they were proud to be able to join the conference and to be able to participate as equals. The desire to be a separate district did not represent a desire to separate from the other districts but instead reflected developmental goals. Kosrae believes in a united effort in Micronesia. His delegation felt that nothing should be hidden as those assembled considered complex questions. Everyone should approach the meeting with open hearts and minds to seek new approaches to old questions. They would settle for nothing less than honesty in the discussions.

Mr. Dwight Heine, Special Consultant to the High Commissioner delivered the opening statement on behalf of the Micronesians in the TTPI Executive Branch (full text appended).

Ambassador Manhard closed the morning session by urging that the discussions not be viewed in the context of elephants and fleas but as equal human beings working together with the constructive views and opinions of all welcome.

AFTERNOON SESSION, MAY 18, 1977

Ambassador Manhard opened by proposing that the conference consider status questions and, time permitting, LOS and marine jurisdiction issues on Thursday morning. There would be no afternoon session. On Friday, pre-termination questions could be considered with possibly Mrs. Van Cleve co-chairing the discussions. There would be no afternoon session on Friday and Saturday morning would be the wrap-up session.

Responding to Ambassador Manhard's invitation for other suggestions, Senator Nakayama put forth an agenda which would include the following topics: the CIA incident, the air route case, pre-termination issues, appointment of the Deputy High Commissioner, the staffing of the High Commissioner's Office, the judiciary, war claims, relocation of the capital, EDLF, indefinite land use agreements, decentralization, CIP, the development plan, LOS, the referendum on the proposed Constitution, political education and the termination date. He also suggested that some of the sessions have Micronesians as co-chairpersons or that a Micronesian alternate the chair with the US. Ambassador Manhard indicated that he was willing to share his responsibilities and would be

glad to entertain suggestions. The delegations from the Marshalls and Palau each indicated that they saw no need to alternate the chairmanship and that the agenda proposed by the US in its telegram was satisfactory. Ambassador Manhard said he wished to be open and desired a consensus decision. It was decided that he would retain the role of Chairman and that the topics suggested by the COM would be discussed that afternoon.

The COM began the discussion by delivering a short statement on the CIA issue, read by Speaker Bethwel Henry (full text appended).

Mr. Oakley responded that the President and Secretary Vance in their public messages as well as in their instructions to the US delegation had said that they considered the matter closed. Senator Inouye had written a letter to some of those present in which he explained his findings. The President was fully satisfied with the Senate report and Mr. Oakley noted that it was not only in Micronesia that problems of this sort had arisen. But the problem had been placed behind us and the information released adequate as far as the US was concerned. Ambassador Manhard indicated his agreement with the statement by Mr. Oakley and then read the letter mentioned from Senator Inouye (appended).

Senator Nakayama noted that the Senate Committee Report and the Inouye letter seemed to contradict each other.

Mr. Oakley suggested that if the COM were still concerned, they should write to Senator Inouye but that as far as the US Government was concerned, it considered the matter closed.

Next, Representative Luke Tman read a prepared statement for the COM on the problem of direct air service between Japan and Micronesia. (See attached) Mr. Oakley responded by thanking the COM for its past support

on this issue. The United States is giving full attention to the matter and the difference of opinion between the US and Japan is no longer over whether there will be flights but instead over the number of flights. The US has not been satisfied with the number of flights offered and has made this known firmly to the Japanese. The issue will again be addressed at a meeting this summer, probably in July.

Senator Tun then read a prepared statement concerning the appointment of a Micronesian Deputy High Commissioner (full text appended). Mrs. Van Cleve responded for the US. She noted that no appointment had yet been made and that the Secretary of Interior felt that it would be appropriate for the new HiCom to spend some time in the TTPI before his deputy is named. The DOI will be looking for the most qualified person and that may well be a Micronesian.

Senator Tun then read a prepared statement on the staffing of the HiCom's office, Distads and department heads as well as the veto of SB 7-69. Mrs. Van Cleve again responded by saying that the veto of the reconfirmation bill was upheld because of the bill's cumbersomeness. It would have been a unique and unprecedented requirement and could have hindered the smooth functioning of the executive branch. The new HiCom will be in soon and can adjust his staff as he sees fit. She agreed that there are still too many Civil Service employees in the TT Government and that efforts would be made to continue reducing their number. Sometimes Civil Service status must be granted to attract experts. The Acting High Commissioner also commented on these problems citing specifics in support of Mrs. Van Cleve's statements.

Mr. Adrian Winkel, the High Commissioner-designate, also commented on these issues. On the question of a Deputy HiCom, Mr. Winkel said that he

plans to bide his time until he is settled in and then he will give the most serious consideration to naming the most qualified person, man or woman, who might well be a Micronesian. The Secretary of Interior is the one who actually appoints the Deputy HiCom. He stated that he intends to have a responsive and able administration. He was assured before his nomination that he would have significant impact on all decisions and that Mrs. Van Cleve had noted that the Trust Territory could not be administered from Washington.

At this point, Senator Kabua said that his delegation appreciated these problems, but shouldn't the conference address common problems such as future status and unity? Ambassador Manhard commented that the invitation had been quite broad. Senator Nakayama said the COM felt these were topics important to all Micronesians but that they would discuss them outside if that was the desire of the other delegations. No further objections were raised and the COM continued with its presentation.

Mr. Andon Amaraich presented a paper concerning the state of the judicial branch in the TTPI (full text appended). Mrs. Van Cleve responded by saying that she had not been aware that there were problems between the district courts and the High Court. She assured Mr. Amaraich that the DOI was looking into the problem but she had no specifics yet. Commenting on executive branch influence over the judiciary, she said she thought this problem was exaggerated somewhat. As for the quality of the judges, they are appointed by the Secretary of Interior but are Schedule "A" Civil Service and can thus only be removed for cause, something which

in practice is difficult. Mr. Amaraich stated he had checked into the problem carefully and that if checked, he was sure she would find the charges true.

Next Representative Raymond Setik presented statements on capital relocation and on the EDLF problems. Mrs. Van Cleve said her ability to comment on these problems was limited since they involved funding and on this matter she could not commit the USG as she could only make recommendations. She did agree that it did not make sense to perpetuate the government in a location which is no longer within the jurisdiction of that government. It is more a question of timing and funding. There are no funds included in the FY77 or FY78 budgets so for the near-term there is only the \$200,000 presently available for planning. The DOI cannot instruct the HiCom to act on relocation as there is a new flavor between the DOI and the HiCom and the relationship will no longer be one of instructing but of suggesting and advising. As for EDLF, Mrs. Van Cleve said she wished to address responses to the questions raised in a letter, if that would be satisfactory, since she was generally unfamiliar with the problems.

MORNING SESSION, MAY 19, 1977

Ambassador Manhard stated that he would like to start with a discussion of the important points and viewpoints raised the day before. One point was the recognition that the question of unity was the basic question in how the US and Micronesia are to proceed realistically in the future. This question does pose a basic dilemma for the US and for Micronesia, he noted, and so there is a need to explore it. The Ambassador recalled that

Senator Nakayama in his address had used the term "rule of law" and that while he agreed that this was basic and fundamental, how should the US interpret it? No one would want to break the laws and create a situation of no justice. Still, the US retains the basic responsibility during the Trusteeship period of moving Micronesia toward self-government or independence. The Ambassador asked how the US can reconcile the specific laws and the basic principles it is obligated to follow to end the Trusteeship? He said that it is important to try to reach a consensus on how to do this while still respecting justice and principles. Speaker Anien had said the day before that there are differences as well as possibilities for ties between the islands while Ambassador Manhard recalled he had commented that various forms of loose federation might be possible. Mr. Oakley had referred to two areas to be resolved: nature and extent of relations between the districts and relations between the US and Micronesia. All sides need to begin to draw firm conclusions on this topic. The Ambassador said that at the end of the previous day's session he had suggested that the conference address the issue of marine resources. Status is directly related to the question of marine resources since under free association discussion of specifics and technical aspects would be an issue between the two parties but under independence, which is an option, it would not really be something that could be negotiated.

Mr. Heine noted that in talking about the law, there are certain things which cannot be ignored. The Trust Territory Code is codified mores put into writing. Micronesia has many unwritten traditions and the Code says traditions should be respected if they do not conflict with common law principles. If Micronesians are not unified, then each district

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will have many different things. Government by law is good. Traditions are not written and memory must be relied on. Memory is a matter of chance, Mr. Heine noted. But traditions are considered in the TT Code.

Speaking for the Palau delegation, Mr. Toribiong stated that there is nothing sacrosanct about the law if it does not reflect the will of the people and the general morality. When the question is one of political status, all other matters are subservient to the will of the people. The question was what should be the relationship among the districts? He said this must depend on the mutual needs and interests of all the parties and therefore each party must first define the political objectives and interests which create the need for these ties. The question should be, what problems require central cooperation? Mr. Toribiong concluded that then maybe some sort of unity and association could be achieved and would be strong and lasting but if it is imposed from the outside, he predicted it would be sure to eventually fragment and break. As to ties with the US, the Palauan delegation felt the same procedure should be applied in that first each district must decide what it wants from the US. Reiterating his points, Mr. Toribiong said that first Micronesians should define what they want from each other and then they should move together on subjects which all have in common, such as defense, even though each district has its own internal regime and other ties with the US.

Ambassador Manhard noted that there seemed to be things the Palauans wanted from the rest of Micronesia as well as the US and that maybe it was really two sides of the same coin. But the Ambassador observed that it was not wise, legitimate or feasible for the US to say what specific relationship Palau must have with the other districts. The US is the trustee and has certain obligations during the Trusteeship, but thereafter,

in the final analysis, the system must have the willing support of a majority of the affected people or it will not last. These questions affect all parts of Micronesia and must be answered by Micronesians. The Ambassador wondered, if the US continues to try to work out a relationship between Micronesia and the US but there is still disharmony internally, can it be satisfying and lasting?

Mr. Tony DeBrum observed that the day before the opening statements had all addressed the main problem, unity or the lack thereof. The Marshalls, he said, is convinced that there is no unity and there cannot be unity. There is an impasse between the US and the COM because a resumption of formal talks is impossible because the Marshalls does not recognize the CFPST as a body with which the US can discuss the status of the Marshalls. Mr. DeBrum submitted that the solution was for the US to agree to negotiate bilaterally with Palau, the Marshalls and the CFPST. The Marshalls respects the rights of the other districts and is ready to discuss possible ties and cooperation. Separation does not mean isolation, Mr. DeBrum stated, but is a way of asserting sovereignty and a way to make the US do as it promised in the TA--create an independent people. He felt the US should talk with each of the districts about its future relationship, whatever it might be called, this being not a violation of the law but in keeping with self-determination for the peoples of Micronesia.

Mr. Toribiong said that he would like to clarify Palau's position by stating that the people of Palau do not want to jeopardize the interests of the other districts but simply want to pursue the course which seems in their best interest. The referendum in Palau said that the people want

separation and close association with the US. Mr. Toribiong said that the last 30 years had shown that unity cannot be imposed from the outside. He asked if it was the US position that unless the individual island groups remain closely united in some way, the US obligation to grant self-government or independence will be difficult or impossible to fulfill?

Ambassador Manhard replied that, speaking personally, he could not say that it would be impossible but it certainly would pose difficulties. He noted that the UNTC had urged the US to do two things: 1) seek to terminate the Trusteeship "even earlier than 1981 if possible"; 2) seek some sort of unity acceptable to all the people. The Ambassador wondered whether it would be possible to do both of these things and noted that it was not just the US's problem but it was the Micronesians' as well.

Mr. Knapp felt the difficulty belonged to the US since unity is only an administrative convenience for the US and that if the US were to act as it should, it would recognize the inherent sovereignty of each island group. He stated that this had never been taken away and so the right remains and matters of convenience should be secondary.

Ambassador Manhard said he would like to make it clear that the US had never challenged the inherent sovereignty of all the people of Micronesia nor would they lose it. Nor could the US agree that its desire for unity came only from considerations of administrative convenience; he urged them to look at the TA.

Mr. DeBrum asked for the US reaction to the request for separate bilateral talks.

Mr. Oakley said that he found a number of the thoughts expressed to be impressive. However, questions such as, is the US prepared to enter

bilateral talks and ready to discharge the TA, do not meet the best interests of the people of Micronesia because they do not move matters forward helpfully. The parties involved need not worry about labels but should debate the contents. Then substance will determine form.

Mr. DeBrum said that they too were concerned to define the contents behind the label, not only with the other districts but also in relations with the other islands of the Pacific. Before this can happen there must be talks about it between the Marshalls and the US. Once that relationship is defined it will not be difficult to define the Marshalls' relationship with the others. Would the US object to informal bilateral talks?

Ambassador Manhard said he could not give a specific answer but would repeat that from the US point of view, it is difficult when we do not know what the relationship will be between the districts. The US finds it extremely difficult to look at its relationship with Micronesia in a vacuum from the type of relationship that will exist internally in Micronesia.

Mr. DeBrum observed it seemed the US was saying that before it negotiates, it must be sure of the relationships among the districts. He asked if this was a precondition and whether these preconditions existed for the Marianas?

Ambassador Manhard stated that the US was not setting any preconditions.

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Mr. Heine said that his district and home was asking for separation. He inquired if it results that people in traditional political divisions of the past reject this move, would the US be willing to sit down tri-laterally?

Ambassador Manhard stated that this was not a decision the US could make but that it did need to hear the views, feelings and aspirations of all concerned. Unity could benefit all the people in the areas of common services, such as transportation and communications. He queried whether there were other advantages.

Mr. Toribiong observed that as to the Marshallese position, the US said not that it would be impossible but that it would be difficult. Does this mean difficult internationally, legally or administratively? Do all relations need to be resolved simultaneously? He expressed the feeling that the Administering Authority needs to look beyond the form of any relationship to the substance.

Ambassador Manhard agreed with the need to look to substance and stated that "difficulties" referred to all aspects of the problems and included US internal considerations including those involving the legislative branch. He said it would be more expensive for the US to duplicate all sorts of services all over Micronesia and that if this were tried it would be challenged. The US Congress is increasingly concerned with the proper use of taxpayers' money.

The points were well taken, Mr. Toribiong said, but political separation does not mean that there would not be any coordination or common administrative services.

Mr. DeBrum said his delegation could show with facts that it would be financially beneficial to the US to allow the split.

Mr. Edmund of the Ponape Delegation, responding to a Marshallese query, said his delegation wished to respond to the Marshalls' questions when it got back home.

Ambassador Manhard asked if the COM would like to make any comment. They had no comment.

Deputy District Administrator Jacob Nena of Kosrae said his delegation had come to the conference totally supporting the COM and the CFPST, but that it would not deny the historical ties between the Marshalls, Ponape and Kosrae. He stated that Kosrae all along assumed that future status would be settled on a united basis. However, if the thinking was to negotiate separately, then his delegation had no position on the question but it did wonder what would happen to the other districts? Would they be brought up to a certain level to enable them to be independent or to affiliate with other governments? He asked the Marshalls what sort of relationship it expected to have with Kosrae? Or if Ponape also ended up wanting separation, what then?

Mr. DeBrum said his delegation needed to understand the position of the COM leadership and would also request that the DistAds from Truk and Yap comment if they felt it would be helpful. He asked the COM if it was still pushing unity, to share some of the reasons and benefits of unity. He felt that all concerned needed to understand how all the different entities felt on the question.

Senator Nakayama stated that the position of the COM was on the record. It supported the unity of all Micronesia and supported negotiating through

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the CFPST. As to answers to detailed questions, he felt they would need time and perhaps this was not the right format. The full Congress decides on the COM positions.

Mr. Toribiong stated for the record that Palau supports the separate right of self-determination of each district and that administrative costs fail to be worth blocking that.

