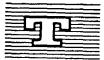
# UNITED NATIONS TRUSTEESHIP COUNCIL





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GENERAL,

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PETITION FROM MR. JEROME J. SHESTACK AND OTHERS, INTERNATIONAL LEAGUE FOR HUMAN RIGHTS, CONCERNING THE TRUST TERRITORY OF THE PACIFIC ISLANDS

(Circulated in accordance with rule 85, paragraph 1, of the rules of procedure of the Trusteeship Council)

# INTERNATIONAL LEAGUE FOR HUMAN RIGHTS

777 United Nations Plaza New York, N.Y. 10017

Secretary-General of the United Nations United Nations New York, N.Y. 10017

Dear Mr. Secretary-General,

Enclosed please find a report (see annex) on the present situation and current problems in the United Nations Trust Territory of the Pacific Islands, Micronesia. As the Trusteeship Council enters the final stage of its work prior to the termination of the Trust Agreement in 1981, the International League for Human Rights is extremely concerned that the transition of the last United Nations Trust Territory be conducted properly.

As you may know, the International League has maintained an ongoing interest in and concern for the right of self-determination. Such concern has been reflected in a number of positions taken before the Trusteeship Council, the Fourth Committee of the General Assembly, and the Special Committee on the Situation with regard to the Implementation of the Declaration on the Granting of Independence to Colonial Countries and Peoples during the past 30 years.

Our concerns in this case relate principally to the actions of the Administering Authority in attempting to fulfill its obligations to the people of Micronesia. While some progress has been made since the United States of America accepted the role of Administrator in 1947, there are a number of areas where such progress has not been sufficient.

The Administering Authority, for example, has neither made an adequate effort to assimilate the Micronesians into positions of authority in the society, nor has

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there been sufficient development of a local economic infrastructure that can sustain the Micronesians after 1981.

Regarding the question of United Nations participation in the decolonization process, we believe that any "free association" agreements reached by the parties should be analysed and approved by both the Trusteeship Council and the Security Council.

On the issue of Security Council participation, the Administering Authority has apparently adopted the position that only the final terms of the termination of the trusteeship Agreement need be reviewed. Contrary to this position, the International League maintains that the Security Council should be allowed to review each step of the termination process, beginning with the separation of the Mariana Islands.

While we are disappointed by some of the errors and deficiencies of the past, we hope and are confident that with the ongoing supervisory participation of the United Nations, these problems can be corrected between now and 1981.

Signed by the following:

Roger N. BALDWIN Honorary President

Jose CABRANES Vice-President Jerome J. SHESTACK President

Roger S. CLARK

# Annex

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# AN AMERICAN TERRITORY IN THE PACIFIC: REPORT ON MICRONESIA - 1978

by Peter Travers of The Lawyers Committee for International Human Rights 236 East 46th Street New York, New York 10017

October 1978

#### INTRODUCTION

1. The Trusteeship Council of the United Nations meets for three weeks each year to consider one piece of business: the Trust Territory of the Pacific Islands or Micronesia. Of 11 Territories originally in the International Trusteeship System, 10 have obtained independent status or otherwise achieved self-government and only Micronesia remains. However, the Administering Authority in Micronesia, the United States of America, has committed itself to terminating the trusteeship relationship in 1981. The degree of success achieved by the Council and the United States in Micronesia is crucially dependent on actions that are taken during the next three years.

2. The origin of the United Nations trusteeship system can be traced to President Woodrow Wilson's proposed Fourteen Points for the Versailles Treaty ending the First World War. Point Five called for "... impartial adjustment of all colonial claims, based upon ... the principle that ... the interests of the populations concerned must have equal weight with the equitable claims of the Government whose title is to be determined".

3. While President Wilson's views did not triumph, they were influential enough to foster the creation of the League of Nations, one of whose functions was the "mandate" system. The mandate system was based on an agreement which took German colonies from Germany and Turkish colonies from the Ottoman Empire, but forbade any other nation from acquiring them. Instead, each separate Territory was to be administered by one of the Allies under the supervision of the League of Nations.

4. When the United Nations replaced the defunct League after the Second World War, its trusteeship system was patterned after the mandate system. In fact, the United Nations took over seven League mandates in Africa, three island mandates, and oversight of the British mandate in Palestine. A twelfth mandate, Micronesia, became inoperative upon the defeat of Japan, its mandatory nation. The United States, which had taken control of these islands, occupied them until a decision could be made regarding their status.

