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CONDITIONS IN THE TRUST TERRITORY OF THE PACIFIC ISLANDS

Working paper prepared by the Secretariat

Note: In accordance with the decision which was taken by the Trusteeship Council at its 319th meeting on 5 February 1951 on the form of its future reports to the General Assembly and which was subsequently applied to its reports to the Security Council, the Secretariat has prepared the following working paper as a preliminary draft of the description of conditions in the Trust Territory of the Pacific Islands to be included in the next report of the Council to the Security Council. In accordance with the same decision, each sub-section of the draft will be supplemented by such additional information as may become available during the Council's examination of the report and by such observations and recommendations as the Council may wish to include.

## THE TRUST TERRITORY OF THE PACIFIC ISLANDS

### I. GENERAL

#### General considerations

The Trust Territory has three outstanding physical characteristics which bear upon the problems of administering it and leading its inhabitants towards the objectives fixed by the Charter. These factors are the great area of ocean over which its 96 distinct and mostly very small island units are distributed; the paucity of its apparent economic resources; and the ethnic, cultural and linguistic diversity of its population of some 57,000 inhabitants, of whom three-fifths live on six principal island units and the remainder are widely scattered.

A particular emphasis was laid upon these factors by the Visiting Mission of 1953. It pointed out that to administer the Territory the Administering Authority must maintain six separate administrative centres and furnish them with sea and air communications. The isolation of many communities indicated that the development of democratic processes of local government would necessarily be gradual. The fact that the Territory had meagre and poorly-developed resources magnified the difficulty, placing a basic obstacle in the way of both the immediate development of a self-sufficient economy and the maintenance of an adequate communications system.

The Mission requested that the Administering Authority frankly stated that the geographical factor, the cultural and linguistic differences of the people and their ethnocentricity appeared as the chief problem in the political, economic and social adjustment of the Territory to the modern world. The Mission was able to appreciate fully the significance of this statement, and made its recommendations on this basis.

## II. POLITICAL ADVANCEMENT

### Administration of the Territory

Previously under the control of the United States Navy Department, the administration of the Trust Territory was transferred on 1 July 1951 to a High Commissioner appointed by and responsible to the Secretary of the Interior. The transfer, an action which the Trusteeship Council had anticipated and noted with satisfaction, was reported by the Administering Authority to have taken place smoothly and with virtually no interruption of government services.

The Administering Authority submitted to the Council the texts of the relevant orders establishing civil control. They included a message from the Secretary of the Interior which forms, with the Charter and the Trusteeship Agreement, the basis of government for the Territory and which states, inter alia: "The department will dedicate itself to the principle that the interests of the indigenous inhabitants are paramount, subject only to the requirements of international peace and security. It will foster the maximum practical participation by indigenous inhabitants in their own governmental, social and economic affairs."

Since those orders were issued a part of the Territory has been transferred to administration by the Navy. The Visiting Mission reported that by an Executive Order of 10 November 1952 an area including the islands of Saipan and Tinian (whose populations are 5,209 and 390 respectively) in the Northern Marianas had been returned, for security reasons, to Navy administration with effect from 1 January 1953. The Mission learned that for reasons of administrative efficiency it was anticipated that the whole of the Saipan district (population 6,701) would be administered by the Naval Commander of the Marianas stationed at Guam. The Mission was assured by the Commander-in-Chief of the United States Pacific Fleet that every effort would be made to ensure continuity of administrative policy and the fullest co-operation with the High Commissioner and staff of the Trust Territory. On the islands of Saipan and Tinian, the Mission found no signs of dissatisfaction among the indigenous population at this change.

The Visiting Mission, while recognizing that the Chamorro people of the Saipan district had little in common with the other islanders and were more closely related to the people of Guam, expressed the hope that the closest attention would be given to preserving the unity of the Trust Territory by constant liaison on all matters of administrative policy and by encouraging the Saipanese to participate fully with the people of other districts in the political, educational and economic fields.