DistAd Mitaro Danis of Truk spoke saying that he did not represent the people of Truk but was a member of the TT executive branch delegation and so he would give only personal observations as a Micronesian. He said he was deeply interested in the question of the future political status of the TT as a whole and realized and respected the emerging differences of view and aspirations. In his observation, Truk had differences but felt that as a whole it could do something for Micronesia. Maybe it is too late to consider loose federation but he said he was not clear as to why many would want to go out on their own. The US is diverse but Americans can all still work together. Why can't Micronesia do the same he asked? Each district should do its own thing but still stay together as much as possible and so he felt the solution might be loose federation so that some unity would be preserved. Maybe it was not too late for accommodation and compromise.

DistAd Gilmar of Yap said that essentially Yap goes along with Kosrae, Ponape and Truk. He remarked that if the problem was one of currency, Yap had that problem solved.

Senator Nick Bossy of Truk spoke saying he represented only himself on the issue. He suggested unity because Micronesia is an underdeveloped country with few resources so all the districts must share.

Mr. DeBrum urged the COM to elaborate on its position saying simple statements for or against unity do not lead anywhere. If the conference were to move on to LOS and marine jurisdiction at this point, it will have skipped over the most essential topic. Why does the COM want unity, he asked? He wondered whether they wanted a bigger area to preside over or did they wish to take the sovereignty of the peoples for themselves?

Ambassador Manhard interjected that this might better be discussed among the Micronesians themselves and perhaps it was not appropriate for the US to participate.

Mr. DeBrum asked if they could call for a meeting of the Micronesian delegations and that if the COM wished to participate they would be welcome. He requested that if possible, the US leave the room so the Micronesians could discuss the issue.

Ambassador Manhard agreed to adjourn and bring up LOS as the first topic for the next session.

FRIDAY MORNING, MAY 20, 1977

Ambassador Manhard opened by stating that in earlier talks last year the subject of LOS had become very important. At that time the US was asked to be more forthcoming and specific on LOS matters and marine resources but the US had problems since it has wide interests and the UNLOS Conference was not complete. Subsequently, he noted, there had been a lot of work and coordination required to be able to respond. The US was now prepared to share its thoughts and views in a preliminary way while also seeking Micronesian views on the subject. The US approached this discussion in the context of free association because it implies the sharing of responsibilities that would not hold under a different relationship.

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Mr. Busby of the State Department began his presentation on the subject by noting that the issues surrounding LOS and marine resources are very complex. He stated that they are issues which have ripened because of the slowness of the UNLOS Conference, unilateral action by the US and Micronesia's own aspirations. Mr. Busby said that he would like to share some thoughts and conclusions the US has come to over the past months. The marine jurisdiction issue comes up in two contexts, the LOS Conference and bilaterally in status negotiations. The LOS Conference is seeking to set a comprehensive legal regime of the sea. The US is pursuing a wide variety of interests as a great maritime power. Micronesian interests are more closely matched to those of the developing world and thus there was conflict between the two. This led to US approval of the status of observer at the Conference for Micronesia. Two years have past and disagreements continue on issues of substance, specifically on tuna and the archipelago theory. These will continue, Mr. Busby observed. Bilateral issues include signatory status and access to dispute settlement procedures; the US feels that solutions to these must come through the status negotiations, not at the LOS Conference. We do not seek to limit Micronesia at the LOS Conference, but the US feels it is legitimate to address this in the status context. For example, separate signatory status is not a marine problem but is instead a status problem. The solution must flow from the relationship established. The US is prepared, Mr. Busby stated, to work flexibly and to negotiate in the context of renewed status negotiations. Two principles must guide the parties in this area. First, any mutually agreeable arrangement must provide a balance between Micronesian authority in the area and US responsibility

over foreign affairs. Second, any agreement on marine resources must be in the context of status negotiations. There are other important things which should be done now. The US has established jurisdiction over a 200-mile zone in the Pacific and it believes that the US and Micronesia should begin together to establish a system for Micronesia. The rights to exploit these resources reside in the people of Micronesia, not in the US. Arrangements should be set up now within the terms of existing international treaty institutions. Some may carry over beyond termination. For now effort must be guided by the terms of the TA while being prepared to modify these later looking to a creative future. The US is prepared to work with Micronesia to devise a bill to provide for 200-mile fishing jurisdiction off Micronesian coasts, exclusive Micronesian management, joint promotion and development of the resources of the zone and assurance that the benefits will go to Micronesians. This would be done, Mr. Busby noted, in the context of conservation and management instituted in such a way to assure consistency with international procedures. The US is prepared to work to establish a joint US-Micronesian work group to develop these options. Mr. Busby said that the US understood that Micronesia had indicated that it was not particularly interested in the Western Pacific Regional Council but Micronesia could establish consultative links and arrangements with the Council as well as with the USG. The US cannot, however, promise financial assistance. The US recognizes that the issue of jurisdiction over tuna is the topic Micronesia is most interested in; it is also the one the US is most constrained on because of provisions of its own laws. The US feels that Micronesia recognizes,

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as it does itself, that the existing arrangement for the exploitation of tuna will undergo change. There will be much greater coastal state control over tuna in the foreseeable future. For now the US is prepared to undertake individual consultation with tuna fishing nations on the establishment of a regional arrangement. The views presented would be those agreed to between the US and Micronesia beforehand and the arrangement would not apply if Micronesia did not agree to them. The US is asking for a compromise and realizes this is not as far as Micronesians would want the US to go. It is hoped that the US and Micronesia can work together, Mr. Busby concluded.

Mr. Charles Domnick, Chairman of the LOS Delegation of Micronesia, noted that the position of his delegation was stated in the opening statement of the COM and also by Senator Kabua. He observed that the veto message for the marine jurisdiction bill pointed to two objections. First, the claim to jurisdiction over tuna. The US as a distant fishing nation is opposed to coastal state jurisdiction over tuna whereas Micronesia is in the opposite situation. Mr. Domnick said he does not believe this difference of opinion was a sound basis for a veto. Second, the US felt that the bill would somehow interfere with US foreign affairs authority under the TA. The Micronesian Delegation understands this clause to refer to the pursuit of peace and security and does not construe it to give the US the same right in the area of marine resources. In spite of all this, he said they continue to be open and willing to work with the US to try and satisfy US concerns. He felt that Mr. Busby's comments offered encouragement.

Ambassador Manhard stated that the US is reasonably optimistic that the problem can be resolved in the context of the negotiations.

Mr. DeBrum stated that the Marshallese delegation would like to go on the record as supporting the US veto of the COM marine space bill because it agrees that the COM should not purport to assert jurisdiction over the resources of the Marshalls. He said they would also reject the suggestion that any new marine space bill be drafted unless it recognizes separate Marshallese jurisdiction over its own 200-mile zone.

Mr. Toribiong briefly stated the Palauan position. The people of Palau, he said, realize that future development is based on marine resources and realize the complexity of the issue. They are cognizant of the LOS Conference of the last several years and hope the community of nations will come up with an international convention protecting the individual islands. He observed that the prospects of those negotiations are uncertain, especially in the near term and so, given the importance of the issue, Palau should be protected as soon as possible. LOS matters necessarily relate to sovereignty and so they should be considered in any bilateral talks between the US and Palau. The full Palauan statement is contained in the Declaration of Intent of March 17, 1977. During the Trusteeship period Palau will accept US responsibility over its marine resources and the US should exercise this and protect Palau. When status talks begin between the US and Palau this shall of course be a topic for discussion, he noted.

Ambassador Manhard said that he expects the subject to continue to be intimately related to the status negotiations and that the question is also important in the pre-termination context because with every day that

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passes that Micronesia cannot reap the benefits the longer the people of Micronesia must wait to gain these benefits. If the US and Micronesia work together they can proceed rapidly to reach agreements and to implement them for the benefit of the people of Micronesia. Another point the Ambassador made was that if one looks at a map of Micronesia it is apparent that there are overlaps of the 200-mile zones between all the districts. Therefore, there need to be practical understandings and cooperation between all those involved.

Legislator Edmund remarked that his delegation strongly supports the position of the Micronesian Delegation and of the COM.

Mr. Domnick asked several questions of the delegations from Palau and the Marshalls. During the interim period would they allow Japanese fishermen to enter their area up to the 12 mile limit? Are they willing to wait? There will be a problem with overfishing by 1981, he felt.

Mr. DeBrum answered that they were fully aware of the problem and the Marshalls would like to work with the US as soon as possible to protect these resources, pending the resolution of the status question. But the Marshalls delegation would insist that the US not agree to separate signatory status for the COM until the Marshalls is separated and able to sign the treaty on its own behalf. Mr. Toribiong replied that Palau was anxious to see the world community come out to protect it. Palau is now under the Trusteeship and it hopes the US will represent it internationally as they have foreign affairs authority. Palau wishes to cooperate in this effort.

Admiral Moreau of the Coast Guard noted that the USCG is in a position to offer advice and assistance when the status talks offer a group to work with. It would be difficult to work with six different entities so when it is clear what group or entity evolves, the USCG can begin to assist and advise on enforcement of the law. Ambassador Manhard agreed that it boils down to the fact that it is more effective to have a single mechanism to coordinate among the districts.

Mr. DeBrum said the Marshallese delegation would like to note that Article 6 of the TA states that the Administering Authority must encourage the development of fisheries and protect against the lose of land and resources. So long as the US and the Marshalls differ, the US should permit the Marshalls to sit as an observer on the US delegation to the LOS Conference. Mr. Toribiong declared that on April 27, 1977, Palau had made exactly the same request of the Secretary of State.

Mr. Doyle Cates of the Department of Commerce, National Marine Fisheries Service, said he would just like to emphasize that his office wishes to extend full cooperation to Micronesia, especially on technical matters. He also commented that there would be positive advantages to Micronesian cooperation with the Western Pacific Regional Fishing Council.

Mr. Dommick noted that all of the delegations expressed an interest in cooperation in some areas and he was sure all would want to cooperate in the area of marine resources. A cooperative organization could be set up and it would not matter if the Marshalls and Palau were to separate.

Ambassador Manhard said the US would be happy to collaborate, but not in such a way that would interfere. He suggested that the conference move on to consider the remaining topic suggested by the COM.

Senator Nakayama asked that they be allowed to discuss the few remaining matters the next day as they had some commitments. Ambassador Manhard expressed concern over the time factor and the COM agreed to present their points.

Representative Setik delivered a statement on infrastructure (full text appended). Mrs. Van Cleve offered to give a reply in writing later.

Representative Setik then delivered a statement on behalf of the COM concerning the 5-year Indicative Development Plan (full text appended). Mrs. Van Cleve noted that the comments were a request rather than a question and asked that since the official copy of the plan had not arrived in Washington until just recently, she be allowed to comment more fully later. Acting Deputy HiCom MacKenzie said the Administration of the TT had been concerned with the issue and so had just formed a committee to coordinate the executive branch action on the Plan. The hope is that by July 20 the HiCom will receive the recommendations of the group.

Ambassador Manhard closed by asking that in preparation for the next day's session the US delegation have the opportunity to have contact with each delegation to consult and to try to reach a consensus on what had been achieved and how to proceed in the future. He expressed deep appreciation for the constructive spirit and the frankness of the discussions. The original invitation, he recalled, said the conference should seek ways to resume formal negotiations in good faith. He also noted that the press would be asking what was accomplished and it would be good to be able to respond in common.

MORNING SESSION, MAY 21, 1977

Ambassador Manhard opened by expressing appreciation for the general consensus achieved in the press release (appended), not only on the

description of the conference but also as regards the next step all feel will be of mutual benefit. He noted it was not to be considered a formal communique but was an informal press release on behalf of the conference. The statement did not say where the next conference would be but the US thought that it would be preferable to hold it somewhere in Micronesia or on Guam. This would reduce the cost for the Micronesian participants. As to the timing, it would appear desirable that it be held sometime after the UNTC meeting and before preparations begin for the COM Special Session, which is tentatively set for mid-August. The US would also assist in other ways to facilitate the conference. The Ambassador asked if there were any substantive objections to the press release. There were no objections voiced.

Senator Nakayama delivered the first closing statement on behalf of the COM delegation (full text appended). Ambassador Manhard expressed gratitude for the kind words of Senator Nakayama and stated there was no way the conference would have succeeded without the cooperation and goodwill of the COM delegation.

Mr. Toribiong delivered the closing statement for Palau (full text appended).

Senator Petrus Tun spoke next saying he was not sure if it was appropriate that he speak for Yap at the conference because he was attending at the request of the COM and the CFPST. However, Yap did authorize the COM delegation to speak for the district and so in fact, President Nakayama had already spoken for Yap district.

DistAd Danis said Truk was represented by the COM and so President Nakayama had spoken for Truk. He did express his sincere gratitude as

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DistAd for being allowed to participate and said he was confident that through meeting such as they were having, the people of Micronesia would be able to move toward a brighter future.

Legislator Edmund, speaking for Ponape, said they appreciated the opportunity to participate in the conference and they had come openly to seek more information and knowledge concerning the problems facing the Micronesian people and this they had accomplished. They had been impressed with the willingness of the new US Administration to try and help the Micronesian people. The lack of an infrastructure and of economic development is a problem shared by all Micronesians, he said. On the subject of district chartering the Ponape delegation was pleased to see the new US approach and Ponape, he declared, was ready to proceed with the matter early in the summer. He stated that Ponape supports the unity of Micronesia because it would be able to speak with more authority and strength if united. He said his district respects the various views on future status, but because of needs in areas such as communications and transportation, and the need to coordinate on other matters, it feels that unity needs to be pressed. But unity, he noted, could take many forms and it is the responsibility of all Micronesians to pursue them. He called for a meeting in the TT to review the problem and to seek to resolve the many problems which confront Micronesia. The Ponape delegation was deeply concerned with the protection of marine resources and noted that their development is essential for economic development. Ponape would rely on the COM and the CFPST in this matter and was encouraged that the US was now willing to work with the COM to develop legislation to this end. Mr. Edmund said his delegation was sure that with a positive

attitude and hard work the future status question could be solved by 1981.

Senator Amata Kabua stated that it had been a historic conference, a time to face reality. The myth of imposed unity had been shattered with the Marshalls and Palau irrevocably committed to separation. The desire for separation was not a fantasy, he emphasized, but was derived from the genuine interests of the peoples involved. Palau chooses free association, the Marshalls are headed for internationally recognized independence, a status President Carter has agreed to accept, he said. The myth of the non-recognition of the MIPSC had also been shattered because at the conference the US had recognized the MIPSC as the sole representative of the people of the Marshalls. The US had held bilateral negotiations for the first time. The negotiations were honest and involved a real give and take with a spirit of true compromise prevailing. The conference laid the groundwork for multilateral and multiparty arrangements. The Marshalls appreciated the US having arranged the meeting. The Senator applauded the personal dedication of Ambassador Manhard and also expressed special appreciation to the leadership of the COM who he said worked hard to achieve agreement where agreement was hard.

Mr. Nena of Kosrae said he had no prepared statement since the COM speaks for Kosrae. He said his district appreciated the opportunity to participate, that they had learned much and would share it with their people. They still felt that unity serves the best interest of the people of Micronesia.

Mr. Heine said he had no prepared statement either but would speak from the heart. The executive branch was grateful to have been included.

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He noted that there may be different paths to the goals being sought but all should want democratic government. All are sincere, the goals are the same, just the arrangements are different.

Ambassador Manhard closed the conference by expressing for the US delegation its deep appreciation for the participants' forthrightness. All who attended gained a fuller understanding of the views of the leaders of Micronesia and he hoped they had more fully understood the US views. He said the US delegation had made its best effort to present its feelings as well as the views of the President and senior officials of the new Administration. As the President said, the goal should be to define the terms for a future association that will protect the respective interests of each party, nurture friendship, express the will of the people of Micronesia, and permit an early termination of the Trusteeship on a mutually agreeable basis. The Ambassador said that as the next step is taken, the interests of all the people of the Trust Territory and of the US are at stake. The effort will take a lot of wisdom and general cooperation. To be fair in regard to the option of independence, the President meant nothing less and nothing more than has been expressed. The US does not wish to foreclose the option based on the freely expressed will of the people, and not just of the leadership, but the people of each district. Underlying it all is the desire to make the best effort possible to have understanding and good will among all the districts. This is the best course, he felt. The US feels that the conference was a wonderfully

encouraging experience which enhanced a valuable creative process and it believes the discussions are now moving on the right course. The President's message said that if the goals are to be achieved, every effort must be made to be conciliatory and flexible, with due respect for the special and basic interests of each and every part of the Trust Territory. The Ambassador said he looked forward to the next step with justified confidence that it would be possible to build on what had been accomplished so far.