5. The United Nations International Trusteeship System was established shortly after the Second World War, pursuant to Chapter XII of the Charter of the United Nations. Under its auspices, administering nations of Trust Territories are responsible to the Trusteeship Council. The Council in turn is responsible to the General Assembly, for all trusteeships not classified as "strategic". In the case of "strategic" trusts, the administering nation is responsible to the Security Council. The distinction between the two types of Trust Territories was written into the Charter of the United Nations at the insistence of the United States because it considered Micronesia (the only "strategic" trust) to be vital to the defence of Guam and Hawaii. Although the Security Council has delegated some of its responsibility for Micronesia to the Trusteeship Council, it maintains some degree of concurrent jurisdiction.

6. The Trusteeship Council receives reports from administering nations attesting to conditions in their Territories. It is also empowered to receive petitions from the inhabitants requesting reforms or inspections of the Territory to ensure that it is being administered in their best interests.

7. Under the Trusteeship Agreement and the Charter of the United Nations, the United States, by administering Micronesia, has obligated itself "to promote the political, economic, social and educational advancement of the inhabitants ... and their progressive development towards self-government or independence as may be appropriate ...".  $\underline{a}/$ 

8. The present report focuses on the performance of the Administering Authority in attempting to fulfill the obligation it owes the people of Micronesia. Section I provides background information about Micronesia, and section II briefly surveys the trusteeship period. In section III, the comments of representatives at the forty-fifth session of the Trusteeship Council, in May 1978, are examined in relation to the major issues currently facing Micronesia.

#### I. MICRONESIA: HISTORICAL BACKGROUND

9. Micronesia (meaning "small islands") is a collection of 2,100 islands, with 115,000 inhabitants. These islands are spread over an expanse of the Western Pacific running 1,300 miles north from the Equator and 2,300 miles wide. The Trust Territory is divided into six districts: Palau, Yap, Truk, Ponape and Kosrae, all in the Carolines; and the Marshall Islands District. A seventh district, the Mariana Islands, decided in 1975 to separate from Micronesia and pursue a separate "commonwealth" status with the United States.

10. Despite a common experience of Spanish, Japanese, and United States dominance, Micronesia is by no means culturally uniform. Although most Micronesians have in common collective forms of land tenure, extended families and village organization, there are substantial cultural and historical differences among the districts. For example, nine major indigenous languages are spoken, with many more dialectical variations from island to island.

11. The United States is the fourth nation to control most or all of Micronesia since Ferdinand Magellan dropped anchor at Saipan in the Marianas in 1521. During the 1890s, control of the islands devolved to Germany. That nation retained dominion until the outset of the First World War, when Japan seized nearly all of Micronesia. After the war, Japan administered the islands under a League of Nations mandate. The Territory was developed extensively, and, at one point, shortly before the Second World War, 58 per cent of the island population were Japanese settlers. During the Second World War, Micronesia was a pivotal and costly stepping-stone in the United States drive across the Pacific; 3,500 United States citizens and 23,000 Japanese died in the 24-day battle for Saipan alone.

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a/ Article 76 b of the Charter.

Kwajalein, Peleliu, and Truk were other islands which saw fierce battles during that campaign, and Tinian was the home base for the United States planes which dropped atomic bombs on Hiroshima and Nagasaki in 1945.

#### II. TRUSTEESHIP ERA

### A. Initial years: 1947-1961

12. United States involvement in Micronesia began following its capture from Japan during the Second World War. In 1947, the United States accepted the role of administrator under a trusteeship agreement with the United Nations Security Council. <u>b</u>/ From 1947 until 1951, the islands remained under military governance. The United States Secretary of the Navy, in Washington, D.C., was responsible for administration of the islands. The Commander-in-Chief of the Pacific Fleet was High Commissioner of the Trust Territory; his offices were in Honolulu, nearly 2,000 miles from Micronesia. The decision to delay, until 1951, the transfer of the Trust Territory to civilian rule was an early indication of the strong United States interest in the strategic value of the islands, an interest which has significantly coloured the Micronesian experience as a trustee beneficiary of the United States.

13. Beginning in 1946 and 1947, the Bikini and Eniwetok atolls in the Marshalls became the site of many United States nuclear tests. Several hundred residents of each atoll were forcibly evacuated. Twenty years later, in an attempt to rehabilitate Bikini, the entire island was bulldozed to reduce radiation, and all old coconut trees were destroyed. Minety thousand new coconut trees were planted and 40 homes were constructed. Even though one of Bikini's 27 islands had been annihilated by a 1950 hydrogen blast, a large portion of the island's coral reef had been destroyed and some fish and all crabs were still considered too "hot" to eat, a group of the people of Bikini were allowed to return in 1970. After substantial bureaucratic resistance in Washington was overcome, a survey finally was taken in May 1978. It indicated conclusively that excessive levels of radioactivity remained on Bikini. This resulted in a second forced evacuation of the approximately 100 residents who had returned. It also postponed the return of all the people of Bikini for at least another 30 years.

