

THE SECRETARY OF THE NAVY  
WASHINGTON

PACIFIC INT.

Interior

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31 MAY 1949 8 51 AM 1949

My dear Mr. Secretary:

The President in a letter of May 14, 1949 requested that I work closely with you to develop a specific time schedule within which desired transfers of civilian administration of the Pacific Islands to the Department of the Interior may be effected, regardless of the status of pending legislation. The President had previously stated, in his letter of February 11, 1948, that it was his intention, upon approval of organic acts for the aforementioned islands, to designate the Department of the Interior as the civilian agency with general supervision over civil administration of these islands.

Pursuant to the President's letter of February 11, 1948, preparatory planning was undertaken to provide an orderly transition to civil government under the Department of the Interior. Representatives of the Division of Territories and Island Possessions of your Department have been in frequent consultation in the matter with representatives of the Office of the Assistant Chief of Naval Operations for Island Governments in the Department of the Navy.

In furtherance of plans for transfer of responsibilities for civilian administration, which transfer was to occur after the approval of an organic act for Guam, the Department of the Navy had made plans to effect an extensive reorganization of the Government of Guam in order to insure an orderly transition of civil administration to the Department of the Interior. As indicated by my letter of May 18, 1949 to the Chief of Naval Operations, a copy of which was supplied to Mr. Emil J. Sady of your Department, the reorganization that was directed included separation of naval and civilian functions on Guam, the appointment of a civilian Governor, a revamping of fiscal procedures for the island, and certain revisions in the laws of Guam. However, in view of the accelerated schedule for the transfer of responsibility to the Department of the Interior, as directed by the President's recent letter, it is considered neither desirable nor practicable for the Department of the Navy to embark upon such a far-reaching program of reorganization in Guam. Accordingly, plans directed toward that end, except for the separation of naval and civilian functions and the appointment of a civilian governor, have been cancelled.

As you may be aware, Captain P. G. Hale, representing the Navy, conferred on May 24, 1949 with Mr. James P. Davis and Mr. Emil J. Sady of the Department of the Interior upon the subject of the implementation of the directives of the President with respect to Guam as contained in the President's letter of May 14th. At this time, I wish to confirm Captain Hale's statement of the position of the Department of the Navy concerning basic procedure deemed appropriate for accomplishing the orderly transfer of responsibility and functions in the administration of Guam to the Department of the Interior:

The transfer should become completely effective on January 1, 1950 or on May 1, 1950, as may be decided upon by the Department of the Interior;

All naval personnel on duty with the Government of Guam on the effective date of the transfer, including naval personnel of the Medical, Dental and Hospital Corps, will be detached from that duty on that date and re-assigned to other duty;

Commencing immediately and proceeding as rapidly as practicable, naval personnel on duty with the Government of Guam will be replaced with civilians;

It is desired that all civilians appointed prior to the transfer date to replace naval personnel now occupying principal positions in the Government of Guam be selected by the Department of the Interior. Such civilians would be carried on the employment rolls as Department of the Navy employees, however, until the effective transfer date;

In fairness to the incumbent civilian employees of the Government of Guam, recruited in the United States and heretofore appointed by the Department of the Navy, an indication at an early date would be appreciated as to which individual employees in this category the Department of the Interior intends to retain subsequent to the effective transfer date.

It is intended that questions relating to the transfer of property on Guam from the Department of the Navy to the Department of the Interior and other matters related to the transfer or responsibility for civilian administration will be the subject of subsequent agreements between the Departments.

In order to effectuate the orderly transfer of Guam from naval to civilian administration considerable additional planning is required and many implementing procedures and agreements will be necessary. In order that there be no delay in the transfer of administrative responsibility for Guam beyond the year desired by the President, an early reply to this letter will be appreciated.

Sincerely yours,

JOHN T. KOEHLER

Acting Secretary of the Navy

The Honorable Julius A. Krug  
Secretary of the Interior  
Washington, D. C.

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