

Mr. Dale Nalty
File
Territories

The Department of the Interior and Pacific Island Administration

By EMIL J. SADY

Chief, Pacific Branch
Division of Territories and Island Possessions



THE imminent transfer of Guam, American Samoa, and the Trust Territory of the Pacific Islands from naval to civilian government raises many interesting administrative problems. This article describes generally the policy of the Department of the Interior in territories at present under its cognizance and outlines in somewhat greater detail the authority and responsibility of the department for the governments in these territories soon to be transferred to it.

Guam and American Samoa are possessions of the United States. Guam was acquired through cession from Spain in 1898. The island has a population of about 75,000, of whom 27,000 are Guamanians; the remainder consists principally of United States military and civil service personnel and their dependents and Filipino construction employees working in military installations. American Samoa was ceded to the United States under the tripartite treaty of 1899 between the United States, Great Britain, and Germany. It has a population of about 19,000, almost all of whom are Samoans or part-Samoans. Guam and American Samoa have been administered by the Navy Department pursuant to Executive orders which were issued shortly after the United States assumed jurisdiction over the islands.

The Trust Territory of the Pacific Islands comprises the former Japanese mandated islands (the Marianas, except Guam, the Marshalls, and the Carolines). The United States administers the Territory pursuant to a trusteeship agreement concluded between the United States and the Security Council of the United Nations July 18, 1947. On the

same day an Executive order was issued vesting the Navy Department, on an interim basis, with administrative responsibility for the Territory. The Trust Territory's population of 53,500 inhabits islands and atolls spread over 3,000,000 square miles of ocean.

On October 20, 1945, President Truman created a committee composed of the Secretaries of State, War, Navy, and Interior to make recommendations to him regarding the future administration of the Pacific Islands. On June 18, 1947, this committee recommended that administrative responsibility for Guam, American Samoa, and the Trust Territory be transferred to a civilian agency at the earliest practicable date and that the Congress be urged to adopt an organic act establishing the framework of government and the status of the inhabitants of these areas. On May 14, 1949, the President directed the Secretaries of the Interior and the Navy to submit to him by September 1, 1949, plans for transferring from Navy to Interior responsibility for Guam within a year and for American Samoa and the Trust Territory within two or three years. These plans were submitted to the President in the form of memoranda of understanding between the two departments and provide the basis for current measures being taken to carry out this transfer of responsibility.

On September 7, 1949, the President issued an Executive order transferring responsibility for the administration of Guam from the Navy Department to the Department of the Interior effective July 1, 1950. The President has also approved the plans for a similar transfer of responsibility in American Samoa and

the Trust Territory on July 1, 1951. Pursuant to these plans, a civilian governor of American Samoa and a civilian high commissioner for the Trust Territory will assume office on July 1, 1950; until the transfer date they will be responsible to the Secretary of the Navy. Other provisions of these plans are similar to those for the Guam transfer¹ except that the Navy Department rather than the Interior Department will request funds to replace naval personnel with civilian. It is also stated that the Trust Territory transfer date was set on the assumption that regular sea and air transportation other than naval would be available by that date to satisfy commercial and governmental requirements in the Territory. The Navy and Interior Departments have agreed to submit to the President plans for such transportation by May 1, 1950.

Pre-Transfer Role of Interior

THE functions of the Interior Department prior to the transfer are markedly different from those it will have after the transfer. Until the transfer date, Interior's authority and responsibility for the island governments will consist chiefly of (a) recommending persons for appointment by the President as civilian heads of each of the three island governments, (b) assisting the civilian governors in the recruitment of qualified civilian personnel and in the preparation and presentation of federal budget estimates, and (c) expressing views on policy questions referred to the Department by the Navy for comment. Close working relations are maintained between the two departments. Except on personnel and post-transfer budgetary matters, however, authority and responsibility for decisions relating to the island governments until the transfer dates are vested in the Navy Department. While the Navy may give weight to Interior's suggestions, it is not bound to accept them. The Navy must, of course, have Interior's approval before it can commit the Interior Department with respect to island government policies after the transfer dates.

The Department of the Interior also has

the task of planning for assumption of full responsibility and authority for each of the areas on the transfer dates. This planning relates primarily to such administrative matters as determining personnel and budgetary requirements; determining how certain island government activities now carried out by Naval units, such as purchasing and accounting, will be handled under civilian administration; arranging to have other agencies, such as the Weather Bureau and the Post Office, extend their services as necessary to the area; and making preparations in Washington to ensure the continuation of present public services after the transfer. Policies and programs will also be examined, at least to the extent that they bear directly on transfer problems. The peoples concerned should participate, however, in the determination of policies, and there are therefore limitations, apart from financial ones, upon what Interior can now properly do on its own initiative concerning far-reaching policy questions.