14. In November 1952, President Harry S. Truman ordered the Marianas returned to the administration of the United States Navy after less than a year of civilian control under the United States Department of the Interior. The reason for this seemingly arbitrary decision to sever the northern Marianas from the rest of Micronesia was not announced then, nor has it been since. With the publication of the Pentagon Papers in 1971, however, it became known that a \$US 28 million facility for the United States Central Intelligence Agency (CIA) had been built on Saipan for the planning of operations in the Far East and the training of personnel.

b/ Trusteeship Agreement for the Trust Territory of the Pacific Islands (United Nations Publication, Sales No. 1957.VI.A.1.).

15. For Micronesians, the establishment and subsequent abandonment of the CIA facility in 1962 had far-reaching effects. First, the Marianas were separated from the remainder of Micronesia. This caused them to press for and receive a status separate from the rest of the Trust Territory. Second, the existence of the clandestine facility meant restricting entry into the Marianas, with the exception of Rota, for "security reasons". This resulted in severely restricting passage into Micronesia because the Marianas were Micronesia's most significant port of entry, its most immediate link to the outside. Under these circumstances, any efforts at economic development were doomed and, in fact, Micronesia was not opened for tourism by the United States until 1966. Finally, the departure of the CIA left a large base of facilities, which prompted the Trust Territory Government to move to Saipan from Hawaii instead of, as planned, to more centrally located Truk. This resulted in longer lines of communication between the Micronesian districts and discouraged residents from travelling to the capital. Most damaging to the emergence of a unified Micronesia, however, was the concentration of development in Saipan, which increased the inclination of Marianians to reintegrate with their fellow Chamarros on Guam.

# B. "Soloman" years: 1961-1969

16. In 1961, a United Nations Visiting Mission to Micronesia <u>c</u>/ sharply criticized the United States administration in almost every area. The consensus in the United States and the world community was that the Administering Authority had, up to that point, based its actions on the "antropological zoo" theory emphasizing protective and custodial policies designed to keep native Micronesians in their natural primitive state. However, the effect of the initial United Nations report, combined with an international atmosphere increasingly hostile to colonialism in any form, spurred the administration of the late President John F. Kennedy to spend significantly more funds for health, educational and welfare programmes in Micronesia. The annual appropriation tripled between the late 1950s and 1963.

17. The driving purpose behind this leap in funding was not apparent until years later when the existence of National Security Action Memorandum (NSAM) 145, issued by President Kennedy on 18 April 1962, came to light. That memorandum established as United States (secret) policy "the movement of Micronesia into a permanent relationship with the United States within our political framework". Pursuant to this policy, a mission headed by Mr. Anthony Soloman, a Harvard economics professor, and current Under-Secretary of the Treasury, was sent to Micronesia in early 1963 to report on conditions there and to make recommendations regarding the orchestration of a plebiscite favourable to the United States. The mission recommended a plan of capital investment timed to have maximum impact on the scheduled plebiscite. It also suggested the establishment of the "appearance" of self-government through an elected legislature but with the United States maintaining control through the office of High Commissioner and the absolute veto power of the United States Department of the Interior.

c/ Official Records of the Trusteeship Council, Twenty-seventh Session, Supplement No. 2 (T/1582).

18. Although the death of President Kennedy prevented the wholesale implementation of the Soloman programme, some actions were taken to speed Micronesia's development towards self-government. A programme of sending Peace Corps volunteers to Micronesia was begun in 1966. The United States Government opened Micronesia to tourism the same year and, in 1968, Air Micronesia initiated the first inter-island jet service in the area.

# C. 1969 to the present

19. Shortly after the administration of former President Richard M. Nixon came to power, Mr. Walter Hickel, then Secretary of the Interior, was informed that the United States was likely to be severely criticized during the next session of the United Nations General Assembly for (mis)handling its Micronesian responsibilities. Armed with fresh enthusiasm and wary of international censure, Mr. Hickel visited Micronesia and, with presidential approval, proposed to begin negotiations on the subject of Micronesia's post-trusteeship status. Those negotiations, begun in 1969, have been lengthy and complicated due in part to changes in fundamental policy by both sides and in part to the natural difficulty involved when a weaker country negotiates for its sovereignty with a stronger one.

