

THE WHITE HOUSE

WASHINGTON

July 14, 1980

MEMORANDUM FOR THE HEADS OF

DEPARTMENTS AND AGENCIES

Attached is a copy of the President's February 14 Message to the Congress proposing the Nation's first comprehensive policy toward the territories of Guam, the Virgin Islands, American Samoa and the Northern Mariana Islands. The statement reflects decisions which followed the report of a sub-Cabinet task force established at the President's direction to review Federal territorial policy in 1979.

The new policy strengthens our fundamental commitment to the self-determined political, economic and social development of these insular areas through a number of interrelated legislative and administrative initiatives. These initiatives seek to:

- o detail a procedure for the orderly political development of the territories;
- o provide opportunity for and a stimulus to their economic growth;
- o rationalize the existing Federal-territorial financial relationship and improve territorial financial management;
- o enhance territorial treatment under Federal programs; and
- o reorganize the Federal method for dealing with territorial matters.

The reorganization outlined by the President is a crucial element of the policy. He expects all agencies to cooperate with it to the maximum extent permitted by law. Reorganization steps include:

- o the assignment to the Secretary of the Interior of clear responsibility for all matters related to these territories with increased support from other agencies and the White House;

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- o the replacement of Interior's old office of Territorial Affairs with an office of an Assistant Secretary for Territorial and International Affairs; and
- o the designation of territorial matters as a major responsibility of a senior assistant on my staff.

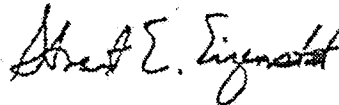
These assignments apply as well to the Trust Territory of the Pacific Islands pending termination of the trusteeship and the adoption of a new political relationship between the United States and the three Micronesian entities. However, as is the current practice, issues related to Puerto Rico will continue to be dealt with directly by the White House.

Secretary Andrus or his designee will soon be in touch with you regarding the specific assistance which will be required from your agency to implement the new policy. In the meantime, however, I ask that you promptly notify your regional and district personnel who are involved in territorial programs of the Message and your endorsement of its objectives.

Wallace Green, who is heading Interior's Office of Territorial and International Affairs, and Jeffrey Farrow of my staff will be meeting with Region IX Federal Regional Council in San Francisco between July 23 and July 25. Your support of these discussions will assist the implementation of our policy in the Pacific area. Future meetings are also planned with specific agencies and the Federal Regional Councils with programs in the U.S. Virgin Islands.

Finally, will you please notify Mr. Green of your designation of a person on your staff who has access across the board to your agency's programs and will be responsible for territorial matters. Early designation is essential for the establishment of the coordinating mechanisms for territorial policy and program management which the Secretary of the Interior will develop.

Your cooperation with and involvement in these important initiatives will be greatly appreciated.



Stuart E. Eizenstat
Assistant to the President
for Domestic Affairs and Policy