Examples of Interior's present activities with respect to Guam illustrate the department's pre-transfer role. The President recently appointed the first civilian Governor of Guam, Carlton Skinner. He was nominated for this position by the Secretary of the Navy on recommendation of the Secretary of the Interior. In the past year, Interior has been developing a roster of candidates for employment in the Pacific area which now includes over 400 active applications. The department hopes to develop means of determining their adaptability to life in the islands and with islanders prior to selection. Arrangements are being made for the recruitment of qualified European physicians in displaced persons camps who will work under the supervision of American physicians. The Governor of Guam notifies Interior of positions held by naval personnel which he wants filled by civilians and which Guamanians are not yet qualified to fill. Interior sends him the applications of qualified persons, the Governor makes the selections with the approval of Interior, and the Navy, with Interior's assistance, processes the necessary papers and arranges transportation. In order to prepare budgets for health costs after the transfer, including the cost of a new civilian hospital, Interior is studying

¹ See *Hearings before a Subcommittee of the Committee on Appropriations, House of Representatives on the Supplemental Appropriation Bill for 1950*, 81st Cong., 1st sess., (August 11, 1949), p. 474.

problems of post-transfer relationships between the naval and civilian hospitals on Guam. It is also studying civil-military relations in providing such services as port facilities and utilities. It is working to perfect the organic legislation for Guam and to assist the Congress in its consideration of this legislation. It is seeking also to determine the applicability to Guam of the many federal laws under which federal aid is granted to states and territories.

Post-Transfer Role of Interior

INTERIOR'S relationships with the island territories after the transfer occurs will vary according to the readiness and ability of the peoples concerned to exercise legislative powers on local (i.e., non-federal) matters and to finance and execute, without extraordinary federal assistance, their own governmental and economic development programs. These factors, combined with severe budget limitations, have been decisive in defining Interior's relationship with territories now under its cognizance—a relationship that is ever changing under the joint departmental and territorial drive toward the fullest possible measure of self-government for the territories. This drive is reflected in the joint efforts of the Interior Department and the respective territorial governments to obtain statehood for Alaska and Hawaii; in the recent achievement by the Puerto Ricans of authority to elect their own Governor; in persistent efforts to establish the right of Virgin Islanders to be represented by a resident commissioner in the United States Congress; and in the extension of federal grants-in-aid programs and services of federal agencies to the territories.

Interior neither "administers" the territories nor does it impose its policies on the territorial governments. The governors of the territories look to their territorial legislatures for policy determination on purely local matters. Interior's influence in such affairs is normally limited to its (a) nomination of candidates for territorial positions which by law are filled by presidential appointment, (b) recommendations to the President that he approve or disapprove a local measure when the governor's veto has been overridden by the territorial legislature (except in Hawaii and Alaska,

where the legislature's action is final), and (c) participation in policy and budgetary decisions involving federal funds, such as the preparation of requests for congressional appropriations to meet deficits in the municipal treasuries in the Virgin Islands and of budgets for the Virgin Islands Corporation, which Congress established and to which it has granted federal funds to promote economic development in the Islands. The Interior Department also has direct management responsibilities for the Alaska Road Commission, the Alaska Railroad, and the Puerto Rico Reconstruction Administration, which are financed entirely by federal funds.

Otherwise, the department's role is to provide liaison, service, and support for the territories in Washington, tasks made necessary in the main by the absence of full voting representation of the territories in the Congress. The department advises the President on territorial matters requiring his attention; maintains interdepartmental liaison where action by other federal agencies is needed by the territories; initiates and supports federal legislation required by the territories; and serves as a center of information for private citizens and groups interested in the territories. These activities are carried out by Interior's Division of Territories and Island Possessions in cooperation with the territorial governments and with the nonvoting representatives from Hawaii, Alaska, and Puerto Rico in the United States Congress. Interior also participates with the State Department in the formulation of international policies relating to the territories.

The staff of the Division of Territories is insufficient to provide technical advice to the territories on economic and social matters. This has been a great handicap in those cases where studies are needed as a basis for federal legislation, e.g., to ensure uninterrupted commerce with the mainland, or for federal financing of long-range economic development programs. While the division needs a modest staff of experts in economic, social, and management fields to ensure sound decisions within its proper sphere of activity, it is alert to the danger that overstaffing in Washington might result in excessive federal intervention in purely local matters and perhaps increase the territories' dependence on the federal govern-

ment. It is obvious that most technical policy and program planning should be carried out at the territorial level in close cooperation with the legislature or peoples concerned and as a guide to territorial administration.

This, in general terms, describes Interior's role with respect to territories now under its jurisdiction. Interior's functions with respect to Guam, American Samoa, and the Trust Territory after these areas are transferred to Interior's jurisdiction will differ somewhat.