In 1970, the Nixon administration proposed that Micronesia become 20. permanently affiliated with the United States as a sort of "commonwealth". The "commonwealth" proposed was not similar to that of Puerto Rico but would have made Micronesia an unincorporated Territory like Guam or the United States Virgin Islands. The delegation from the Congress of Micronesia (then still representing the whole Territory in negotiations with the United States) viewed the offer as falling short of allowing significant internal self-government, and flatly rejected Instead, it proposed an affiliation based on "free association" that would it. give the islands control of their internal affairs, leaving defence and foreign policy to the United States. It offered four principles which would guide their efforts to negotiate such a status with the United States: (a) that sovereignty in Micronesia reside in Micronesians and their duly constituted Government; (b) that the right to self-determination permit Micronesia to choose a status of independence or self-government in free association with any nation; (c) that the people of Micronesia have the right to adopt, amend or revoke their own constitution; and (d) that "free association" should be in the form of a revocable compact, terminable unilaterally by either party. The United States, still desirous of a more permanent affiliation, less restrictive of their control, rejected these principles.

### 1. <u>Marianas separate</u>

21. In 1971, the people of the Marianas found more cause for disagreement with the other districts of Micronesia when the Congress of Micronesia passed territory-wide tax legislation, which stipulated that the funds collected would go into a general fund for use throughout Micronesia. This meant that the Marianas

were paying for programmes in the relatively poorer areas of Micronesia. The tax legislation, coupled with the other forces which had been pushing the Marianas towards separation since they were put on a separate administrative basis in 1952, led to their final break with the rest of Micronesia. In February 1971, the Marianas District Legislature voted to secede from Micronesia "by force of arms, if necessary" in order to join the United States "with or without the approval of the United Nations".

22. At the close of the fourth round of United States-Micronesia negotiations in 1972, representatives from the Marianas requested and, with rare dispatch, received from the United States approval to hold separate negotiations. Although the United Nations Trusteeship Council urged a halt to the dual negotiations, the United States refused. In 1975, an agreement was signed to make the Marianas a commonwealth "in political union" with the United States.  $\underline{d}$ / On 8 July, this agreement was ratified by the voters of the Marianas.

## 2. Constitution

23. Ironically, it was at Saipan in the Marianas that the Micronesian Constitutional Convention was held in 1975. The Constitution drafted called for a sovereign, "federated States of Micronesia". This structure was objected to by representatives of two of the remaining six districts, Palau and the Marshalls. Like the Marianas, these districts were eventually permitted to negotiate separately with the United States. When the Constitution was approved by the four central districts (Yap, Truk, Ponape and Kosrae) in the referendum on 12 July 1978. a new national governmental scheme was created, which will become operative for those districts in one year. This new Government will be empowered to negotiate as such the terms of its post-trusteeship relations with the United States. (The United States has said that it expects the Trusteeship Agreement to end in 1981.) The two districts which did not approve the Constitution are now entities of undetermined political structure unaffiliated with the remainder of Micronesia.

#### 3. Agreement for free association

24. At Hilo, Hawaii, on 9 April 1978, the United States and the three Micronesian delegations (Palau, Congress of Micronesia, and the Marshalls) achieved a major negotiating break-through with their Statement of Agreed Principles for Free Association. <u>e</u>/ These principles were intended to define the final nature of post-trusteeship relations between the United States and Micronesia. Although the United States originally expressed reservations about the compatibility of the Constitution and "free association" status, this objection has lapsed. There is also uncertainty about the degree to which the statement will define the final relationship between the other two Micronesian entities (Palau and the Marshalls) and the United States.

<u>d</u>/<u>Ibid.</u>, <u>Forty-second Session</u>, <u>Sessional Fascicle</u>, document T/1759.
e/ Ibid., Forty-fifth Session, <u>Sessional Fascicle</u>, document T/1789, enclosure.

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25. In two important aspects, the Hilo agreement conforms more closely to the concept of "free association", as defined by the United Nations, than did the Covenant with the Marianas.

26. First, it provides that the Micronesians shall "enjoy full internal self-government" (principle 4), as well as "authority and responsibility for their foreign affairs including marine resources" (principle 6). The United States will have "full authority and responsibility for security and defense matters in or relating to Micronesia, including the establishment of necessary military facilities and the exercise of appropriate operating rights" (principle 5). In addition, Micronesia agrees to "refrain from actions which the United States determines to be incompatible, with its authority and responsibility for security and defense matters ..." (principle 5). Clearly any dispute regarding what military facilities are "necessary" and what actions are "incompatible" will be decided by the United States.