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May 18, 1977

Message from President Carter

On the occasion of this important conference, I want to welcome our Micronesian friends to Honolulu. Micronesia and the United States have had a long and mutually beneficial relationship. The United States intends to preserve a close association with the people of Micronesia. Our goal is to define terms for our future association that will protect our respective interests, nurture our friendship, express the will of the people of Micronesia, and permit early termination of the Trusteeship status on a mutually agreeable basis.

It is my hope that through this week's deliberations we may put past problems behind us. I can assure you that actions by U.S. officials such as those described in the Inouye Committee report will not recur under my administration. Following these consultations we must move on to resume formal negotiations concerning the future relationship between us. My administration will make every effort to achieve termination of the Trusteeship by 1981. Constructive dialogue, flexibility, conciliation, and compromise will be essential on both sides if we are to achieve our mutual goals.

I hope that this conference will begin a new chapter in our relationship and that we will continue to prosper together.

May 18, 1977

STATEMENT BY AMBASSADOR PHILIP MANHARD

We greatly appreciate your coming to meet with us here, symbolically half way between your homes and ours, in a part of the United States which shares many things with Micronesia-- bountiful waters, beautiful islands, warm-hearted people and admirable distinctive cultures. We come to this meeting not to engage in formal negotiation or to present official position papers. Instead, it is our desire to invite you to share with us openly and freely your views about the best way we can mold our relationship henceforth, and to explore creatively and constructively with you various possibilities for the future.

We begin with the belief that despite differences, all of us here share some very basic goals. Americans and all Micronesians, I believe, seek a solution to the termination of the Trusteeship that will:

- reflect the desires and interests of the peoples of Micronesia;
- enhance the prospects for economic growth and self-sufficiency in Micronesia;
- establish long-lasting bonds of friendship and cooperation between the U.S. and Micronesia, and
- contribute to a stable environment for the Central Pacific.

Over the years, the U.S. has increased its efforts to promote Micronesia's economic and political development. We are working seriously to further economic growth throughout the Trust Territory. We strongly endorse and support the five year Indicative Development Plan and the implementation of its goals of increased self-government and economic self-sufficiency during the remaining years of the Trusteeship. In this connection, the Acting High Commissioner has recently been authorized to approve on behalf of the United States three new UNDP project documents.

The political and administrative role of Micronesians has also continued to expand. We are prepared to consult with you on the holding of popular elections for District Administrators as soon as Charter Governments are completed and approved. We hope such elections can be held as early as the beginning of 1978.

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We would not deny that mistakes have been made and that misunderstandings have crept into our relationship in the past. But we are determined not to repeat mistakes and to do everything we can to eliminate misunderstandings no matter whence they come. We seek your help and collaboration to build together a better relationship drawing on the accomplishments of the past but also including new creative ideas.

We would like to explore candidly with you what you believe would be best for the people of all the parts of Micronesia you represent. We recognize that there are differing views, and we would like to have the benefit of your perceptions.

We believe that there is real value in maintaining some form of unity among the districts of Micronesia. We believe that the people of the Carolines and the Marshalls would benefit more in mutual association than in isolation from each other.

We believe that with imagination, a creative solution is possible that will maintain the external components of unity and the essential aspects of cooperation while allowing full scope to the aspirations and rights of the individual districts. In a few minutes I will ask Mr. Oakley to discuss our views on unity and free association in more detail. I hope we can frankly examine all possibilities here this week and begin to develop an approach that will lead to continued cooperation and association among the districts.

We also believe the concept of free association which has been developed through six years of negotiations provides the most promising basis for a mutually rewarding relationship between Micronesia and the United States. However, we have not excluded the possibility of negotiations leading toward some other form of self-government, including independence, if that is clearly the wish of the Micronesian people. This week we hope to gain a better understanding of the various elements of thought in Micronesia on the status issue.

We are keenly aware of the importance of marine resources to the economic well-being of people throughout Micronesia. We are prepared at this meeting to discuss this subject with you. We are optimistic that, with reasonable flexibility on both sides, we can set the stage for rapid progress on this matter and reach a mutually satisfactory agreement in subsequent technical talks.

In addition to the foregoing general topics uppermost in our minds, we shall be glad to discuss in broad terms those subjects you might like to raise whether they concern our relationships before or after termination of the Trusteeship Agreement.

Finally, we consider it of great importance to learn from you your best and most constructive ideas regarding arrangements for the resumption of formal status negotiations. With good will on both sides, I believe we can find a way to proceed that will be fair to the interests and needs of each and every district of Micronesia.

So let us work together constructively and creatively -- to chart the wisest course in the same seas and under the same stars.

I am privileged to bring with me a letter to you from President Jimmy Carter which I would like to read at this time.

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May 18, 1977

Message from Secretary of State Cyrus Vance

I would like to welcome you to Hawaii for discussions on the future status of Micronesia. I regret that I am unable to join you personally, but I can assure you of the importance the Carter Administration places on this gathering and on the United States-Micronesian relationship.

The period since the last negotiating session has given us all time to view our past negotiating procedures in perspective and to reflect seriously both about the progress we have made and about some of the less happy aspects of the relationship. I am thinking particularly about the matter of CIA activities which were the subject of a recent report by the Senate Select Committee under Senator Inouye's chairmanship. As you know, this Administration has given its assurances that no such activities are now being conducted, nor will they be conducted in the future.

To dwell upon the past will not help us to meet the challenge of the future. Indeed, it is time now to put this unfortunate past incident behind us, and to reaffirm the old and deep ties of friendship and trust between our peoples.

The Carter Administration is vividly aware of the responsibilities and obligations the US has assumed under the terms of the trusteeship arrangement. Our task during the next few days in Honolulu will be to listen carefully to the views of both Micronesian and United States representatives concerning the future of the Micronesian people. We welcome the advent of self-government for the people of Micronesia. We are confident that the trusteeship can be terminated by 1981. To achieve these goals, I want to emphasize our commitment to a process of renewed negotiations, undertaken in good faith and pursued honorably and diligently. I wish you every success in these initial deliberations.

MESSAGE TO MICRONESIAN PARTICIPANTS IN HONOLULU CONFERENCE FROM SECRETARY
OF THE INTERIOR CECIL ANDRUS

(to be read by Mrs. Van Cleve)

On behalf of the Department of the Interior, and particularly for myself and Under Secretary James Joseph, I would like to express a sense of pleasure and progress that so distinguished a group of Micronesian leaders have answered Secretary Vance's and my invitation to the discussions which are about to commence. I regret that I am not able to attend personally but am very pleased that our new Director of the Office of Territorial Affairs, our new High Commissioner (designate), Mr. Adrian Winkel and Mr. Boyd MacKenzie and others from the Trust Territory administration are able to attend to assist in the discussions that concern current issues.

Under Secretary Joseph, whom I have asked to take a special interest in the Trust Territory, and I have both had an opportunity to meet with several of you in Washington. You have voiced your concerns and problems and they are complex and multi-sided. I am sure that these and other equally important issues will be discussed in this conference. I would like to urge upon you a spirit of cooperation as you approach these issues and their resolution. Micronesians have produced many examples of the success that can be achieved by working together. There is always room within a cooperative spirit for divergent views and aspirations. These are important not for highlighting how far apart we may be but for the light they shed on alternative solutions. I hope and believe that this conference can set the stage for our moving ahead together with the business of good and representative government.

We in the Department of the Interior pledge our strong interest and desire to engage with you in the types of creative approaches to issues that

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are the hallmark of both the Micronesian and American people. My very best wishes for success in these discussions are with you.

CECIL D. ANDRUS
SECRETARY

Remarks by Deputy Assistant Secretary
of State Robert Oakley

We are glad that all of you have come to this important meeting. We see an advantage to you, as well as to us, in attempting to examine together as many of our common problems as we can.

We have first to confront a fundamental procedural question. As the President said in his message to this meeting, we believe the prompt renewal of formal negotiations is of utmost importance. We expect this central issue to be a dominant theme of our discussions here in Honolulu. We all wish to resolve the substantive issues facing us. This can only be done through formal, sustained negotiations where we can present concrete proposals, evaluate counterproposals, and hammer out compromises, on such issues as status, marine resources, level of financial assistance, other forms of assistance and cooperative activities, and many additional questions. Thus it is important, as we talk at this conference about different substantive issues, to keep in the forefront the overriding question--when and how are we going to resume our negotiations?

Our basic aim is to help the people of Micronesia move rapidly and successfully toward a new status based on the principle of self-determination. As the President indicated in his message today, 1981 is our target date for termination of the Trusteeship. Therefore we feel there is a need to maintain momentum toward resolution of matters that are basic to the determination of your future status. These decisions are important to us--they affect our responsibilities under the Trusteeship Agreement. These

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decisions are important to you in even more fundamental ways--they will set the pattern of your future orientation and development. For this reason, I believe we should ask ourselves two basic questions:

- What should be the nature and extent of the relationships between the districts?
- What should be the relationship between Micronesians and the US?

We see definitive advantages to everyone if Micronesians can find ways to establish common links of some kind among themselves.

We believe it is primarily your decision--not ours--to determine the precise form that these links would take. We are prepared, if it is helpful, to assist in the development and analysis of different types of inter-district relationships, to work closely with you in an effort to find practical solutions--not slogans or unworkable theories--on this vital matter of mutual concern. Even if some of you want an arrangement based on the Constitution and some do not; there is still the possibility of maintaining common links affecting important services and furthering mutual interests. Districts united in one manner, for example under a central government, might still have close links in certain areas with districts operating under a somewhat different structure.

Why are there advantages in common Micronesian links? First, you can derive strength in your policy approaches to the future. Even together, you are only 100,000 people in a very large world. We think--as do many at the United Nations--that over the long run

you will find that in unity there is greater strength in facing the problems of an uncertain, and often dangerous, world.

Second, dissolution will mean new strains in administrative and functional matters that affect your people from day to day. If the concept of separateness is pushed too far in today's interdependent, complex, technically-advanced world it will inevitably bring great difficulties in trying to develop new administrative and functional services on an individual basis to replace those which presently exist.

Third, and this is more immediately relevant, dissolution into separate entities means that the US will find itself less able to provide some of the things which you expect from us. Over the years we have discussed possible levels of US financial aid to Micronesia. We have also discussed the possibility that the US may be able to help provide certain services even under a new status, for example the US Postal and Weather Services and the Federal Aviation Administration. We expect to discuss tomorrow the development of marine resources. Under a new Administration, the US--both the Executive and the Congress--will, of course, have to examine all such possibilities very carefully. But I wish to tell you frankly, we are concerned that a departure from the concept of some form of unity would complicate the provision of aid and

services and make their administration more cumbersome and expensive. Particularly in these days of zero-based budgeting and renewed emphasis on fiscal concerns in Washington, the financial elements of our understandings in the Compact of Free Association would be subject to jeopardy by any significant changes in the previously understood frame of reference. Some may choose to read into my remarks a threat but I assure you this is not the case. The US would fail in its commitment to the people of the Trust Territory and you, their leaders, if we did not explain clearly the factual situation.

I have been speaking about the establishment of future links between the districts of Micronesia, but most of this applies with equal or greater force to the question of the links between Micronesians and the US. We have long talked about, and negotiated on the basis of, a free association relationship. The US continues to see this form of arrangement as one that would best serve all our mutual interests. As Ambassador Manhard noted earlier, and is also made clear in the preamble to the draft Compact of Free Association, we have not excluded the possibility of negotiations leading toward other forms of self-government, including independence if that is the wish of the peoples of Micronesia. But it has been our understanding that it is on the elements of free association that most Micronesians see the best method of furthering self-determination while, at the same time, guaranteeing international security and protection.

You are all very familiar with the elements of free association which have been so carefully discussed and on most of which tentative understanding was reached in 1976 after great difficulty. For you and for us, the elements of this arrangement would institutionalize the close friendship between us, maintain vital services, and facilitate a defense relationship that serves American interests and your interests as well. While the Carter Administration and the US Congress are ready to examine carefully new proposals for the future relationship with Micronesia, we would again be shirking our commitment if we did not add a note of caution over too radical a departure from the elements of a continuing relationship that were worked out last year. The time between now and 1981 is very brief when one thinks of all that must be done to prepare for a new relationship. And if the elements already agreed upon were to be discarded completely, forcing everyone to start all over again, the difficulty of devising a mutually acceptable means of maintaining our close relationship would be immense.

From Micronesians, the elements of free association previously considered would assure a number of specific benefits:

- they would protect you internationally;
- they would bring the weight of the US to bear on behalf of your international interests;
- they would bring you agreed upon levels of financial assistance which would have a high degree of stability over the years;

- they would establish a new and special relationship with the US which places Micronesia in a different category from recipients of US foreign aid who must, as you know, depend on year-to-year decisions by the Executive where it concerns economic assistance and the Congress;
- they would set out clearly the services each of us would provide and the method by which we would work together;
- they would bring your peoples the right to immigrate freely to the United States and to volunteer for service in the US armed forces;
- they would be subject to rethinking and change after 15 years, thus providing time for a test of the new US-Micronesian relationship and for your economic development to proceed.

The United States sees these elements as being sufficiently flexible to accommodate both an assured close continuing relationship and the desires for individuality on the part of the Micronesian peoples. We are eager to discuss how these elements can best be combined into a coherent, overall framework. We are also eager to review those individual elements which may require modification and to seek agreement on those which were left unresolved last year. If you have totally different ideas, we are of course prepared to consider them. But we urge you to concentrate upon the specific practical aspects of our future relationship and make specific, practical proposals. I can assure you that President Carter is sympathetic, flexible and open to your concerns and aspirations. His dedication to the broad concept of human rights makes him

particularly desirous of finding a mutually agreeable outcome for our common future. But President Carter is also a very practical man whose interest is in workable proposals and durable solutions. This applies equally to the US Congress whose approval will be necessary for whatever new arrangements may eventually be proposed. So I urge all of you to join all of us in using these three days primarily to identify the specific elements of a new relationship that we can agree upon, and what work needs to be done on the elements not agreed.

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OPENING REMARKS BY CHAIRMAN OF THE CONGRESS OF MICRONESIA DELEGATION, THE
HONORABLE TOSIWO NAKAYAMA, PRESIDENT, SENATE

Distinguished Representatives of the United States Government and fellow
Micronesians:

I would like to express for myself and my colleagues in the Congress of
Micronesia our pleasure in being here this morning to meet informally with
distinguished U.S. Government representatives and with leaders from throughout
Micronesia. My remarks will be brief and have been designed expressly to
avoid the formal tone customary in statements made at the outset of negotiating
rounds.

This, as I believe the United States representatives recognize, is not a
negotiating round with respect to the draft Compact of Free Association. What
we fear you may not fully appreciate, however, is the concern we have tried to
indicate in our several messages to United States officials. We are bound
by our law to avoid even in an informal setting any exchange of views, whether
substantive or procedural, touching Micronesia's status with the United States.

The essential starting point for us in approaching the applicable legal and
political status of the Micronesian people is, of course, the U.N. Charter and
Trusteeship Agreement. Those two documents provide the legal basis for the
existing relationship between the United States Government and the inhabitants
of Micronesia. Action within their letter and spirit is proper. Action outside
their letter and spirit is improper.