Together with the Saipan district, the Territory consists of five administrative districts - Palau and Yap (a sub-district until 1 July 1951) in the Western Carolines, Truk and Ponape in the Eastern Carolines, and the Marshall Islands - each of which is administered by a district administrator and his staff on behalf of the High Commissioner. The Visiting Mission found that a degree of autonomy was enjoyed by the District Administrators, to whom was delegated operational responsibility for the carrying out of programmes emanating from the High Commissioner and his headquarters staff.

This degree of autonomy was the result, the Mission observed, of the vast distances involved. The Mission also considered that the tremendous distance which separated the headquarters of the High Commissioner, situated temporarily at Honolulu, from the scene of operations in the Territory, was the principal weakness in the present organization. On this matter, the Trusteeship Council had expressed a continuing interest since its fifth session in the desirability of establishing the seat of government within the Territory itself. It was informed at the twelfth session that Dublon Island in the Truk Atoll had now been designated as the permanent seat. The Visiting Mission inspected the proposed site and considered it to have all the desirable physical characteristics.

At the same time, the Mission saw many disadvantages in transferring the headquarters to a place within the Trust Territory. It pointed out that the distances to the various administrative centres, although greatly reduced, would still present serious problems of communication so long as funds available for transportation were kept to a minimum. There would be increased difficulties of liaison with government departments in Washington and Navy headquarters in Honolulu; and, most important, there would be difficulty in retaining the existing senior staff and obtaining new personnel of a high calibre.

It is the policy of the Administering Authority to replace non-indigenous personnel by Micronesians as often as suitably qualified candidates become available, and the Visiting Mission noted an increasing participation of Micronesians in government at the higher levels, especially in the educational and health services and the judiciary. Micronesians employed by the district administrative units and the islands constabulary on 30 June 1952 totalled 1,564, as compared with 1,539 a year previously. Some 130 of them, mostly in the Palau and Marshalls districts, were classified as administrative assistants, accountants, interpreters, medical practitioners, school principals, etc. At the same date, a total of 301 United States civil service employees held higher posts, as well as a number of technical and clerical positions, in the headquarters and district administrations.

The Mission commented at some length on the conditions and calibre of the civil service personnel. In a general comment, it stated that it had been greatly impressed by the quality and devotion displayed, particularly by the senior staff at headquarters. It observed also that some of the technical staff was of high calibre. Among the district personnel, however, the Mission occasionally encountered instances where a greater degree of experience and training might have been desired. It remarked that with few exceptions the administrative personnel did not possess a knowledge of the indigenous languages and that on certain levels a degree of segregation existed. The Mission attributed these problems to the difficulty of obtaining highly qualified personnel for service in remote areas with few social amenities. Urging greater security of employment and possibilities of promotion, the Mission expressed the opinion that the existing regulations, which did not provide for adequate continuity of service, were contrary to the interests of the Territory. It also thought that greater emphasis should be given to pre-service and in-service training which would give personnel a greater understanding of the cultures, traditions and problems of the Micronesians and at least a familiarity with the languages.

### Development of self-government

The Administering Authority does not find it possible to estimate, in the terms of General Assembly resolution 558 (VI), a specific period of time in which the Trust Territory as a whole may achieve the objective of self-government or independence. It considers that the widely differing stages of development in various parts of the Territory preclude any forecast of the time required to provide the stability which, it feels, must accompany political advancement.

The characteristics of the Territory which have been mentioned earlier seemed to the Visiting Mission to make it difficult to conceive of the Territory as a single political unit. The Mission found great insularity among the majority of the inhabitants and in some instances a degree of cultural hostility between the members of different island groups. Yet it observed, with commendation, that a significant measure of political advancement had been achieved during the past seven years, and attributed this primarily to the fact that the Administering Authority had placed special emphasis upon education, advice and encouragement, thereby creating a desire among the inhabitants for political advancement and for increasing responsibilities compatible with their abilities.