27. Secondly, the United States accepted a provision for unilateral termination of the free association agreement, subject to the United States having "full authority and responsibility for security and defense matters" (principle 5) for a period of at least 15 years and thereafter as mutually agreed. However, in practice, Micronesia may not be able to avail itself of this right because of a qualification which states that at the time of such termination the United States "shall no longer be obligated to provide the same amounts of economic assistance ... initially agreed upon" (principle 8). Accordingly, Micronesia's economic dependence on the United States will weigh heavily on their ability to terminate the free association agreement.

#### III. CURRENT ISSUES

28. With regard to the scheduled termination of the Trusteeship Agreement in 1981, each of the Micronesian entities shares three broad concerns. First, in what form will the right to self-determination be realized and what ties, if any, will be permitted among the islands? Secondly, what relationship will the Micronesians have with the United States, and what rights will be afforded to Micronesia in its dealings with foreign nations and international bodies? Thirdly, what steps will the United States take to foster a realistic plan for economic advancement in order to alleviate the economic dependence it has imposed upon Micronesia?

29. Considerable progress has been made towards a solution of some of these problems in the Statement of Agreed Principles for Free Association signed at Hilo. Under the principles, the Micronesians are to "enjoy full internal self-government" as well as "authority and responsibility for their foreign affairs including marine resources" (principles 4 and 6). The United States is to "have full authority and responsibility for security and defense matters in or relating to Micronesia, including the establishment of necessary military facilities and the exercise of appropriate operating rights" (principle 5). While this formula appears sound, final judgement must be reserved until the details of the agreement are also negotiated and made public. Moreover, the Hilo principles leave several fundamental issues unresolved.

#### A. Self-determination

## 1. Fragmentation

30. The United Nations has repeatedly proclaimed a policy favouring preservation of the territorial integrity of all Trust and Non-Self-Governing Territories during the course of decolonization. Yet in Micronesia a gradual fragmentation, which began with the separation of the Mariana islands, now threatens to completely destroy the territorial integrity of the entire Trust Territory.

31. This issue was discussed at length during the forty-fifth session of the Trusteeship Council in May 1978. Mr. Peter Rosenblatt, President Jimmy Carter's personal representative to the negotiations on the future political status of Micronesia, explained the position of his Government which is to allow "unity among all the districts of the Trust Territory during the post-trusteeship period".  $\underline{f}$ / However, this sentiment is not consistent with actions taken by the United States Government in the Marianas, where a separate agreement governing future status has now come into force. Fragmentation was also underscored by the defeat of the proposed constitution in the Palau and the Marshall Islands in the referendum on 12 July 1978.

32. At the forty-fifth session of the Trusteeship Council, several Micronesians spoke on this issue. Senator Bailey Olter, of the Congress of Micronesia, stated plainly that "it was United States policy, not historical inevitability, that was responsible for the Marianas separation". <u>g</u>/ He also argued that separate negotiations with the Marshalls and Palau ignored the exclusive mandate of the Congress of Micronesia.

33. While two speakers argued that separation was in the best interests of their constituencies, they did not dispute United States responsibility for Micronesian fragmentation. Mr. Anton DeBrum, Vice-Chairman of the Marshall Islands Political Status Commission, noted that a vote by the Marshallese in an unofficial referendum in July 1977 on separation was "an overwhelming vote in favor of lifting the yoke of an oppressive and over-reaching Congress of Micronesia, which since its inception /in 1966/, has burdened our people". h/ Mr. Ruben Zackhras, President of the Marshall Islands Constitutional Convention held in 1977, pointed out that over 7,000 Marshallese cast ballots to select delegates to that convention, whereas only a few hundred were cast to elect delegates to the 1975 convention of the Congress of Micronesia, which drafted the constitution for a federated States of Micronesia. i/ Mr. Zackhras concluded that the convention over which he presided and which produced a separationist document, more closely reflected the true sentiments of the Marshallese.

- f/ T/PV.1475, p. 41.
- g/ T/PV.1471, p. 7.
- h/ T/PV.1473, p. 6.
- i/ Ibid., pp. 23-25.

34. It should be noted that while favouring separation Mr. DeBrum recognized the possibility of "creating a consultative body in which all the peoples of the Trust Territory might some day participate".j/ This incipient advocacy of a minimal federation of Micronesians is the least which the Administering Authority should be expected to support.