Pursuant to the obligations of the United States under the Trusteeship Agreement
and under the laws of the Trust Territory, the Congress of Micronesia was
established. The Congress legislates for the Trust Territory on matters within

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its competence. In 1975 the Congress enacted legislation calling for a Constitutional Convention. Subsequently, the Convention met and approved the Constitution of the Federated States of Micronesia. The enabling legislation also fixed the procedure for adopting or rejecting that Constitution in a referendum in each of the districts. The High Commissioner, in furtherance of the Congressional mandate, has just set July 12, 1978 as the date of the referendum. If the Rule of Law is to be recognized in Micronesia, that procedure must be followed. We believe the Rule of Law prevails in Micronesia, and that lawful procedure must and will be followed.

With respect to negotiations with the United States for a future political status, the same Rule of Law must be followed. From 1969 to 1976, the legal representative of the Micronesian people in these negotiations was the Congress of Micronesia Joint Committee on Future Political Status. In 1976, the Congress, taking note of the Constitution approved in late 1975, created the Commission on Future Political Status and Transition, drawing its membership from both within the Congress and outside the Congress, to be more broadly based than the previous Joint Committee. That Commission pursuant to statute has the task of negotiating status and transition; and in the case of status, it has the task of renegotiating the previous drafts of a proposed association with the United States to fit the Constitution. That is its legal mandate, and no one within or without Micronesia legally can disregard the exclusive nature of that mandate. Americans, as a people that emerged from colonial status, experienced first hand a distant and uncomprehending government that did not respect their local processes of self-government. Surely the United States which has designed our legal structure as a model of its own, cannot denigrate our insistence upon adhering to the law.

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With respect to matters of our maritime resources and rights, we believe that those marine resources belong to us now. They are our resources just as much as our land resources are ours. In our history and our future, our seas have been and will be at least equally important as our land to our survival and development.

The Congress of Micronesia has now moved, following the example of many nations and peoples in the world, including the United States, to protect the fish within our 200 mile fishing zone. We enacted our legislation only after years of unsuccessful efforts to work out with the United States mutually acceptable ways to protect our tuna. The United States, however, has vetoed our legislation on the ground that it protects our tuna and that it contemplates direct foreign commercial dealing on tuna. We believe that the veto is not only unwise but is illegal. Even so, we offer once again to seek to work out our differences through the negotiating process. We have waited since June 2, 1976 for a follow-up to Ambassador Williams' promise to join in such negotiations. If necessary, we are willing to submit this difference to adjudication under the Rule of Law, but we still hope that such a solution is not necessary. Our Law of the Sea Delegation is the legally established body to negotiate for Micronesia's protection of its marine resources, and is present here in Honolulu fully prepared to engage in discussions with appropriate U.S. parties, even while we conduct these meetings.

We shall continue to defend and uphold the Rule of Law in Micronesia. We shall negotiate status, law of the sea, and all other matters within our

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competence through the proper legal channels. We cannot ignore the legal mandates of our Congress. We cannot abandon our institutions. Accordingly, I have been charged by our Congress to advise you officially that negotiations of status and transition, whether called informal discussions or not, should be conducted by the Commission; maritime issues, negotiations and discussions should be conducted by the Law of the Sea Delegation; and other matters should be negotiated or discussed by the appropriate bodies, whether Congressional or District or other special lawful bodies in Micronesia. Our own attendance at this meeting will be guided by these principles and by our instructions.

Finally, I would like to say that despite our strong feelings regarding the legal restraints upon these discussions, the Congress of Micronesia did not hesitate in accepting the invitation of Secretary Vance and Secretary Andrus to come here to Honolulu. Many of you know that Micronesians are not given to rejecting gestures made in good faith and friendship. Moreover, despite our firm respect for the many capable U.S. officials with whom we have dealt in the past, we have been most anxious for an opportunity to meet as many as possible of those in the new Administration who up to now may have perceived our problems and concerns only in terms of the day-to-day administrative and bureaucratic routine, alongside a multitude of other, often totally unrelated matters. In that light, while I speak to all of our old friends present with sincerest friendship, I cannot help but feel a sense of disappointment for each instance in which anyone who will participate in future decisions regarding our affairs was unable to attend. Let me say that we hope for other occasions, very soon, to begin to make Micronesians of those who could not be here.

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The past few years, we feel, have been quite remarkable for Micronesia in terms of tremendous progress that has been made toward establishing a pattern for our future. We will refer to this more fully in our subsequent discussions. At times, however, and especially more recently, it seems that that progress has been obscured by quite unexpected and at times even disillusioning experiences. We would like to share with you our frank views on some of these, such as the CIA surveillance, in order that you might fully appreciate their impact upon us and the necessity for your cooperation and assistance. There are also a number of important problems that require all our best efforts to resolve as soon as possible, to assure that our common and undisputed goals relating to self-government are attained.

We recognize and appreciate your agreement that this meeting does not include status talks. There is, nevertheless, as we see it, much to discuss. Accordingly, in hopes of contributing to the most useful employment of our short time here, we have developed a group of topics and brief statements for your consideration both here and in Washington.

Thank you for your invitation and your willingness to participate in this informal exchange.

OPENING STATEMENT OF THE PALAU DELEGATION TO
HONOLULU ROUND TABLE CONFERENCE
MAY 18-21, 1977

Distinguished members of the delegation of the United States of America;
Distinguished members of the various delegations from the Trust Territory
of the Pacific Islands;

Honorable officials of the Trust Territory Government;

Ladies and Gentlemen:

The Palau Delegation to this conference is most grateful to have this opportunity to present the position of the people of Palau at this historic conference. Our delegation is happy to note that the new administration in Washington is prepared to adopt a new approach that will accommodate the political wishes and aspiration of all the various peoples of Micronesia.

After many years of diverse experiences under several foreign powers, we people of Palau have reached a stage in our history where we must begin on our own initiative to negotiate with the United States regarding our own future political status and form of constitutional government after the ending of the trusteeship. In order that you may understand our position here, it is essential to remember that the Palau Delegation comes with an explicit mandate from its constituency as a result of the referendum recently held in Palau on the issue of our future political status.

Before you today are two documents which summarize the position of Palau as relevant to these proceedings. These two documents are the Palau Political Status Commission's SITUATION REPORT of October 15, 1976, and the Commission's DECLARATION OF INTENT of March 17, 1977. We commend these two documents to your attention; together they constitute the crux of Palau's position. In essence, these two documents call for direct negotiations with the United States on the issue of Palau's future political status separate and apart from the rest of Micronesia.

Our position has been forged and fashioned by our recent history. In the

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wake of the Second World War, Palau, like the other island groups in Micronesia, was left desolate and barren. The havoc and destruction of the war left practically no building standing, no useable roads, no water system, no health facilities, and no schools. Even the foliage of some of our islands had been stripped and scorched to the ground. Indeed, the social and political institutions and governmental machinery were at best chaotic, demoralized and crippled. Slowly, ever so slowly, the people of Palau started to organize a new political leadership beginning with the formation of the First Palau Congress in 1947, the first legislative body in Micronesia after the war.

It is worthy to note that in 1947 the United Nations decided to include Palau with some other island groups in the Pacific region solely for administrative convenience. Palau was not consulted nor made privy to the formulation and adoption of the Strategic Trusteeship Agreement for Micronesia. It appeared at that time in our history, instead, that Palau dealt directly and exclusively only with the United States on all matters and that there was no tangible indication or evidence that this policy would change in the near future. We knew that the United States was simultaneously administering the different island groups just as the Japanese had done; however, Japan had never attempted to bring the diversified peoples of Micronesia together politically.

The American Administration for a long time did little more than maintain itself in Micronesia. It is a historical fact that between 1947 and 1952 an average of only one million dollars was annually appropriated by the United States for all of Micronesia. By 1961 a Visiting Mission of the United Nations Trusteeship Council was sharply critical of the American Administration in almost every area: poor transportation, failure to settle war damage claims, failure to adequately compensate the people of Micronesia for land taken for military purposes, poor living conditions, inadequate economic development, inadequate educational programs, and almost non-existent medical care. The political awareness of our people, which was being developed as a result of our own dependent but neglected conditions,

understandably triggered numerous sparks of discontent in Palau, which in turn generated the seeds of talk of independence within our own leadership. It was becoming apparent then that the United States could hardly teach the principles of American democracy at increasingly higher levels of education and yet avoid the eventual question of why the same democratic principles were not applied to Micronesia, in our case particularly Palau.

History records that it was President John F. Kennedy who initiated a series of new programs which reflected the first real recognition of America's responsibilities to fulfill its obligations under the Trusteeship Agreement. Since Kennedy and then the Johnson administrations apparently believed that these programs were overdue, they were formulated and implemented hastily, with predictable consequences. A bloated and burdensome bureaucracy was established. Planning was erratic and programs overlapped and were badly monitored. Nevertheless, some tangible progress was made in the socio-economic sector, while political development proceeded at a more hurried pace.

In 1965, the Department of the Interior created the Congress of Micronesia. The leaders of Palau understood that this institution was intended to establish the basis for a very loose union of different island groups which would provide a useful political forum to define and deal with the common problems, needs, and desires of the various peoples of Micronesia.

Despite our induced expectations of a future, loosely-federated states of Micronesia, the Congress of Micronesia in fact evolved to become a national legislative body that is cumbersome and costly. Its lack of clearly defined policy and direction concerning the future well-being of the very diverse individual island groups of Micronesia unfairly gave advantage to those who for their own reasons advocate a strong centralized government. These recent experiences under a strong centralized government clearly demonstrate that to continue such a system of government in the future would only prolong and intensify the existing social

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and political disharmony throughout Micronesia and indeed within each District.

But if the Congress of Micronesia failed as a Micronesian national instrument upon which to base a system of "loose federation", Palau was not to be discouraged. It made a continuing effort to provide leadership for a reconciliation of political differences among the various districts and to forge a viable united constitutional system. Being in a minority position, it failed. Nevertheless, Palau did not give up. We took the concept of "loose federation" to the Micronesian Constitutional Convention when it met in October of 1975. The Palau Delegation to that convention still hoped that the constitution that would be formulated would be able to preserve a Micronesian unity based on the time-honored concept of "loose federation" which could accommodate the differences of the various districts. Despite the position taken by the Palau Delegation to that Constitution Convention, the constitution which was drafted and approved gave, in the final analysis, only lip service to the concept of "loose federation."

In matter of fact, if Palau was then in doubt about the full implications and effects of the Draft Constitution, subsequent events and actions of the Congress of Micronesia have only served to confirm our misgivings that the constitutional government as conceived by the Draft Constitution will not be workable. In retrospect, it is widely agreed that this Draft Constitution is in addition in direct conflict with the Draft Compact of Free Association; it is furthermore in direct conflict with the expressed and determined will of the people of Palau. For these reasons it would in our opinion constitute a major hindrance to an early termination of the trusteeship system for the Trust Territory of the Pacific Islands.

In summary, it appears to our Delegation that the overriding issue before this conference is not the Draft Constitution. Rather it is what should be done regarding the future political status negotiations which thus far have been endlessly stalled at the conference table between the representatives of the United States and the Congress of Micronesia. In conjunction with this issue are questions of

pre-termination and post-termination relationships among the districts, and between each of them and the United States. In addition, there is a collateral issue regarding the Law of the Sea matter which has further contributed to the retardation of the Micronesian political-status negotiations.

Given the culmination of events in Micronesia and elsewhere, Palau strongly recommends without any reservations or equivocation that the United States accede to the clearly expressed desires and wishes of each of the districts as regards their political aspiration, and make room for separate political status negotiations between any or all of the districts and the United States as may be appropriate to each of their particular political circumstances. If any two or more districts truly desire to negotiate a common future political status together, then it is only appropriate and proper that the United States allows this. As for our Delegation, the people of Palau have through a free and popular referendum demanded that we insist upon having an opportunity to exercise Palau's separate right of self-determination. In other words, Palau is now totally united and committed, for better or for worse, to attaining a separate political status arrangement with the United States.

Specifically, our mandate has two facets. First, Palau seeks a political status that is separate and apart from the rest of Micronesia. Second, Palau hopes for a more lasting association and enduring relationship with the United States. In this context, we have considered and rejected all other practical alternatives open to Palau, and have decided that the political status choice we have adopted would offer us the only real opportunity for social, economic, educational and political advancement in accordance with our uniquely Palauan needs and capabilities.

In the interim, we find the following recommendations to be in order and most responsive to the current events now taking place in Micronesia:

A) Palau recommends that a total moratorium be established on all new laws which will be affected by the outcome of future political status issues. These include the irrational and hasty use of land for relocation of the Trust Territory headquarters and later the proposed Federated States central government, the spending of funds for a unified Micronesian college, and the new tax law, among others. None of these should be implemented until it is known which island groups will become part of that proposed government of the Federated States of Micronesia.

B) Palau recommends that each island group proceed first to define its own policy on Law of the Sea matters. Then a common policy should be adopted only by those groups who find themselves in agreement, and not by fiat from above, by the Congress of Micronesia nor any other authority.

C) Palau recommends that we all get down to the serious business of realistic transition and termination of the Trusteeship as quickly as possible. Therefore, we strongly submit that if the proposed Draft Constitution is presented to the people of the different island groups for ratification or rejection:

1) That the date of July 12, 1978, now designated for this referendum by Public Law 7-31 be moved up. The Draft Constitution has already been a public and widely distributed document for nearly two years. No further discussion is necessary. Let us have the vote in the next 90 days or as soon as practicable and stop wasting any more time and money.

2) That it be agreed that, under no circumstances whatsoever, the United States, its territorial administration, or any individual employed therein, will participate or express in public their opinion in their official capacity regarding this proposed Constitution. Any official sanction or public support of or opposition to this document by the Administering Authority will be regarded as an act of bad

faith, moral intrusion, and perhaps legal obstruction of the freely expressed wishes of the people of Palau and of Micronesia.

3) That there be no prior reconvening of a Constitutional Convention to formulate new amendments because this would only add to the existing political confusion surrounding the issues.

4) That this be the first and last plebiscite to determine the measure of support for a unified Micronesia prior to the termination of the Trusteeship. It is high time that we all give some deep, serious thought to the basic question: How long must this pretense continue? How much more time and money can we waste on the failed experiment of 'Micronesian unity'?

D. Palau recommends that each individual island group begin immediate implementation of its own adopted Indicative Development Plan, and that the United States focus its attention on the unique conditions and requirements of each individual plan.

And lastly, Palau accepts the statements of the officials of all branches of the United States Government that the CIA episode was a regrettable incident and that all activities of this kind have been terminated. We should move forward now with the understanding that the unique relationship and friendship we have with the United States need strengthening at this crucial hour, and that good faith, brotherhood, and reality must command our present actions and determine our future bonds.

Thank you.

Submitted by

Palau Delegation

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OPENING STATEMENT OF MARSHALL ISLANDS
BY ATLAN ANIEN, SPEAKER, MARSHALL ISLANDS NITIJELA
HONOLULU CONFERENCE, MAY 18, 1977

Mr. Chairman: my dear friends from the districts of the Trust Territory; honorable representatives of the United States:

We, of the Marshall Islands, appreciate your invitation to us, to attend this conference.

I am confident that it will be fruitful in at least one regard: key representatives of the United States will, at one place and at one time, hear the observations of each of the districts concerning individual relationships with their trustee. Those of you who are here from Washington hear most of what happens in the districts, second-hand, from the Trust Territory staff. I suspect, that in the circumstances, information is, not surprisingly, mitigated. In the next few days, you will have an opportunity to hear it, as you say, "from the horse's mouth."

I am here, in behalf of the people of the Marshall Islands, to transmit a message, from them to you. However, before I transmit that message, I wish to preface it with a note of historical interest.