Guam. The enactment of organic legislation for Guam will have a profound effect on the authority and responsibility of the President and the Secretary of the Interior for the government of the island. Pending organic legislation would provide effective civil rights guarantees for persons on Guam, grant full legislative authority to the Guam Congress (it now possesses limited legislative authority), establish an independent judiciary, and define the authority of the executive branches of the local and federal governments with respect to Guam. The Interior Department is loath to assume responsibility for any area in the absence of governing legislation and has urged the Congress to act promptly on organic legislation for Guam. H. R. 4499 was reported out of the House Public Lands Committee favorably, with minor amendments, on October 3, 1949. The recent visit to the Pacific area of this committee's subcommittee on territories should hasten the enactment of organic legislation for Guam. After this legislation is enacted, Interior's relationship to the Guam government will be generally comparable with its relationship to other territories. However, for several years at least, more intensive support will have to be given in Washington to the Guam government than is required by other territories.

If organic legislation is not enacted by July 1, 1950, the effective date of transfer to Interior, the Interior Department will have to ensure that the Guam government functions so far as legally practicable according to the provisions of the recommended organic legislation, i.e., in accordance with fundamental principles of democratic government. This accords with the views of the present civilian Governor. The most urgent need is the establishment of an independent judiciary and defi-

nition of the respective powers of the Guam Congress and the Governor. While executive action can provide certain remedies, it is not an effective substitute for organic legislation and Interior's efforts will be focused to that end.

The presence of a large military establishment on Guam, which has been and in some respects will continue to be intimately associated with the Guam government, will result in differences in points of view which cannot always be settled locally. Examples of questions involving the interests of the Guam government with which the Interior and Navy Departments may have to deal are: (a) coordination of construction plans for the Naval Hospital and Guam Memorial (civilian) Hospital; (b) arrangements for the administration and costs of common services such as power and water supply and roads; and (c) return to civilian use of lands taken for military purposes but no longer needed for those purposes. In some cases it may be necessary for Guam officials to come to Washington in order that Interior officials may fully understand a problem. But such trips are costly and it is Interior's responsibility to be staffed to handle most matters on the basis of information supplied by the Guam government.

As in the case of other territories, Interior will have to establish and maintain relations with other agencies, private as well as public, which have interests on Guam or are capable of rendering services to Guam.

In the early years, Interior's legislative work load relating to Guam will be heavy. Few federal laws now apply to Guam. The extension to Guam of federal grants-in-aid and the services of some federal agencies will require special legislation. The proposed organic act provides for a commission to recommend what federal laws should be made applicable. The Division of Territories, with the help of the Guam government, will have to spark-plug the work of this commission and, until Guam obtains representation in the United States Congress, will have to assume a large measure of responsibility for initiating and pressing for enactment of necessary federal legislation.

Millions of dollars will be required from the federal government to complete public buildings and other facilities on Guam, al-

most all of which were destroyed during the war. Direct and indirect federal subsidies to the Guam government for operating expenses have totaled over \$3,000,000 annually; it is likely that substantial, though lesser, amounts will be needed under civilian administration. While immediate responsibility for preparation of budget justifications will rest with the Guam government, it will be Interior's responsibility to review and present them to the Bureau of the Budget and the Congress.

Because of its distance from the mainland, Guam will have to rely initially on Interior for assistance in recruitment of technical personnel not locally available. It is hoped, however, that Guamanians can rapidly take over professional as well as administrative posts at all levels in their government.

The above are examples of the functions relating to Guam which Interior will have to carry out after the transfer. Interior's responsibility as guardian of the rights and welfare of Guamanians will lead it into diverse fields and relationships. As public and private research reveals local needs and potentialities and as the Guam government, with the help of the federal government, evolves effective means for ascertaining and carrying out the will of the Guamanians, Interior's responsibilities for Guam should become similar to its present responsibilities for other territories.

American Samoa. What has been said of Interior's relationships with the Guam government and its role in Guamanian affairs is applicable to American Samoa with several important exceptions.

First, the Fono of American Samoa, unlike the Congress of Guam has never exercised legislative authority. The Fono's functions have been purely advisory. It will be vested with legislative authority if the organic act recommended by the Interior and Navy Departments (H. R. 4500, 81st Cong.) is enacted. If this act is not passed prior to July 1, 1951, the Interior Department will be responsible for seeing that legislative authority is granted by executive or secretarial order and that the Fono is staffed, organized, and otherwise prepared for the exercise of this authority. Until the Fono becomes an effective legislative body, the Interior Department will have to maintain close supervision over law-making in the territory.