#### 2. Termination of the Trusteeship Agreement

35. An important part of ensuring the smooth termination of the Trusteeship Agreement is the training of Micronesians to fill all the important offices in their Government. During the forty-fifth session of the Trusteeship, Senator Olter expressed the view that the President of the proposed federated States of Micronesia must be permitted to assume all the functions of a chief executive, especially those involving the budgetary process. In so doing, he emphasized that such experience must be gained prior to the assumption of self-government. He warned that in order to exercise this authority effectively, a concurrent reduction in the use of the veto power by the United States Department of the Interior also must be forthcoming. Finally, Senator Olter suggested that a Micronesian be appointed to fill the next vacancy on the Micronesian Supreme Court.

36. In his questioning of the United States representatives, Mr. M. A. Kharlamov of the Union of Soviet Socialist Republics asked whether there was a specific programme for development of self-government in the Territory. Mr. Adrian P. Winkel, High Commissioner of the Trust Territory, responding for the United States, pointed out that, in addition to the Congress of Micronesia, established in 1966, four district governments recently had been chartered. This means that governors in these districts (Truk, Kosrae, Yap and Ponape) will soon be elected. He also noted that a Micronesian citizen was at present on the High Court and that the policy of the Administering Authority was to appoint Micronesian officials to the "very highest possible level of administrative offices and positions". k/

37. Senator Olter expressed a related concern noting that concrete steps had not been taken to fulfill the pledge made by the United States in 1972 to finance the establishment of a new capital at Ponape. He stated that he saw no reason why such steps need await the resolution of Micronesia's final political status.

38. There is another potential problem raised by the Agreed Principles developed at Hilo. While it is true that the Micronesians are permitted to terminate unilaterally any agreement of free association "by the processes through which it was entered" (principle 7), opting out will not be a simple matter. The agreement (principle 5) provides that the "authority and responsibility" of the United States in the fields of security and defense "will be assured for 15 years, and thereafter as mutually agreed". Further: "Specific land arrangements will remain in effect according to their terms which shall be negotiated prior to the

<u>j/ Ibid</u>., p. 7. <u>k</u>/ T/PV.1475, p. 22.

end of the Trusteeship Agreement" (principle 5). The 15-year period (and its extensions), together with the land arrangements will give the United States substantial negotiating leverage and make unilateral termination difficult in practice. This difficulty will be compounded by the economic situation. The Micronesian economy depends almost entirely on United States <u>largesse</u>. Principle 8 of the Hilo Agreement contains the qualification that if the free association agreement is unilaterally terminated by the Micronesians, the United States "shall no longer be obligated to provide the same amounts of economic assistance for the remainder of the term initially agreed upon". Clearly, the Micronesians' economic dependence on the United States will have a significant impact on their ability to opt out of the agreement.

# 3. <u>Consideration by the Security Council of termination agreements</u>

39. In his questions, the Soviet representative also broached the issue as to when the Security Council should be consulted regarding the termination of the Trusteeship. He noted that the Trusteeship Agreement had been concluded between the Security Council and the Administering Authority. Therefore, according to Article 83 (1) of the Charter, "any change in the status of the Pacific Islands ... is within the competence of the Security Council".

40. The United States position clearly disregards this requirement. United States representatives have stated that they will only consult the Security Council in 1981, after the final status agreements with Micronesia have been determined. Thus far, this policy has precluded United Nations review of the separation of the Marianas and appears to be in conflict with the language and spirit of the Charter of the United Nations.

## B. Foreign relations

41. The broad language of the Agreed Principles developed at Hilo contains seeds of potential discontent in the future. The language of principle 6, for example, is somewhat one-sided in the powers it gives to the United States. It leaves no doubt as to which Government will have the final say on some very important matters such as the exercise of authority pertaining to foreign affairs. In that area, the Micronesians are required to "consult with the United States in the exercise of this authority and will refrain from actions which the United States determines to be incompatible with its authority and responsibility for security and defense matters in, or relating to, Micronesia". Similar language appears in principle 5. One can easily foresee situations where proposed Micronesian agreements with other countries not allied with the United States involving, for example, construction of a copra processing warehouse or fishing rights, would be overruled by the United States for strategic reasons not necessarily compatible with Micronesian interests.