Those of you, who may already know some of our island history, may also know that in 1493, Pope Alexander VI issued a Papal document dividing the Pacific into two zones of influence to proselyte Christianity: one zone was awarded to Catholic Portugal; the other zone, to Catholic Spain. The following year, Spain and Portugal confirmed the division by a treaty at Tordesillas, Spain. The Marshall Islands, not

yet so named, were included in the Spanish zone.

For almost 400 year after that event, neither Spain nor any other nation concerned itself with the Marshalls. To the extent that Spain did engage in any activity in its zone, it was primarily directed at the Marianas; less so, in the Carolines; and not at all, in the Marshalls.

It was not until 1878, that any nation asserted a serious claim to the Marshalls. In that year, Genrmany dispatched a warship to the Marshall Islands and occupied Jaluit.

In 1885, the territorial claims of Spain, Germany and England, in the Pacific, were arbitrated by Pope Leo XIII. Germany was given a protectorate over the Marshalls, Spain retained control of the Carolines and Marianas, and England obtained control of the Gilberts. In 1899, the Germans purchased the Carolines and the Marianas from Spain and proceeded to exploit the natural mineral resources of the Carolines and the copra in the Marshalls.

In 1914, soon after World War I began, Japan invaded the Marshalls and the other island groups, and displaced the Germans. In 1917, at the Treaty of Versailles, and under the sponsorship of the League of Nations, Japan was given mandate powers in the nature of a trust over the Marianas, the Carolines and the Marshalls.

During the occupation by Japan, each of the island groups, the Marianas, the Carolines and the Marshalls was administered differently from the other. For example, the commercial and mineral exploitation was quite intense in the Marianas and the Carolines; Japanese immigrated into

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the island groups of the Marianas and the Carolines in much greater numbers than into the Marshalls; the Japanese public land policy, which expropriated approximately 1/3 of the total land area of the 3 island groups, was predominantly exercised in the Marianas and the Carolines, recognizing and leaving undisturbed private ownership of lands by the Iroij in the Marshalls.

As you can see, historically, the Marshall Islands have not been regarded as an integral part of a single political or economic or social unit.

As you can see, historically, the Marshall Islands have not been regarded as an integral part of a single political or economic or social unit.

It was not until 1947, and the creation of the Trust Territory under the auspices of the United Nations and the United States, that a deliberate effort has been asserted to impose consolidation of the Marianas, the Carolines and the Marshalls into one political, economic and social unit.

The Marshall Islands enjoy a separate history, a separate ethnology, a separate language, a separate social system, a separate land system, separate customs and separate traditions from those of our friends in the Marianas and Carolines.

There is no obvious, reasonable basis for imposition of a concept of political unification upon the Marshalls with the other Trust Territory island groups, necessary for the best interests of the people of the Marshall Islands. If there is a reasonable basis for political unification,

return.

I say to you now, as has been said to some of you before, in another forum, that the people of the Marshall Islands are unalterably opposed to their imposition and assimilation into a polity or society with the other island groups in the Trust Territory.

We shall pursue our own destiny; apart from the Carolines and apart from the Marianas; but hopefully, retaining our close friendship with the United States of America.

We hope that all, who may in any way feel affected by our decision, recognize our commitment to separate political status. We hope that you respect our freedom to make our own choice. And we hope that you forego any attempt to obstruct our independent efforts to negotiate the future of the Marshall Islands with the United States.

Please understand however, political separation of the Marshall Islands does not, of necessity, mean estrangement from our island friends in the Pacific; nor does it mean a lessening of communications between us.

To the contrary. On those occasions when it appears to be mutually beneficial, we will look to our friends in the Carolines and the Marianas to join with us to achieve that mutual benefit.

To those of you who are here in behalf of the United States government, the people of the Marshall Islands want you to know, that when we are no longer obstructed from meeting with you for the purpose of negotiating our political status, we are ready and willing, incident to those negotiations, to enter into a relationship with the United States that will

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that basis has not yet been described and supported by persuasive evidence. If however, there are reasons which were not based upon the best interests of the people of the Marshall Islands, then, those too, have not been disclosed.

Over the many centuries of occupation by foreign powers, no acculturation has taken place among the people of the 3 island groups. The most extensive acculturation of any kind, has taken place in the Marianas by Spanish and American influences. The Carolines appear to have been only somewhat affected by the Japanese; and the Marshalls, had effectively resisted any acculturation until they were included in the Trust Territory.

If the Marshallese people, have a cultural affinity with anyone at this time, it is certainly not with the people of the Carolines or Marianas. From what one can observe of American influence in the Marshalls, it would appear, that it is more with the United States, than anyone else. This does not however, mean that we, of another generation, are particularly pleased or hopeful over the prospect of American acculturation of the Marshalls. It is apparently inevitable. We can only hope to slow down the pace, and preserve the most cherished portions of our culture.

In the context of that brief historical preface, I will now get on with the message from the people of the Marshall Islands.

On April 13, 1976, the Marshall Islands Nitijela, the legislative representative of the people of the Marshall Islands, unanimously voted for political status separate and apart from the other island groups in the Trust Territory. The mandate is clear. Our course is set. We are beyond the point of no

assure the United States of the integrity of its strategic defense requirements in the Marshalls and the rest of the Pacific. In this same regard, we are also willing to join in agreements with the United States and the other island groups who are so inclined, to assure those defense requirements.

I hope that as this conference progresses in the next few days, all participants here will recognize the commitment of the Marshall Islands, and will accommodate themselves to that commitment.

Thank you, Mr. Chairman

OPENING STATEMENT OF SENATOR
AMATA KABUA, CHAIRMAN OF THE
MARSHALL ISLANDS POLITICAL STATUS COMMISSION

MAY 18, 1977

ASSEMBLED GUESTS:

THE MARSHALL ISLANDS ARE IRREVOCABLY COMMITTED TO THE ACHIEVEMENT, AS SOON AS PRACTICABLE, OF A NEW POLITICAL STATUS SEPARATE AND APART FROM THE OTHER ISLAND GROUPS OF THE TRUST TERRITORY.

WE HAVE TRIED FOR THIRTY YEARS TO ACHIEVE MICRONESIAN UNITY, AND WE ARE NOW CONVINCED THAT SUCH A GOAL IS NEITHER WISE NOR REALISTIC. ALTHOUGH A UNIFIED MICRONESIA IS TOTALLY UNACCEPTABLE TO THE MARSHALLS, WE DO LOOK FORWARD TO THE TIME WHEN WE CAN SIT DOWN WITH OTHER GOVERNMENTS IN THE PACIFIC, INCLUDING WHATEVER ENTITIES EMERGE FROM THE REMAINDER OF THE TRUST TERRITORY, TO EXAMINE WITHOUT PRECONDITIONS THOSE AREAS OF COMMON INTEREST, IF ANY, THAT CAN BE PURSUED COOPERATIVELY. BUT FIRST WE MUST CHART OUR OWN COURSE, AND OUR RIGHT TO SUCH SELF-DETERMINATION MUST BE RECOGNIZED AND ACCEPTED BY THE UNITED STATES GOVERNMENT.

WE LOOK FORWARD TO WORKING OUT WITH OUR FRIENDS IN THE UNITED STATES A POLITICAL STATUS THAT WILL INSURE OUR CONTINUING FRIENDSHIP AND LONG TERM CLOSE AND SPECIAL RELATIONSHIP. BUT FIRST THE UNITED STATES MUST RECOGNIZE THAT IT CANNOT IMPOSE UNITY WHERE UNITY DOES NOT EXIST; IT CANNOT WISH AWAY THE DETERMINATION OF THE MARSHALLESE PEOPLE TO FASHION THEIR OWN DESTINY AS A SEPARATE SOVEREIGN PEOPLE.

OUR FRIENDSHIP IS NOT ONE TO BE TAKEN LIGHTLY. IT HAS BEEN TESTED UNDER CONDITIONS THAT WOULD STRAIN EVEN TIES OF BLOOD. WE HAVE KNOWN FIRST HAND THE HORRORS OF WARS AND THE HEAVY PRICE OF PEACE. WE HAVE BORNE THE BRUNT OF ATOMIC BOMB TESTING; OUR PEOPLE HAVE BEEN FORCED TO LEAVE THEIR HOMES AND HAVE SEEN THEIR HOMELANDS LITERALLY DISAPPEAR. NEVERTHELESS, WE ARE PREPARED TO CONTINUE ACCOMODATING, ON A LONG-TERM BASIS, UNITED STATES DEFENSE AND STRATEGIC INTERESTS IN THE MARSHALLS, BUT FIRST THE UNITED STATES MUST RECOGNIZE OUR SEPARATE SOVEREIGNTY BY ENTERING IMMEDIATELY INTO SEPARATE, GOOD FAITH NEGOTIATIONS WITH US. WE WELCOME THESE DISCUSSIONS IN HONOLULU AS THE FIRST STEP IN THIS BILATERAL EFFORT BETWEEN THE UNITED STATES AND THE MARSHALLS, BUT, FRANKLY, WE WILL BE DEEPLY DISAPPOINTED IF THIS INFORMAL ROUND-TABLE DISUCSSION DOES NOT LEAD IMMEDIATELY TO THE BILATERAL TALKS WE REQUESTED IN OUR MARCH 4, 1977, LETTER TO SECRETARY OF STATE VANCE. FURTHERMORE, WE BELIEVE THAT IT IS ESSENTIAL THAT THE MARSHALLS BE ADMINISTERED SEPARATELY BY NO LATER THAN JANUARY 1, 1978, PENDING TERMINATION OF THE TRUSTEESHIP. *Support Palau's request for separate negotiations.*

WHERE DO WE SEE THESE BILATERAL TALKS HEADING? NO ONE CAN BE CERTAIN AT THIS TIME, BUT THE UNITED STATES IS ENTITLED TO OUR BEST CURRENT JUDGMENT. OUR LETTER TO SECRETARY VANCE SPOKE IN TERMS OF FREE ASSOCIATION, BUT AS WE HAVE CONTINUED TO STRUGGLE WITH THIS QUESTION AND THE UNITED STATES LAW OF THE SEA POSITION IN PARTICULAR, I HAVE COME TO THE CONCLUSION THAT THE MOST LIKELY OUTCOME IS INDEPENDENCE. AS WE LOOK AROUND THIS ROOM AND CONSIDER THE MANY DIFFICULT PROBLEMS THE UNITED STATES FACES IN ITS RELATIONS WITH

A HOST OF DIFFERENT DEPENDENCIES -- NOT ONLY THE DIFFERENT ISLAND GROUPS IN THE TRUST TERRITORY BUT ALSO GUAM, PUERTO RICO, THE VIRGIN ISLANDS AND AMERICAN SAMOA -- WE WONDER IF ANY RELATIONSHIP SHORT OF INTERNATIONALLY RECOGNIZED INDEPENDENCE WILL WORK FOR THE MARSHALLS AND FOR THE UNITED STATES.

WE BELIEVE THAT THE UNITED STATES WILL BE STRUGGLING WITH THE INCONSISTENCIES AND COMPLICATIONS OF ITS VARIED RELATIONSHIPS TO ITS SEVERAL DIFFERENT DEPENDENCIES FOR MANY YEARS TO COME. ASSOCIATED STATE STATUS WILL TIE US INEXORABLY TO THIS ENDLESS AND TROUBLESOME QUAGMIRE, BUT INDEPENDENCE, COUPLED WITH MUTUALLY SATISFACTORY TREATY ARRANGEMENTS, COULD FREE THE MARSHALLS AND THE UNITED STATES FROM THOSE UNCERTAINTIES AND ELEMENTS OF CONTINUING DISCONTENT. AS A SEPARATE NATION STATE, WE COULD TAILOR A RELATIONSHIP THAT MEETS OUR NEEDS AND THE NEEDS OF THE UNITED STATES. IN SHORT, AS AN INDEPENDENT NATION WE MAY BE ABLE TO ENJOY A MUCH CLOSER AND CONTROVERSY-FREE RELATIONSHIP WITH THE UNITED STATES THAN WE COULD POSSIBLY ACHIEVE AS AN ASSOCIATED STATE.

THE UNCERTAINTY THAT NOW ~~SURROUNDS~~ ^{LIMITS} OUR ABILITY TO DEVELOP AND EXPLOIT MARINE RESOURCES WELL ILLUSTRATES THIS POINT. MARINE RESOURCES ARE OBVIOUSLY THE KEY TO OUR ECONOMIC VIABILITY, AND YET THE UNITED STATES IS CURRENTLY CONSTRAINED BY LAW NOT TO RECOGNIZE OUR CONTROL OVER THE MOST IMPORTANT RESOURCE WE HAVE -- OUR TUNA. UNDER OUR PRESENT STATUS, THIS RESOURCE IS OPEN TO EXPLOITATION AND EVEN OUTRIGHT DEPLETION BY THE REST OF THE WORLD, WITH NO ECONOMIC BENEFIT GUARANTEED FOR OUR OWN PEOPLE. IF WE WERE TO BECOME AN ASSOCIATED STATE, I AM FEARFUL THAT WE WOULD FARE NOT MUCH BETTER. AS AN INDEPENDENT NATION, HOWEVER, WE COULD DEVELOP

AND EXPLOIT SUCH A VALUABLE RESOURCE OURSELVES WHETHER OR NOT THE UNITED STATES EVENTUALLY ADOPTS A POSITION ON TUNA CONSISTENT WITH OUR POSITION AND WITH THE POSITION ADOPTED BY A MAJORITY OF THE NATIONS OF THE WORLD. INDEPENDENCE WOULD THEREFORE REMOVE A MAJOR IMPEDIMENT TO WARM AND FRIENDLY RELATIONS BETWEEN OUR PEOPLES.

THE LONGER THE UNITED STATES DELAYS IN SITTING DOWN WITH THE MARSHALLS IN SERIOUS AND FORMAL BILATERAL NEGOTIATIONS, THE MORE CONVINCED WE BECOME THAT TOTAL, INTERNATIONALLY RECOGNIZED INDEPENDENCE IS THE ONLY SENSIBLE COURSE OPEN TO US. UNLESS THE UNITED STATES GOVERNMENT STATES CLEARLY AND UNEQUIVOCALLY THAT THE MARSHALLS CAN ENJOY NOT MERELY A BENEFICIAL INTEREST IN, BUT FULL LEGAL TITLE TO AND THE RIGHT TO NEGOTIATE INTERNATIONALLY IN REGARD TO ALL OF ITS MARINE RESOURCES, INCLUDING TUNA, WITHIN ITS OWN 200 MILE EXCLUSIVE ECONOMIC ZONE UNDER SOME OTHER STATUS, INDEPENDENCE BECOMES THE COMPELLING ANSWER.

WE LOOK FORWARD TO PRODUCTIVE DISCUSSIONS AND TO THE SPEEDY AND MUTUALLY SATISFACTORY RESOLUTION OF OUR STATUS.

STATEMENT

by

Dwight Heine

Special Consultant to the High Commissioner

Delivered at the U.S./Micronesia

Round Table Talks, Honolulu

May 18-21, 1977

Mr. Chairman, ladies and gentlemen:

May I first thank all of you for the courtesy extended to me in allowing me to sit here with you, to participate in this exploratory session or round table discussion (even though the tables are rectangular) so that you may learn of ~~my~~^{our} views, which are shared by not a few, with the hope that they would be considered, along with other people's positions, so that when the time comes for you ^{the privileged few,} to enter into serious negotiations about the future political status of the Trust Territory of the Pacific Islands, you will then have heard from us first hand, about our feelings, aspirations and our attempt at an objective analysis of the issues involved as they have been made known to us. ~~the citizens of Micronesia.~~ Please be patient with me if the subjects I introduce in my ~~talk~~^{remarks} happen to be topics already dealt with in previous negotiating sessions, or topics that were not included in your tentative agenda for this meeting. Their inclusion, I feel, will not hinder progress or take too much of your time. Wasting of time will come only when the day for ratifying the proposed constitution for Micronesia arrives and with ignorance, Micronesians cast their votes of "yes" or "no". If the wrong decision is made, the years and months of labor will be rendered unproductive.

