



UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF THE SECRETARY
WASHINGTON 25, D. C.

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Dear Mr. Cleveland:

Following up on the evident consensus of our luncheon discussion last Thursday, we have given serious thought to the best procedure for putting those ideas into operation. It is our judgment that two ingredients are necessary: (1) a declaration of executive branch policy, preferably from the President but alternatively as a joint State-Defense-Interior expression, regarding the future of the Trust Territory and our obligations to its inhabitants, and (2) reliable estimates of the annual funding requirements to conduct such a program.

Ideally, of course, these steps should be taken in the order stated and the second item should cover all anticipated undertakings--education, medical services, sanitation, water and power supply, economic development, etc. As you know, however, we are faced with a deadline situation in providing the Congress with the policy and factual basis for adjusting the present ceiling limitation on appropriations, and, in any event, the policy document could not be used realistically until its cost implications can be presented. Some method must therefore be found for telescoping the time factor and we propose the following course of action.

Based on the general assent reflected in last week's discussion, the points enumerated in Secretary Udall's letter seem to provide a working hypothesis for an early inventory of the most immediate needs. In our judgment the critical element is education; it also has the longest lead time for proper staffing, essential construction and ultimate results. Clearly the attack must start at the elementary school level as a foundation upon which effective secondary and higher education programs can be built. The elementary system will also involve the greatest cost. After its capital improvement needs have been met, the same level of appropriations will furnish the other facilities in a comparatively short time.

Accordingly, I am arranging for the Office of Territories to have a representative proceed immediately to the Trust Territory. In coordination with the High Commissioner and guided by our current policy direction, he will compile a complete enumeration of the educational facilities needed, by size, location, staffing requirements, and both unit and total cost for construction and operation. Our target for completion of this step is April 15, optimistic as that may seem.

Hon. Carl Kaysen

National Security Council

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In the interim, the policy background to support this undertaking should be developed to the point of final approval. The international or diplomatic implications of this phase are at least as significant as the governmental. For that reason, I feel that your Department should not only participate prominently, but should undertake the initial task of converting our mutual views into a formal declaration. If we consider the postulates set forth in Secretary Udall's letter as an acceptable beginning, the task remaining consists principally of producing a document adequate to support our national objectives in the area. I urge that you accept this task with full assurance of our complete desire and availability to render any assistance possible and to effect coordination at any step of the process. Needless to say, mid-April would be a necessary completion date in order that the two phases of the plan may be combined in timely fashion.

As I view it, Department of Defense and National Security Council interest and participation are confined essentially to the military significance of the Trust Territory and our intentions with respect thereto in long-range strategic planning. This aspect of the total situation is fundamental, however, and as to some of the authorities reviewing our policy and program proposals may well prove critical. I am, therefore, furnishing copies of this letter to those agencies and soliciting their continued interest and participation, including the possible presentation of their views, at least to Congressional authorities, should the need arise.

If the procedures and comments presented above meet with your concurrence, I suggest that your staff people contact Mr. Taitano for early discussions on any points needing expansion or clarification.

Sincerely yours,

(sgd) John A. Carver, Jr.

John A. Carver, Jr.
Assistant Secretary

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Assistant Secretary of State for
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