42. A number of Micronesian officials have repeatedly expressed concern as to whether a free association agreement with the United States will permit them sufficient authority to deal effectively with other nations on issues of the

development of economic and marine resources. Other Micronesian leaders, including Mr. Raymond Setik of the Congress of Micronesia, apparently believe that this problem has been resolved by principle 6 of the Hilo Agreement. Mr. Setik observed during the forty-fifth session of the Trusteeship Council session in May that "The peoples of Micronesia will have authority and responsibility for their foreign affairs including marine resources."

43. Partially in an effort to carve out independent authority in foreign affairs, the Congress of Micronesia has passed a bill creating its own 200-mile fishing zone and setting up an administrative mechanism, the Micronesian Maritime Authority, to regulate activity in the zone. The Congress anticipates that appointment of its delegation to the United Nations Conference on the Law of the Sea to represent it on the South Pacific Regional Fisheries Organization will no longer be opposed by the United States. Yet whether these or other actions will succeed greatly depends on the details of the final agreement worked out with the Administering Authority and the manner of its implementation.

44. With regard to the land and economy of Micronesia, article 6, paragraph 2, of the Trusteeship Agreement, amplifying the language of Article 76 <u>b</u> of the Charter, provides that the Administering Authority shall "promote the economic advancement and self-sufficiency of the inhabitants, and to this end shall regulate the use of natural resources, encourage the development of fisheries, agriculture and industries, protect the inhabitants against the loss of their lands and resources, and improve the means of transportation and communications". <u>1</u>/ The reports of the Trusteeship Council, of its visiting missions and of the Special Committee are replete with documentation and commentary on the failure of the Administering Authority to live up to this obligations.

45. Last April, a decision was made to re-evacuate Bikini Island because of radioactive contamination due to nuclear testing done by the United States. As <u>Time</u> magazine reported, "well water still contains strontium 90 and cesium 137, radioactive products of the bomb tests, and so do the coconuts, fruits and vegetables grown on the island".  $\underline{m}/$ 

46. With regard to the Micronesian economy, the report of the 1976 United Nations Visiting Mission to the Trust Territory of the Pacific Islands  $\underline{n}$ / records that "The Mission is somewhat disappointed at the state of the local infrastructure,

<sup>1/</sup> Trusteeship Agreement for the Trust Territory of the Pacific Islands (United Nations Publication, Sales No. 1957.VI.A.L.).

m/ "Blunder on Bikini Island. After ten years it is still dangerously radioactive", <u>Time</u>, 3 April 1978, p. 25. See also <u>The Washington Post</u>, 13 April 1976, p. Al.

<sup>&</sup>lt;u>n/ Official Records of the Trusteeship Council, Forty-third Session</u>, Supplement No. 3 (T/1774).

such as agricultural roads and small harbours" (para. 208). How many agricultural roads and small harbours have been developed since then? Again, the Visiting Mission remarked: "The present Mission, while acknowledging that the people of Micronesia enjoy a standard of living which compares favourably with that of many developing countries, must also report that there has been disappointingly little progress towards self-sufficiency" (para. 208). As the Mission also noted, "In 1974/75, imports amounted to just over \$38 million. Commodity exports amounted to just under \$7 million and earnings from tourism to about \$5 million. Thus, the deficit in the balance of payments was over \$26 million" (para. 209 (c)).

47. Figures for 1976/77 in the Trust Territory (excluding the Northern Marianas) o/indicate that total exports to outside destinations amounted to only \$10,334,100 (a figure which, incidentally, includes nearly \$2 million in receipts from tourism). Imports for the same period cost \$44,224,900. The deficit, in short, was about \$34 million, or over 75 per cent of the cost of imports. These figures raise serious questions concerning what has happened after 30 years of reports to "the economic advancement and self-sufficiency of the inhabitants" promised under the Trusteeship Agreement.

48. During discussions of economic conditions in Micronesia, speakers before the Trusteeship Council consistently expressed two views: First, that the interests of Micronesia would only be served by economic programmes which help to develop self-sufficiency and which would wean the island economy from its demeaning dependence on United States support; second, that the economic policies of the Administering Authority have been misguided, tending to foster Micronesian dependence on the United States rather than to dissipate it.

49. Senator Olter focused the attention of the Trusteeship Council on a proposal by the Micronesian Commission on Future Political Status and Transition for the formation of a joint United States-Micronesia economic study group. This group, taking into account the realities of the economic situation in Micronesia, would help to develop data and guidelines which would be the basis for discussions concerning future United States financial aid.