I always try to make an effort to be sincere and diplomatic in my dealings with my fellow men, so if I appear to fall short of that mark, please understand it is due to the fact that we are conducting our business in a language I learned relatively late in life. This is also true in the case of most of us Micronesians sitting with you here today. Because of that, during the preparation of my remarks which is being given now, I had to open my dictionary, "Webster New Collegiate Dictionary", (Copyright 1973 G&C Merriam Co.) to look up the precise meaning of words such as negotiation, to negotiate, and also that phrase, "round table". I did not have much problem with negotiation - the dictionary says; "the action or process of negotiating or being negotiated." The verb to negotiate is defined as follows: (a) "to deal with some matter or affair that requires

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ability for its successful handling-in capital letters it states: Manage. (b) to arrange for or bring about through conference, discussion, and compromise - treaty. But when I referred to "Round Table", the first line was, (a) "a large circular table for King Arthur and his Knights (b) the Knights of King Arthur. 2: a little clearer, "a conference for discussion or deliberation by several participants; also, the participants in such a conference." Ladies, Sirs, according to Webster, we all are round tables. I didn't see anything about squares. Before going deeper into our exploratory talks, let me cite a few things that may be of some help to us, as we later explore the areas of agreements and/or disagreements that have been encountered so far, in the negotiations that have been held to date, regarding the future political status of the Trust Territory of the Pacific Islands.

The first problem I would like to point out to us is one that concerns words or the usage of terms. Take the words consensus and majority. In the decision making process, consensus is the way followed in traditional Micronesia; it is the Pacific Way. It is often thought of as the way followed by backward village people, in our case, the island people. But in some of our communities, for example, where able bodied man may be 100 in number and where the villagers are planning to undertake a project which will require all of them to participate, it is important that everyone not just say "yes," but that everyone must agree with all his heart and soul, otherwise, the project will never get off the ground. Some islands in Micronesia have a total of less than one hundred persons; man, woman and child.

Majority is the efficient and reliable solution for breaking ties between opposing parties in large populated countries. The planners are not the laborers, so the society they control cannot suffer the consequence of disagreements between their leaders. Majority rule is being followed in Micronesia today. However, recent events have shown us that even our most sophisticated law making body, the Congress of Micronesia, has not been able to win

a decision in regard to certain bills passed by the majority of that body of law makers. To prove this point, the most recent bill which was passed into law this last session, the graduated income tax, Public Law 7-32, is running into trouble and the final outcome is not yet certain at this point. The consensus of opinions of businessmen, employees of the Trust Territory government and of those in the private sector is against it. They are not against tax per se, but they are against that particular bill in its present form. Let us face it, even though people want a strong government which is responsive to their many needs and desires, at the same time, they pay their taxes with unconcealed frown on their faces. Some cheat, others try their best to find loop holes in the tax laws and exploit them to their own selfish interests. A graduated income tax is something that the Micronesians have never experienced before. They do not understand it, hence the fear of the unknown. This bill has received the blessing of Washington, inspite of strong appeals from various sources, advising the Administration to go slow. The advisors were asked, "then why did the Congress passed it?" Answer: Many bills were passed by the Congress in the past, but were squelched by the Administration almost before the ink was dry, why not this one?

Which brings us now to another term, "Bankruptcy". It is said about the Trust Territory that it is "bankrupt", that is, it has become insolvent, it is unable to pay all its legal debts. Bankrupt then, in very simple English is, "they had it and now they ain't got it." When did the Trust Territory have the means to operate independently or semi-independently to pay for all its legal obligations? This sort of description can cause the U.S. Congress and the American tax payers to bristle up and say, "what-the-heck is the matter with those guys out there? They're just a bunch of "free loaders", let them pay their own damn bills." In the papers prepared by various people throughout the Trust Territory regarding Public Law 7-32, the graduated income tax, which to me ^{was} ~~is~~ an exercise in futility, since nobody outside of the authors has read them - the following was

among the questions asked, "How can we collect taxes from those Micronesian businessmen who do not know how to keep books but only how to make money? They count their bills and coins and find out that this month they are richer than last month. Balance Sheet, Profit and Loss Statement; what are they?" "The Five Year Indicative Plan" calls for reduction in the amount spent on Education and Health. Let us take the first one, Education. "Experts" say that many young people are running around doing nothing, they get into trouble because of idleness and frustrations. Statistic is cited to give force to their arguments. I do not dispute the reliability of the studies made. I will just say, that we are so imbued with the idea that the purpose of an education system is to prepare young people for ^{future} life, that we overlook a fact which is more than preparing youngsters for ^{a particular} ~~the~~ ^{job} future. It is helping the children to live life fully and effectively; today, tomorrow, next month and in all the years to come throughout his or her lifetime. Ancient Micronesia's type of training was like that. It stopped during the colonization period which commenced in the Pacific-region several hundred years ago. Cheap source of labor was the needed goal, so no training for copra makers and limited education for the native "bossmen" and interpreters. The rulers must have done a good job for even though an end to this sort of practice was put into effect some years ago, especially following the aftermath of World War II, we seem to be still carried forward by its momentum. Is education proportionately expensive to the cost of our programs? Yes, education is never cheap, good or bad. There is a world of difference between education and indoctrination. It has been, it is, and will always be a threat to those in power, if they fail to keep pace with time. It is even "subversive" to the status quo no matter if it is in a democracy like America or a closed society such as they have in Russia. Students' confrontation with police has caused some of them to lose their lives on the campuses in the United States. Russia must have a good education system also, for they are having troubles with their artists, intellectuals, writers and even their scientists. I have mentioned only two, for you know the rest. It may take time, but

the eventual outcome of good education is to unshackle the tongue and to set the intelligence free. Even religion is not immune to this eventuality. There are more to this topic but I will leave the rest to the good people in the Education Department.

Public Health programs were also criticized as being too expensive, wasteful as was described in many reports, discussions, both formal and informal as well as in statements made by "experts." Like education many of the criticisms were valid, but again let's not burn down the building to get rid of the rats. Since this a field beyond my competence, I will confine my remarks to those of a layman responding to the criticisms made by other laymen. It was said that many people go to the hospital (the District was named) to enjoy the free medications that are being handed out. The criticism was made because many healthy people were seen sitting and mingling with the outpatients who were waiting their turn. What was not checked was why the healthy people were there in the first place. Well, this particular district does not have taxis, except U-drive cars and \$8.00 a day is too expensive for many families to utilize this service. Because of this, relatives of the sick baby come to help the mother carry the sick child to the hospital. It is miles from the village to the hospital, walking under a hot sun. Relatives visiting in the hospitals come also to render assistance to the health aides and the Micronesian nurses with the bed ridden patients regarding bodily functions, and bed pans, etc. Actually, this participation, freely given, is money saving to the health program. Now, let us turn our attention to another area, which caused a sensation by its exposure through a U.S. Senate Investigation Committee. I feel that dismissing this matter without comment will only bring about more rumbles which have already caused suspicion and distrust, a situation not conducive to amicable round table discussions. The covert activities conducted by the U.S. Central Intelligence Agency in Micronesia against the members of the Political Status Commission of the Congress of Micronesia were shocking experience to many. The reactions as expressed verbally

by some were very brief, "unfortunate", "silly", "so unnecessary", etc. But I believe it should be examined more closely and in sufficient depth, because most of us here, if not all, have read those books authored by previous CIA operatives. We should ask, "why was it necessary to conduct such covert operations?" It is very clear to all that Micronesia is no threat at all to anyone. Was it because they wanted to find out where the Commission really stood so that they can plan sophisticated counter measures against these "naive natives", breaking up their strength through the growing united front, so that a shattered Micronesia can be easily gobbled up one small portion at a time? This is one example of the speculation that is going on in the minds of some of the leaders of Micronesia and it is worth our time and effort to bring them out in the open, because, more often than not, what people believe is generally ineradicable, even though they cannot prove it. To me this is frightening, because covert operations do not exclude assassinations.

Revealing the names of the Micronesians allegedly involved with the CIA and reportedly having received payments for their services, caused many of us anger, even though only the members of the Commission know what to get angry about. Secrecy is a temptation to people with a "Peeping Tom's" mind. They cannot restrain themselves from looking into what is going on behind close doors. I do not oppose revealing the names of the Micronesians who were reportedly involved in the newly introduced "cloak and dagger" game, but I will be remiss in my duties as a citizen of Micronesia, if I do not call your attention to the following:

1. If the information demanded of the U.S. Senate's Investigating Committee is not handled delicately, the chasm now in existence between the Micronesian people will inevitably widen as a consequence.
2. The person or persons involved will be hated by some Micronesians, but he or they will not suffer disgrace

from his or their own people, especially their families, and as you know, "family" as used in Micronesia, involves hundreds of people.

3. Can we charge him or them with treason? Treason is a crime against the state. There is no law in the Trust Territory Code that I am aware of dealing with this sort of crime. Further, is the Trust Territory of the Pacific Islands a state? This question should be answered by our lawyers and the political scientists, for I do not know the answer.
4. Buying and selling of information between nations that are antagonist to each other goes on all the time, ^{especially} ~~over~~ between the superpowers. Is it not then wise to refrain from tempting bankrupt Micronesians from getting involved in this dangerous game?

It is told in the Old Testament, the Bible, which is the only book of any consequence translated into many of the languages of Micronesia, that before Joshua and the Israelites entered the Promised Land, Joshua sent ahead three spies into the first city they were to attack the following day to learn about its strong and weak points so the strategy to be outlined and the tactics used would be based on the vital information these three men ~~had~~ gathered and forwarded to him. It is told that they were hidden in the upper floor of a room which belonged to a woman named Rehab - I think that is the name. Tradition tells us that she was a lady-of-the-night. A pre-arranged signal was made, which was to be a red piece of cloth to be displayed in a window so the invading forces would know where they were hiding. Rehab showed a red cloth for them. Some people claimed it was one of her fancy undergarment. Anyway, they escaped harm because of Rehab's assistance. I have no doubt that the three spies enjoyed their mission immensely.

When we talk about a group of people (the smaller groups) whose loyalty and involvement with each other and to their institutions

^{are}
~~is~~ great, and if their quality of "oneness" is to sustain their identity, we then usually refer to them as being ethnocentric. Ethnocentrism then, according to my dictionary, is defined as having race as a central interest and characterized by or based on the attitude that one's own group is superior. In "developed countries", as labelled by the United Nations, where they have larger populations and complex institutions, but ruled under one government, whether it be headed by a King, President, Premier et cetera, the citizens of those countries who love and zealously support their authorities and their interests are usually referred to as being patriotic. Patriotism is then the love for or devotion to one's country. While Micronesians can be characterized by the former, most Americans perhaps are by the latter. Ethnocentrism might have had its place and advantage in the past, but I wonder if it is not a handicap today as we are seeking our rightful place among the members of the world-wide family of nations. It seems to be a disease like the cataract of the eye, causing a clouding of the lens of the eye or its capsule, obstructing the passage of light, so a person afflicted with this disease cannot see well ahead. Patriotism too, a noble and admirable trait though it may be, sometimes can be used as a last refuge by scoundrels. In other words, they use it to justify the heinous crimes they have committed. (Not my crime).

A good dinner is not complete if a good dessert is left out to sweeten the mouth. Let me then give a few suggestions, suggestions which I do not claim are the only good ones, but are presented merely as food for thought. As many of you might remember, during the early sixties, when the Council of Micronesia, the predecessor of the Congress of Micronesia was in existence, the first resolution introduced by that body was for a united Micronesia. It was passed by unanimous consent. No one among the members ever paused to contemplate and to ask the question what we meant by a united Micronesia. On January 19, 1965, with enthusiasm, Micronesians went to the polls to elect their representatives and delegates to the

Congress of Micronesia which inaugurated its first session on July 12, 1965. Everyone assumed that unity was achieved. Alas, the dream has been shattered. Unity as we see it today is like the song "Patriots of Micronesia" which some people want to see become our National Anthem. I think we know it now that such a creature, "Patriots of Micronesia" does not exist. Ethnocentrism remains an unbreakable wall.

Why don't we then model our unity after the South Pacific Commission or the ESCAP (Economic, Social Commission for Asia and the Pacific), where we are a member and an associate member respectively? As a body, they function smoothly, because they recognize and respect each country's uniqueness. The central government for the six districts can function somewhat similar to the roles play by the Secretariat, which is the cohesive factor, the common denominator, that pulls all the independent countries together to function as one entity. Contributions from each member will be determined by population and by need. Certain programs and projects must be identified first as belonging to the districts and the rest to all the members as represented by the central government. Building and maintenance of airports, docks, higher education (~~CCM~~ and ~~MOC~~), certain roads, a referral hospital and others I may have overlooked or those that the future might bring, should be entrusted to the central government, which is one way of saying, all the members. Our foreign relations should be handled by the government that represents us all. The Administering Authority of today, and hopefully our friend tomorrow, should continue its assistance even though the Trusteeship Agreement will cease to remain in force. The phrase "strategic area", as long as the meaning is unchanged, imposes an obligation on the one who occupies Micronesia, or having the privilege of keeping others from occupying it.

The success of this suggestion or proposal will depend on its ability to give maximum benefits to the members and minimum of irritation to each group of islands. No nation can be an island unto itself. All of us in Micronesia need one another. We are not

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separated by water; on the contrary, we are connected by water and by air. If we are successful in extending our jurisdiction from the present 3 miles limit to the 200 miles like the U.S.A., then I certainly would hate to see a ship from another district sail by my island but not be informed about a foreign fishing vessel catching fish 70 miles off from the shore of my home island, because it is none of her business. We may say, well, USA will do the policing for us. The Pacific is a vast ocean, her vessels cannot be everywhere at all times to see everything that is going on. Besides, if we decide to start, seriously, a fishing industry, are we going to confine ourselves within our own waters? That is, not Micronesian waters, but the districts' waters. Schools of fish move about freely in the sea. Are we going to stop chasing the school of tuna because it has already entered the area of my neighbors jurisdiction? These are simple and seemingly silly questions, but they are no different from the question of unity, a question which we have failed to pursue regarding its meaning.

Ladies and gentlemen, friends, I believe that we did not come here to engage in mental gymnastics, nor did we come to show our prowess as accomplished political combatants. I believe, with sincerity, that we came to find out how we can help each other. Provincialism, tribalism and other "isms", like prejudice, cannot be completely gotten rid of in the same manner that we change our clothes, because in the areas where we grew up, our attitudes and values were tempered and molded by them. Education can only help us to reduce them and the remaining residue by suppressing it through the sophistication we have acquired. But when our security and safety are threatened - real or imagined - it rises to the surface from where it hibernated. I think that is what had happened in Micronesia. As a Micronesian, I am a borrower and I would like to recite something I have received from a friend, who is a member of the group that has so much to offer. It goes as follows: "a government is only as good as the services it renders to the governed."

I thank you for your attention.

CIA SURVEILLANCE OF MICRONESIAN STATUS NEGOTIATIONS

Since so many have heard so much about the CIA bugging, it is felt in some quarters that the entire matter is now in the past and is best forgotten. The Congress of Micronesia is also aware that its continued insistence upon receiving full and satisfactory information regarding these unfortunate events is becoming a source of outright irritation to those in Washington who would prefer not to go any further into the subject.

This state of affairs makes it necessary for me on this occasion to state to you that the reason we originally sought and were promised a complete report on the bugging incidents and are continuing to press for such a report is grounded not in idle curiosity but in absolute necessity. I want to emphasize that it is not our purpose to hinder or complicate the discussions that take place here. We must, however, make you appreciate the genuine need for the information originally promised us, and why it is that abbreviated reports and even individual assurances from some of our most trusted associates and friends in Washington cannot by themselves suffice to dispose of the problem.