Second, Guam can look forward to many years of prosperity as a result of military expenditures on the island and Interior will have many matters to take up with the Navy relating to Guam. In American Samoa, however, according to present Navy plans, the naval station will be closed down and naval personnel employed therein, including all members of the Fita Fita Guard, will be detached from duty or assigned to duty elsewhere. If the income to Samoans from the Fita Fita Guard, which is estimated at over \$250,000 annually, and from employment at the naval station is cut off abruptly without a commensurate increase in income from new or existing public and private sources, a disastrous blow will be dealt the Samoan economy and the Samoan government. While Interior will press prior to the transfer for measures to minimize the severity of this blow, it plans to assist the territorial government after the transfer to work out economic development programs to compensate for the loss of income which for the past fifty years has come to the territory from the naval station. It has been hoped that a fish cannery recently established on Tutuila might to some extent make up for the loss of this income, but the volume of fish caught in the area to date has not been encouraging.

Third, whereas Guamanians are already to a large extent assimilated culturally and politically to the American pattern, and seek to be fully assimilated, Samoans hold fast to their own social organization and culture. Interior has recognized the need of Samoans for special protection of their communal organization under law and plans to exercise careful supervision to ensure it. Special protection of local land and business enterprises is needed in Guam as well as American Samoa.

Fourth, Interior's assumption of responsibility for American Samoa will increase the extent of its participation in activities of the South Pacific Commission, an intergovernmental advisory body with headquarters at Noumea, New Caledonia.

Trust Territory. The Interior Department will have to provide policy guidance to the civilian government of the Trust Territory, having due regard to the terms of trusteeship, and to supervise closely governmental activi-

ties even after organic legislation for the Trust Territory is enacted. There is no territory-wide legislative body and none is likely to develop for a decade or more in view of the geographical spread of the area and the cultural differences among its peoples. Provision has been made in draft organic legislation for the incorporation of local communities and districts for purposes of local self-government and economic development and for the eventual establishment of a territorial legislature.

The Interior Department will have to exercise general supervision over the development of these local organs of self-government and ensure the maintenance of proper relations between these local instrumentalities and the territorial government. Research into local social and political organization will be needed as a basis for working out with the islanders community and district charters of local government and for perfecting the operation of local government after charters have been granted. The Interior Department will seek to enlist the assistance of social scientists in this research. In brief, Interior must attempt to ensure that local self-government is established and respected at each level where self-government is possible and that policy guidance and supervision is supplied where it is necessary that administrative personnel exercise legislative or judicial authority.

Because of the unique legal status of the Trust Territory, Interior faces a tremendous task in working out with the Congress and the various federal agencies the relationships of the Territory to the federal government. A consistent pattern may evolve, but initially it must be developed on an *ad hoc* basis, e.g., establishment of duty-free entry into the United States for products of the Trust Territory; preparation of regulations governing the entry of persons for permanent residence in the Trust Territory; and extension to the area of services of federal agencies such as the Post Office, Weather Bureau, and Department of Agriculture.

The status of the area as a trust territory will also increase Interior's stake in United States foreign policy with respect to trust territories generally and require Interior's representation at meetings of the Trusteeship Council and Security Council where questions arise

relating to United States administration of its Trust Territory.

As in the case of Guam, most of the governmental and commercial facilities on principal islands in the Trust Territory were destroyed during the war. No opportunity has been afforded the Trust Territory islanders, however, to obtain compensation for any losses they suffered as a result of the war, not even losses resulting from noncombat activities of American forces, and only a beginning has been made in restoring permanent public buildings and facilities. Interior will be expected to spur the federal government into action on these problems.

Because of the remoteness and isolation of the area, Interior will have to assist in recruitment and pre-entry orientation of personnel, to maintain a continuous flow of technical and regional information to personnel in the area, and to ensure logistic support for the area. Shipping and air transportation will doubtless be a major preoccupation of both the territorial government and the Department of the Interior for many years.

The Trust Territory, like Guam and American Samoa, has required and will require large federal subsidies. The known direct and indirect federal subsidy to the operating costs of the Trust Territory Government has exceeded \$12,000,000 annually.² One of Interior's major tasks will be to persuade Congress to appropriate sums which the civilian administration of the Trust Territory needs to carry out the obligations of the United States to the islanders and to the United Nations.

Conclusion

INTERIOR'S function in the island territories, as in territories now under its jurisdiction, will be to compensate so far as possible for the territories' temporary legal and other barriers to full self-government under the American system. There can, of course, be no substitute for full self-government, and Interior's primary responsibility is to narrow the gap be-

²For an analysis of this estimate, see the author's "Problems Involved in the Transfer of Responsibility for Guam, American Samoa, and the Trust Territory," in *Hearings before the Senate Committee on Appropriations on H. R. 6008, the Supplemental Appropriation Bill for 1950*, 81st Cong., 1st sess., (Sept. 12, 1949), pp. 108-22.

tween the existing status and full self-government. While it is working to this end in Hawaii and Alaska by actively promoting their statehood, it may be necessary eventually to conceive new and perhaps unorthodox political

relationships by which the people of Guam, American Samoa, and the Trust Territory can share to an extent equal to that of citizens of states control over their own governmental affairs.