50. Senator Roman Tmetuchl offered several specific comments on United States economic policy in Palau, which also have general application to the rest of Micronesia.  $\underline{p}$ / First, he noted that while he was very much concerned about

o/ Apparently only export figures are given for the Northern Marianas in the Administering Authority's annual report. Both export and import figures are given for other districts. See <u>Thirtieth Annual Report to the United Nations on the</u> <u>Administration of the Trust Territory of the Pacific Islands, 1 July 1976 to</u> <u>1 September 1977. Transmitted by the United States of America to the United Nations</u> <u>pursuant to Article 88 of the Charter of the United Nations</u>, Department of State Publication 8860. Washington, D.C., part XIII, 19, 20.

p/ See T/PV.1472, pp. 6 and 13-15.

maintaining the "unequalled environmental quality of Palau, he could not and would not ask his people to eschew economic growth and "revert to the jungle". Second, he alleged, the quality of roads, docks, harbours and communications facilities had deteriorated since the period of Japanese administration before the Second World War. He charged that the "capital improvements, which have been made in the 32 years since the Second World War are negligible". Senator Tmetuchl quoted the Solomon report: "Per capita Micronesian cash incomes were almost three times as high before the war as they are now /1963/ and ... the Micronesians freely used the Japanese-subsidized extensive public facilities".

51. Third, Senator Tmetuchl charged that the "American-inspired bureaucracy not only has grown beyond reason, it has grown in isolation, while the productive /private/ sector has been entirely ignored". He quoted a report of the United Nations Development Programme (UNDP) in which it was stated that the trend of high government employment in Micronesia had been counter-productive to the motivation of the people for successful economic growth and had an anti-development impact on economic growth.

52. Mr. Tmetuchl offered two suggestions for immediate action. First, an industrial development corporation should be created for which the United States would provide annual capitalization as well as manpower and management training assistance. Second, two programmes should be set up to aid the once robust Palau agricultural sector. The first programme would assist in staffing and training a small extension service to assist cottage farmers. The second, larger, programme would provide annual capitalization for agricultural projects on a commercial scale. Both the industrial and agricultural development programmes would strive to entice foreign investment to Micronesia.

53. Mr. Setik made three suggestions aimed at aiding economic growth in Micronesia as a whole. First, he advocated adoption of the recommendations made by a study group of members of the Congress of Micronesia studying Micronesian claims for land seized by United States and Japanese forces during the Second World War. The study group found that compensation for the lands had been inadequate and that the agreements signed by landowners were confusing and contradictory. Termination of these agreements and the repurchase of the land by the Trust Territory Government would not only be an equitable resolution of a difficult problem, but would provide an economic stimulus as well. Second, Mr. Setik expressed great concern at the action taken by the United States Office of Management and Budget to defer the \$12 million appropriation for the construction of an airport at Kosrae. He thought this action would delay regular, safe air service to and among the islands and consequently be an impediment to the development of Micronesia's economy. Finally, Mr. Setik urged final settlement of war-damage claims that had yet to be resolved.

54. For a number of years, inhabitants of the Territory with adjudicated damage claims have been trying to obtain payment of these claims. The latest chapter in this unhappy saga is faithfully recorded in the <u>Thirtieth Annual Report</u> of the Administering Authority:

"Public Law 95-134, enacted on October 15, 1977, authorizes in Sec. 105 the appropriation of 'such sums as may be necessary to satisfy all adjudicated claims and final awards made by the Micronesian Claims Commissions to date under Title I and Title II of said 1971 act for full payment of such awards ...' provided that no further payments may be made on Title I awards until the Government of Japan contributes to the Government of the Trust Territory of the Pacific Islands goods and services which the Secretary of the Interior determines have a value equivalent to not less than one-half of Title I awards. Consideration is being given to the scheduling of a request for this authorized appropriation. The legislation also authorized full payment of Title II awards subject to the exclusion of interest from such awards." o/

It is difficult to know what this language really means in dollars and cents. It is clear that no action has been taken, and that the United States continues to rely on the proviso that no further payments may be made on Title I awards (those relating to var-time claims) until the Japanese Government contributes.

#### IV. CONCLUSION

55. Throughout the period of the Trusteeship Agreement, the welfare of the citizens of Micronesia has been of secondary concern to the Government of the United States. Now, as the trusteeship era approaches its end, the importance of fair dealing by the Administering Authority is magnified. There is much that the United States can do, even at this late date, to redeem the unfortunate aspects of its administration. After all, in most areas of the world, the United States has little opportunity to allow its genuine idealism to improve the conditions of a people. In Micronesia, it has the authority, and the means, as well as the obligation, to show the world that United States conduct of its foreign responsibilities is characterized by goodwill and competence.