The sad fact is that virtually all of Micronesia remains incensed over the fact that these surveillance activities not only took place but appear to have been authorized at very high levels of the United States Government. This has had such a demoralizing effect upon Micronesians in our thinking about the draft Compact that the document in the minds of many is now thought of as a thoroughly tainted and dishonorable instrument, negotiated in bad faith by the U.S. I must report to you that this attitude is so pervasive that any number of conclusory statements from U.S. sources to the effect that the document itself was not influenced by the activity simply are to no avail.

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The Congress of Micronesia feels that the outrage of Micronesians on this subject can be tempered only by assurance that we have been provided information sufficient to form our own judgments as to the effect that the surveillance activities had or did not have upon the draft Compact. Such information also would enable the formation of our independent judgments as to whether or not the United States used or attempted to use the surveillance to promote disunity among Micronesians either for general purposes or to advance some specific goal.

It is of course possible that the distrust felt by so many of our people would dissipate with the passage of time. Unfortunately, our mutual efforts to resolve the status question simply cannot wait. This then is why we have placed such paramount importance upon being provided a direct report of the surveillance activities in a form sufficiently complete to enable us to make our own judgments and duly report those judgments to the people of Micronesia.

While we fully appreciate that the present Administration had nothing to do with these difficulties, we must say to you here today that the moment has not yet arrived when it is possible to put the subject completely behind us. We feel the information is now in hand within the files of the Senate Intelligence Committee to place that possibility within reach. We thus solicit your assistance in achieving an early and final solution to this unpleasant matter.

DANIEL P. MOHRER, HOWARD CHAIRMAN
 DONALD W. RUCKELSHAUS, VICE CHAIRMAN

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United States Senate

SELECT COMMITTEE ON INTELLIGENCE

(PURSUANT TO S. RES. 40, 93RD CONGRESS)

WASHINGTON, D.C. 20510

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May 13, 1977

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The Honorable Philip W. Manhard
 Acting Representative for
 Micronesia Status Negotiations
 Office for Micronesian Status Negotiations
 Department of the Interior
 Washington, D.C. 20240

Dear Ambassador Manhard:

The round table conference which is about to begin in Honolulu is very important for the future relationship between Micronesia and the United States. This Committee has investigated the allegations about CIA activities in Micronesia which have jeopardized the successful completion of this long series of discussions. A preliminary statement of findings has been made available to the public and to President Carter.

The Committee's principal finding was that the CIA's involvement was unnecessary, ill-advised, and, in our judgment, produced no information which was of significant value to the American negotiators. The information, gained from unwitting Micronesian citizens, was of a general economic, political, and social nature and should have been obtained through normal, open processes.

While this Committee did not obtain any names of those Micronesians who unwittingly became involved with the CIA, we are sure that none were associated with the Joint Commission of Future Status or with the present Commission on Future Political Status and Transition. This Committee is also certain that there are no CIA activities going on in Micronesia at the present time. I sincerely hope that a feeling of comity and good will will prevail, and that

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The Honorable Philip W. Manhard
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the conference will lead to discussions mutually beneficial
both to Micronesia and the United States.

This letter is also being sent to those whose names
appear below.

With kind regards,

Aloha,

Daniel K. Inouye
Chairman

The Honorable Tosiwo Nakayama
President, Congress of Micronesia
The Honorable Bethwel Henry
Speaker, Congress of Micronesia
The Honorable Andon L. Amaraich
Chairman, Commission on Future Political
Status and Transition
The Honorable Cyrus Vance
Secretary of State
The Honorable Cecil Andrus
Secretary of the Interior

STATEMENT ON THE JAPAN-MICRONESIA AIR SERVICE NEGOTIATION

One of the issues of greatest current importance to all the people of Micronesia remains the still unsettled air route problem between Micronesia and Japan.

We naturally appreciate the support we have received from the United States Government for the Micronesian position in this matter so vital to our economic development.

Unfortunately, we must today urge you to make even greater efforts in this area.

Despite the fact that all the technical obstacles, such as securing adequate landing and takeoff "slots" at ^{ITANEDA} ~~Ameda~~ Airport have been overcome, final clearance for the Air Micronesia service on the foreign policy side within the Government of Japan still is uncertain. Consequently, the appropriate U.S. departments and agencies not only must continue their strong support for our goal, but they must also communicate from the highest policy levels the determination of the U.S. Government to have the question settled immediately out of respect for both Governments' United Nations obligations irrespective of the issues in the overall bilateral air talks which have no relevancy to Micronesia.

In this connection, I might point out that the Presiding Officers of the Congress of Micronesia have sent letters this month to various officials of the Government of Japan strongly urging them to allow the needed service to begin.

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To conclude, it is our hope that the determined and unflagging support of the United States Government for Micronesia's cause on this crucially important economic issue will be characteristic of the new Administration's attitude toward Micronesia, her development, and future progress on all fronts.

APPOINTMENT OF DEPUTY HIGH COMMISSIONER

Consideration should be given to appointing a qualified Micronesian to the position of Deputy High Commissioner. It is the general feeling in Micronesia that there are a number of Micronesians qualified to undertake this responsibility. We feel that appointment of a Micronesian Deputy would represent a significant step toward achieving the goal of devolving greater responsibility and power in the executive branch to Micronesian citizens. Also, it would represent a step insuring continuity and a smooth transition into internal self-government. In conclusion, we would like to ask what is the U.S. Government's position with regard to appointing a Micronesian to the position of Deputy High Commissioner?

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STAFFING:

THE HIGH COMMISSIONER'S OFFICE,
EXECUTIVE BRANCH DEPARTMENT DIRECTORS AND DISTRICT ADMINISTRATORS

Over one year ago the Office of Territorial Affairs initiated a Decentralization and Transition Study which focused attention on the need to reconstitute the structure of government at the Headquarters level in order to promote efficiency and to continue the progressive movement toward greater Micronesian control over its government.

One of the concerns vocally expressed of the Deputy Director of the Office of Territorial Affairs was the need to eliminate "dead wood" from the ranks of employees in the executive branch. These inefficient and unproductive employees, both Micronesian and expatriate, would be placed in positions commensurate with their ability or would be stricken from the rolls of public employment altogether.

Recognizing that unqualified individuals serve in the High Commissioner's cabinet as well as in other levels of public service and mindful of the fact that it has been over seven years since the President of the United States appointed the last High Commissioner to serve the Trust Territory, the Congress of Micronesia passed Senate Bill No. 7-69. This bill provides that certain members of the High Commissioner's cabinet, who are subject to advice and consent of the Congress of Micronesia, shall have their names resubmitted to the Congress for its action. The Congress of Micronesia regrets that this bill was vetoed by the Acting High Commissioner and that the Secretary of the Department of the Interior affirmed the veto of this constructive piece of legislation.

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In passing this bill, it was the intent of the Congress of Micronesia to give the new High Commissioner greater flexibility in the selection of his chief aides. Also, the legislation would have given the High Commissioner the authority to select competent individuals capable of initiating new programs and following the mandates of the new administration. The Congress of Micronesia recognizes that bureaucratic institutions are frequently resistant to change and that vested interest groups sometimes evolve within any organization. Thus, it is important to inject fresh life into the administrative organs of government in order to insure their vitality and responsiveness. We note that in the American system all high level positions in the executive branch of the federal government are subject to change following the election and inauguration of a new Chief Executive. This procedure is designed to assure that the bureaucratic layers of government are responsive to the new Chief Executive.

The Trust Territory Government is in a critical period of its economic and political development. Strong and effective leadership is needed to implement the Five Year Indicative Development Plan, and to guide the TT Government through the uncharted period prior to the termination of the Trusteeship Agreement. It has been observed that some cabinet level officials are not implementing laws and policy approved by the Congress of Micronesia and the Office of the High Commissioner. These persons must be replaced.

Another matter that has long been the concern of the Congress is the continuing practice of employing U.S. Civil Servants in the Trust Territory Government. These persons are not subject to the provisions of the TT Public Service System.

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This results in discriminating against Micronesian and expatriate employees with regard to compensation and other benefits. It is more costly for the TT Government to employ U.S. Civil Servants. The Congress of Micronesia strongly urges that the U.S. Government endorse a policy which ends employment of U.S. Civil Servants.

JUDICIARY

As the period of U.S. supervision under the United Nations Trusteeship Agreement draws to a close, the United States must promote the development of a strong and independent judicial branch. The system of Micronesian government today or envisioned under the Constitution of the Federated States of Micronesia provides a governmental organization composed of three branches of government. Accordingly, attention must be focused on upgrading the Micronesian judicial branch. Plans must be made to foster programs for training judges, officers of the court, and trial practitioners.

Serious problems plague the administration of the High Court in Micronesia. It is in dire need of an administrative overhaul. The Chief Justice has been in very poor health. There is a very large backlog of cases which need adjudication. And there is evidence of internal discord among the justices. All of these factors have resulted in a lessening of efficiency of the judicial branch of the Trust Territory Government and have taken a toll on the viability of the American system of jurisprudence.

Another serious issue, which goes to the very root of the concept of a fair, independent third branch of government, is the fact that the Chief Justice and Associate Justices are political appointees, appointed by the Secretary of the Department of the Interior and serving strictly at his pleasure. The political nature of this relationship calls into question the independent character of American judges on the High Court and the manner of determining qualifications to sit as Chief Justice or an Associate Justice.

Certainly, Micronesia is entitled to qualified and independent judges if it is to grow in stature as a nation of people living in a society governed by law.

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Judges ought to be appointed on the basis of their qualifications. Appointments to the High Court should not be based on political considerations. In view of the above, the Congress of Micronesia recommends that the method of selecting and approving justices be changed to eliminate the possibility of taint in their independent nature, to ensure their qualifications as jurists, and to involve the Congress of Micronesia in the final selection process.

Another matter of great import to the effective and impartial administration of justice in Micronesia is the system of appeal. When a petitioner desires to appeal the decision of one of the justices at the district level to the panel of justices of the High Court, he must face the close personal and professional colleagues of the trial judge. Human nature, especially as it may be accentuated in the small Micronesian community, places severe impediments on the ability of the appeals court to hear the case without prejudice. The panel of justices would be reluctant to overturn the decision of one of their colleagues, especially when they know the very next case on the docket will be a matter in which one of them served as the trial judge. Thus, the Micronesian Judicial Branch has built within its administrative system elements which deny a fair and impartial review of cases on appeal. Serious consideration must be given to restructuring this institution.

CAPITAL RELOCATION

The High Commissioner has signed into law a bill designating Ponape District as the permanent Capital of Micronesia. The Congress of Micronesia and the High Court plan to relocate from Saipan within the next 90 days. The Acting High Commissioner is on record as endorsing the policy of moving as soon as possible and the Congress of Micronesia, in the First Regular Session of the Seventh Congress, appropriated \$250,000 to begin to renovate facilities in Ponape to be used as office space for all branches of government.

In his letter to Secretary Kleppe, dated November 4, 1975, Ambassador F. Haydn Williams requested that in accordance with his negotiating instructions, the Secretary express ". . . the full intent of the United States to assist in the funding of the Capital, . . ." and ". . . that consideration should be given to the need to assist financially the Congress of Micronesia in the preparation of a careful and thorough study of all aspects of relocation of the Capital of Micronesia. . ." This expression was set forth in the latest amendment to Secretarial Order 2918.

The Congress of Micronesia position is that the executive branch of the TTPI Government be relocated to Ponape with all due speed. It is recognized that there is a deliberate effort to frustrate the move on the part of many executive branch employees because of schooling, community ties, as well as attachments to the obvious amenities Saipan offers. It is obvious also that the central government must be further streamlined and restructured to perform what a central government is designed to perform, namely to provide services to the people of Micronesia, which cannot be obtained at the local level. It will be necessary to see that housing facilities are available on a timely basis to coincide with the renovations of the old hospital which can serve

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as the new quarters for the Administration.

While the Congress is aware of the U.S. Government's position that funds for permanent capital facilities will not be forthcoming until future political status is resolved, the Congress of Micronesia poses the following questions on moving to interim facilities:

1. Does the Department of Interior or any other agency of the U.S. Government object to an expeditious move to Ponape by the executive branch into existing facilities?
2. If not, will the Department of Interior officially endorse this?
3. Does the U.S. have a funding plan to help effect the move and, if not, when will one be formulated?
4. Is the Secretary willing to instruct the High Commissioner to proceed with a plan to move on a priority basis?

EDLF

The disbursing of all Economic Development Loan Funds was halted in December 1975 pending agreement between the Governments of the TTPI and the Northern Marianas on how to equitably separate the portfolios and cash. This still has not been accomplished although there were preliminary agreements that each government would keep its respective portfolios and requirements on guaranteed loans. Since the TTPI has recently paid close to \$300,000 in defaulted guaranteed loans in the Northern Marianas, it is anticipated that there are little if any cash requirements to the NMG to satisfy an equitable separation. Thus the \$3,000,000 cash is for all intents and purposes ready to be disbursed to a responsible TTPI institution, providing the Government is satisfied that the institution will prudently handle the funds.

In March, the Acting Director of Territorial Affairs advised the High Commissioner that the Secretary of Interior, in early April, would authorize the first increment of these funds to be made available to the Micronesian Development Bank. This commitment was not fulfilled.

The Congress of Micronesia views the use of these funds for development loans as a priority and thus with a view towards establishing a timely and positive disposition of the money poses the following questions:

1. What is the current Department of Interior plan for disbursing these funds?
2. Will the Department authorize the High Commissioner to use up to \$1,000,000 immediately for direct loans or for guaranteed commercial loans to private individuals or businesses to construct housing in Ponape District so that the move to Ponape can be facilitated?

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2. The executive branch has no unified approach on the infrastructure question. This has never clearer to us than during the FY 1978 budget hearing in Washington where the Department of Interior unofficially encouraged the Congress of Micronesia and OICC to ask the U.S. Congress for more funds than called for in the President's budget. This was because OMB decided that the amounts requested were excessive. To complicate the situation even more, OMB had previously agreed to the package put together by OICC. Because of this lack of positive policy by the U.S. Administration, the whole program is further delayed. The U.S. Congress is annoyed and confused with conflicting positions and recent FY 1978 mark-ups in the House of Representatives indicate to us that the lag in the infrastructure program will continue to grow. Thus we find ourselves back to where we started: namely, we are a country with no economy of our own, caught in a standard of living achieved through and subject to any action the U.S. chooses to take with regard to financial aid.

3. There is a great deal of basic infrastructure left out of the OICC package because of the status related financial constraints. The questions we pose to you are these:

a. Does the Carter Administration agree with the idea of an accelerated program to put in place a basic infrastructure?

b. If so, is it a status obligation or do you justify it as one of economics?

c. Is the U.S. willing to participate in a joint U.S.-COM evaluation of basic infrastructure requirements based on agreed needs without the Carmel funding constraints?

d. Will the U.S. develop a unified long-range executive branch policy for funding and implementing the infrastructure program as an economic obligation arising out of the trusteeship agreement?

~~SECRET~~ - HARRY BROWN - INFRASTRUCTURE

For the past several years the executive branch of the U.S. Government has talked of installing a basic infrastructure in Micronesia. This originally was expressed during the status talks held in Carmel and the U.S. Navy through OICC was given the task of developing a program based on dollar amounts arising out of these discussions. For various reasons, construction has virtually been at a standstill for over two years and we are pleased to hear that a construction program has finally been worked up, although we note that even if all funding went according to plan, the projects would not be in place much before 1985.

It has become very clear to Micronesians that the dramatic planned shift toward economic development as set forth, and accepted as policy, by the Five-Year Indicative Development Plan will not succeed without a large measure of private investment. Without adequate airports, docks, harbors, power, water, sewer and roads, this investment will not be forthcoming and the economy will remain dormant, requiring almost total dependence on foreign assistance. This situation is not acceptable to us and in our judgment is not in the best interest of either of our governments.

The problems as we see them are:

1. The U.S. has been viewing the installation of a basic infrastructure as a status related issue with a five year dollar scheme based on status discussions. The dollar amounts were arbitrary and OICC squeezed a "basic infrastructure" in this arbitrary amount of money.

