

EXECUTIVE OFFICE OF THE PRESIDENT  
BUREAU OF THE BUDGET  
WASHINGTON, D.C. 20503

7/13  
*[Handwritten signature]*  
4  
JUL 13 1964

MEMORANDUM FOR MR. BUNDY  
Special Assistant to the President  
for National Security Affairs

Subject: Trust Territory of the Pacific Islands

During our recent preview of the 1966 budget, we noted that the Department of the Interior's program plans for the Trust Territory of the Pacific Islands anticipate continuing the existing level of funding. You may recall that last year a survey mission headed-up by Anthony Solomon recommended a stepped-up program for the Territory. This recommendation was based on the need to improve public services in the Territory to reasonably acceptable levels prior to a plebiscite by which the people would determine their future political status or affiliation. The accelerated program was keyed to a 1968 target date for the plebiscite. The Defense and State Departments both advocate an early date for the plebiscite. I believe the National Security Council is in a better position than we are to determine whether there is a need for a change in the Interior Department's plans to accommodate Defense and State Departments' interests relating to a plebiscite.

There are several problems to overcome if it is decided that the program should be accelerated. The present \$17.5 million ceiling on appropriations for the Territory would need to be raised - legislation to raise this ceiling has not been proposed by the Interior Department. The administrative organization in the Territory would also have to be strengthened. Interior has made some effort to do this, but has not been entirely successful.

If the Security Council feels that Interior's present plans should be modified, Secretary Udall should be advised so that the new plans can be integrated with the fall budget preparation.

*[Handwritten signature: Kermit Gordon]*

KERMIT GORDON  
Director

Group 4  
Out  
3-2-90

GROUP 1  
DOWNGRADED AT 5-YEAR INTERVALS;  
DECLASSIFIED AFTER 10 YEARS