028339

PRESS RELEASE
ON BEHALF OF MICRONESIAN-U.S. CONFERENCE
MAY 18-21, 1977
HONOLULU, HAWAII

The Honolulu May 18-21 Round Table Conference, hosted by the United States, was attended by representatives of the Congress of Micronesia; the Micronesian Commission on Future Political Status and Transition; the Delegation of Micronesia to the United Nations Law of the Sea Conference; the District Legislatures of Kosrae, Ponape, the Marshall Islands--including the Marshall Islands Political Status Commission, Palau--including the Palau Political Status Commission; and the Trust Territory Administration. The District Legislatures of Truk and Yap authorized the Congress of Micronesia, the Micronesian Commission on Future Political Status and Transition, and the Law of the Sea Delegation to represent them and speak on their behalf.

The participants engaged in forthright and constructive multilateral and bilateral exchanges of views on a number of subjects, including current and future political relationships and on means of resuming formal status negotiations.

In order to continue the fruitful exploration begun during these discussions, the participants agree to another series of informal multilateral and bilateral talks, to be held at the earliest possible date in June or July.

The Trust Territory participants expect to discuss further among themselves the nature and extent of the relationships they look forward to establishing with each other and with the United States in the post-Trusteeship period. The U.S. will give sympathetic consideration to lending such assistance as may be required to convene these meetings.

The participants expect these talks to facilitate progress toward termination of the Trusteeship Agreement in a manner consistent with the needs and interests of the peoples of Micronesia and of the United States.

CLOSING REMARKS BY SENATOR TOSIWO NAKAYAMA

Nakayama: Mr. Chairman, as we approach the close of our meeting, I would like on behalf of the Congress of Micronesia to express our appreciation to you and to the members of the U.S. group and your staff for the excellent facilities and other arrangements that have been made for us here. I would also like to thank you and the High Commissioner for the very pleasant evenings enjoyed at the Hale Koa and at the Willows.

Our discussions have dealt very little with basic issues. Nevertheless, we leave this meeting very hopeful that what has happened here signals a new beginning. We have gained some understanding of the new Administration's point of view, and we hope that many of the U.S. representatives now better understand not only our problems but our Micronesian way of approaching these problems.

Undoubtedly, no one will take from this meeting a sense of great accomplishment or satisfaction on any specific issue; and for those who came expecting that, the meeting may be remembered with disappointment. I say in all honesty that like everyone here, we came supposing that it might be possible to obtain specific undertakings from the United States representatives on points that we believed, and still believe, to be fundamental to Micronesia's future. Even though this has not been possible, I would say that we have benefitted from the frank way that both U.S. and Micronesian participants have made known their points of view and their determination to pursue them.

I believe that in his opening remarks Mr. Oakley provided a useful frame of reference when he spoke of the two sides of our future status as being, first, the relationship of Micronesians to Micronesians, and, second, the relationship of all Micronesians to the United States. It is clear that a continuation of the dialog that has occurred here on Micronesian-to-Micronesian relationships is equally as important as discussions of the future relationship with the U.S. So, we propose to meet again very soon in Micronesia with representatives of all districts to discuss among ourselves the proper approach to our common problems. The U.S. would not attend

this meeting but could make it possible by agreeing to provide special funding for it. As to future relations between Micronesians and the United States, we agree that if Micronesians better understand the common links that bind them, that understanding will guide us to find the proper formula for our relations with the United States.

In that connection, a very great deal must be done properly to inform the Micronesian people on both aspects of the future relationships question between now and July 12, 1978, the date of the referendum on Micronesia's Constitution. They must be made aware, for example, of the promise made here that the United States in no way looks to the termination of the trusteeship as a point where its essential role in the building of Micronesia's economy will diminish. Absent such an educational program Micronesians will not be able to make an informed and truly determinative decision as to their future in 1978, or at any time.

We in the Congress have stated that we support unity for Micronesia. That principle to us holds the greatest promise for all the districts. We were thus very pleased to hear Mr. Oakley list the various reasons why the U.S. also supports a unified Micronesia.

Even so, we acknowledge that our brothers from the Marshall Islands were correct in pointing out that far too little examination has been made into the specific benefits that unity would provide. As a consequence, it is necessary for all of us now to join in making a profound analysis of this most fundamental subject. Some may have differing views as to where such an analysis might lead but we in the Congress of Micronesia are ready to undertake it for we are certain that no more effective means can be found to remove the misunderstandings that tend to separate us.

We have said much here of our pride in the fact that the approach of the Congress is governed by the Rule of Law. Our Palauan brothers wisely reminded us of the danger that the Rule of Law can become an obstacle to the will of the people. That, of course, is the all important reason why those who have the responsibility for administering the Rule of Law must never lose sight of the primary responsibility to make that law a vital and responsive institution.

In any government of a diverse people, it is inevitable that there will always be differing views over the most appropriate courses of the law to follow, and we in Micronesia are no exception. Nevertheless, we feel that Micronesians can and should take great pride in their existing legal institutions. We are convinced that as we approach the end of this phase of our history the established legal institutions are our most valuable resource in finding the proper route to our self-determination.

Just as great as our own responsibility is that of the United States in its capacity as administering authority under the United Nations Trusteeship Agreement. We are told that the representatives of the new Administration of President Carter are prepared to face up to past deficiencies and to attack problem areas with renewed energy and purpose. This was our reason for emphasizing at this meeting many areas of specific concern and immediate need which affect all Micronesians. These included a group of currently pending issues relating to Trust Territory administration and economic development. We also stressed the importance of early Japanese clearance of the Tokyo-Saipan air service by Continental/Air Micronesia and the need for the United States as our trustee to redouble its efforts in bilateral negotiations with Japan on this subject.

The attendance here by the new Director of the Office of Territorial Affairs and by the Acting High Commissioner, and the High Commissioner-designate gives us encouragement that these officials will be responsive to our needs during the phase prior to termination of the U.N. Trusteeship. We emphasize that the need for such cooperation is so vital that we can never again sit back and simply rely upon the good intentions of those who are sent to serve us.

We listened closely to the remarks made by High Commissioner-designate Winkle and we fully endorse his description of his role and responsibility in that important office. It is to be hoped that through the application of his stated principles he will find a respected place in Micronesian history as the last High Commissioner.

I should like to take note of some positive aspects of these informal talks in the area of marine resources as well. On the vital subject of safeguarding for all of Micronesia's inhabitants the tuna resources of our waters, we were glad to hear that the United States recognizes that our differences are honest disagreements which are inevitable in view of the differing interests of our two countries. The United States Congress in passing the U.S. Fisheries Conservation and Management Act of 1976 also took note of this difference in our interests, and at the request of the Congress of Micronesia, did not extend the U.S. Act, with its prohibition of national tuna protection, to the Trust Territory. As you know, the Micronesian Fisheries Conservation Act not only fills that jurisdictional void in Micronesian waters, but protects our tuna. All other coastal states with substantial tuna resources in their waters either already have done, or are shortly expected to do, as the Micronesian Congress has done, that is, to protect the tuna resources of their 200 mile fishery conservation and management zone. While we continue to have an honest difference of opinion with the United States over whether the Micronesian Fisheries Act is proper as an act of self-government under the Trusteeship Agreement, and while we intend to seek an authoritative answer to that difference of view, we shall do so in a spirit of friendship. Moreover, while we must protect Micronesian

5.

marine resources with the same vigor in the future as we have in the past, we wish to emphasize that there are many areas of agreement and potential cooperation, both under the Trusteeship and thereafter, which we know to exist between the United States and Micronesia. We are very glad to have heard confirmation of our own views in this regard from the U.S. spokesmen at this meeting. We shall make every effort between now and July 12, 1978, to build on those areas of agreement. We shall seek to work out practical and pragmatic arrangements in the many areas of marine jurisdiction in which all Micronesians have common interests. There are many areas in which the United States and both present and future Micronesian governments will without any doubt be operating in intimate cooperation. We shall pursue the areas of cooperation with the same vigor as the areas in which our interests and views differ sharply.

In particular, I expect that the Law of the Sea Delegation of Micronesia will at once seek to pursue the comments made by U.S. spokesmen. It will renew the efforts it has been making over the last year to have detailed expert consultations with the U.S. It will explore the cooperation and allocation of responsibilities between the United States and Micronesian governments, current and future, that may be possible.

Finally, with reference to the frequent mention of 1981 as a planned date for termination of the Trusteeship, we would like to express our concern that rigid adherence to any arbitrary time schedules is almost certain to be contrary to Micronesia's best interests. The date, 1981, was keyed to the completion of a series of economic development programs now several years behind schedule. It may be that 1981 will prove to be the year in which termination becomes feasible, but any attempt to apply techniques in the future status area which have only the virtue of speed could have tragic consequences.

I would like to close with an expression of personal thanks to Ambassador Manhard for his assistance to all of us here and for his expert handling of a most difficult task. Mr. Ambassador, I am certain that whatever issues may remain to be settled between Micronesians and with the United States, we all agree that the fairness and impartiality you have displayed here is in the finest tradition of the title that you bear. Again, thank you, and our thanks to all of you.

028342

CLOSING STATEMENT BY THE PALAU DELEGATION
MAY 21, 1977

Mr. Chairman:

The Palau Delegation leaves this conference with a sense of deep satisfaction, and also of accomplishment. We have had an opportunity to state clearly our needs and desires for our future as a sovereign political entity. We believe that you have heard and well understood what we have said, and that upon your return to Washington our statements will be received with equal respect.

We also appreciate your own situation. Your mission here was limited to one of listening, and then reporting back to the various departments of the Executive Branch of your government. The result will be the opening up of vital and essential new avenues of communication between us. We welcome that.

At the same time we realize we are not the only people of Micronesia whose interests must be served.

We look forward eagerly to our next meeting, confident of your recognition of our special concerns as a separate, but hopefully never antagonistic, entity within the larger Micronesian community, a community which shares many elements of a common history and heritage.

On behalf of our delegation, and of the people of Palau whom we represent, let me express our heartfelt thanks for your

generous attention to our often very firm statements, and for the equally gracious response of our Micronesian colleagues around this table.

Finally, lest we forget where we are, we Micronesians in particular want to extend our deepest gratitude to our hosts, who are also our brothers, the people of Hawaii.

The Palau Delegation

028343

YAP'S VIEWS RE LAW OF THE SEA ISSUE

Submitted by Representative Luke TMAN

I have leave of the Speaker and the President to divorce myself momentarily from the Congress of Micronesia Delegation in order to present my own Delegation's general views regarding the Law of the Sea issue.

Differences in our political status aspirations notwithstanding Yap takes the view that all the districts of the Trust Territory should work collectively under the present arrangement to obtain maximum benefits within the context of the current 200-mile economic zone concept. If and when any one district attains a separate political status, that district and other districts concerned should subsequently reach a mutual agreement regarding the allocation of marine spaces, if necessary applying the principle of delimitation.

Consequently, Yap finds it unnecessary at this time to seek a different law of the sea arrangement. On the other hand, Yap strongly supports, and will continue to sustain, the present Micronesian Law of the Sea position as advanced by the Delegation of Micronesia to the United Nations Law of Sea Conferences.

stacked several... colored textbooks.

These books and other materials at the center are available for teachers to check out or use at both private and public schools, Sorby said.

But the major responsibility of the Learning Resource Center is housing DOE's film library. There are more than 2,000 titles of 16 mm films, ranging from current movies to scientific documentaries. And the entire contents of the film library is checked out at least once a week, Sorby said.

During the last school year, the center filled 22,804 requests by teachers to use films.

But during the same time, more than 4,500 film requests were denied because of the limited number of films, Sorby said. "The problem is we have to turn down teachers' requests because there are not enough materials to go around," he explained.

Compounding the problem is the fact that the films DOE does have are overused. They take more money to maintain and wear out faster. Right now 50 per cent of all the films need new footage or to be replaced, Sorby said.

But his domain is like others in the Department of Education: there just isn't enough money. Sorby said his budget for films used to be \$50,000, but last year was cut to \$31,000 because of an austerity program.

With that money the films must be maintained, at an annual cost of \$20,000-\$25,000, and new films purchased. The cost of a film can range from \$150 to \$1,200.

This year Sorby said he has been able to buy only one new title. The rest of the money is being spent on replacing worn-out films.

in-service training as well as resource people traveling to schools became a part of the program.

The center staff has even produced

because of the lack of... Space is a problem too, he said. "But, we can only ask for so much."

PON 5/21/77

Palau, Marshalls Still Want Separate Talks

HONOLULU (UPI) — Palau and the Marshall Islands still want to negotiate their future relationship with the United States separately from the other five districts of Micronesia, their delegates told U.S. Ambassador Philip Manhard Thursday.

Palauans already had turned in an 89 per cent referendum vote for severance of their ties with the rest of the western Pacific island community, and a referendum vote in the Marshalls is planned for July.

The second day of talks on issues delaying the resumption of formal negotiations on future U.S.-Micronesia relations brought no change in previous stands on internal unity, the delegates said. The discussions are closed but a briefing was held.

"We're in a dilemma," said Richard H. Wyttenbach, a Department of Defense adviser who serves as spokesman for the U.S. delegation. "We want to keep everyone happy, but if you negotiate with a group in which two units are not

represented, your chances for unity are dead."

The United States pledged in the 1947 trusteeship agreement with the United Nations to prepare Micronesia for self-government. President Carter said in a message to delegates Wednesday that every effort would be made to achieve termination by 1981.

Andon Amaraich, chairman of the Micronesian Commission on Future Status, said the commission still has a mandate from the Congress of Micronesia to negotiate in behalf of all six districts and will do its best to fulfill its mandate even though Palauan and Marshallese representatives no longer attend its meetings.

Amaraich said among other matters delaying resumption of formal future-status talks is U.S. refusal to divulge the names of Micronesians who were targets of Central Intelligence Agency surveillance during a past attempt to determine which way Micronesia would go on future status.

er Finally To Serve

One of those was that he keep "reasonable" hours which he apparently violated when police arrested him May 7 on a charge of driving while under the influence of alcohol.

Sourgose was brought before the court earlier in December and admitted to a probation violation then after a similar arrest.

Judge John Raker reluctantly agreed to allow Sourgose to remain on probation in that case provided he submit to added terms of his release, including a stipulation that he report for treatment in the methadone drug treatment program at Guam Memorial Hospital.

Cruz-Quitugua Heroin Case In Jury's Hands

The drug conspiracy trial of Roke R. Quitugua, 28, of Yigo and Pedro B. Cruz, 32, of Piti went to the jury yesterday after three days of testimony in U.S. District Court.

Federal drug agents contend Quitugua and Cruz participated in a plan to import about three pounds of heroin confiscated at Guam International Air Terminal last Sept. 3.

A Department of Public Safety criminalist has placed the street value of the confiscated narcotic at about \$1.5 million.

Cruz and Quitugua both took the stand Thursday to deny any involvement in the scheme, and defense attorneys have characterized the case as one of guilt by association.

"I think I can safely say the government has proven there was a conspiracy," said attorney Brad Klemm, representing Quitugua.

"Unfortunately we don't have the right defendants here."

Klemm and attorney Paul Lawlor, along with attorney Peter Perez representing Cruz,

have pointed to Augusto Guerrero of Yigo as a ringleader of the smuggling plan.

Guerrero, has also been indicted on the conspiracy charges, but was not arrested.

But Asst. U.S. Atty. D. Wood, in closing statements noted testimony that Quitugua and Cruz were present at meetings where plans for importing the heroin were discussed and at a meeting where Cruz allegedly handed over about \$10,000 to a man appointed to carry the drug to Guam.

That man, Felix A. Sablan of Agat, was arrested with a three-pound shipment returned from Thailand. Sablan is serving a three-year sentence in connection with the scheme.

NOTICE

MICRONESIAN HOTEL MAITE

HOYLAN'S