The absence of cultural and political homogeneity in the Territory and its people has led the Administering Authority to concentrate in the first instance on developing forms of self-government on a purely local scale. It is on this local level, known as the municipality, that the greatest progress has been made. As the Trusteeship Council has urged and noted with approval since its fifth session, an increasing number of municipalities have been encouraged to elect their officials, principally those known as magistrates, by methods of popular and secret vote. The Council at its tenth session expressed the hope that these efforts to replace the hereditary by the electoral system would be intensified; it learned subsequently from the Visiting Mission that out of a total of 117 municipalities (one more than in 1951) 97 had elected their magistrates, an increase of 29 since 1950, leaving 8 more conservative communities where the position was still held by hereditary chiefs and 12 in which the Administration made the appointment after consultation. The Mission felt that

in some areas the adoption of democratic principles might be more apparent than real, since the hereditary chiefs still retained their customary authority and might invariably be elected to office, but more generally it observed an increasing tendency to evaluate the capabilities and performances of seekers of office.

On the regional or district level, where the Trusteeship Council has previously encouraged the Administering Authority's efforts to develop representative organs, the Administering Authority and the Visiting Mission reported advances in the field of self-government, but at a slower pace than on the municipal plane. The Mission was impressed in particular by the bi-cameral Marshallese Congress, convened for the first time in 1950, which it considered to be one of the most effective of the local government bodies in the Territory. A new congress for Ponape Island, rather than for the Ponape district as a whole, similarly constituted in 1952 of a house of hereditary leaders and an assembly of elected representatives, appeared to the Mission to be still in a somewhat rudimentary stage. The Truk district has two regional councils of chiefs but no district-wide organization; in October 1952, however, the Administration held a conference of all the island chiefs to discuss common problems, and the Mission considered that further conferences of a similar kind would be most desirable.

The Saipan district presents a somewhat different situation. Approximately 86 per cent of the population resides in the municipality of Saipan. The Mission was informed that the establishment of a district council had been postponed at the request of the municipalities pending decision on matters which included the re-organization of the Saipan municipality. It expressed the opinion, however, that the establishment of a district-wide council should not be delayed.

In the two remaining districts of Palau and Yap the Mission found that little change had taken place since 1950. The Palauans, relatively highly sophisticated, had been among the first to establish a regional congress, but the Mission gained the impression that, in spite of the progress which had been made, the Congress was at present somewhat lacking in effectiveness and relied unduly on the leadership of the Administration. The Mission, feeling that the

Palauans were going through a difficult phase of adjustment after years of direct Japanese rule and of war, believed that every effort should be made to develop initiative in the Congress and to give it increasing responsibility compatible with the abilities of its members. Yap, on the other hand, is the least advanced of all the districts. The Mission found the people clinging strongly to their traditions and unlikely to show for some time to come a desire for democratic representation in local government.

In commenting generally upon these regional bodies, the Mission stressed that they were at present essentially consultative organs, although in practice the district administrators appeared rarely to seek to impose local regulations without first obtaining their approval. The principal weakness of the councils rested in their reluctance to express themselves in a forthright manner, but the Mission was satisfied that every effort was being made to induce greater confidence in them.

On the territorial level, the development of a territory-wide legislative body is included in the long-range plans of the Administration but the Administering Authority states that problems of transportation, communication and, even more important, the divisive effect of ethnocentricity must be overcome before the plan can be carried out effectively. However, as previously reported to the Trusteeship Council - which has on all appropriate occasions urged the Administering Authority to proceed in this direction - some preliminary steps have been taken or are contemplated. The Administering Authority again assured the Council at its twelfth session that it wished to develop a territorial advisory and eventually legislative body composed of local inhabitants as soon as possible. It intended, but had not yet found it practicable, directly to associate the inhabitants, as the Council had suggested, in the work of the newly-formed legislative advisory committee consisting of five heads of staff departments. However, the Visiting Mission was informed that, as a further step towards the eventual establishment of a representative body, the Administration would convene a conference of representatives of the district advisory bodies. The Mission observed that the conference, which was to be held at Truk in April 1953, had the purpose of encouraging the participants to assume responsibility in administering their own affairs and providing them with an appreciation of the meaning of self-government.



The Mission, although attaching great importance to these developments, felt it necessary to observe that the vast distances between islands, the lack of transportation, the cultural diversity of the Territory, the extreme insularity and the absence of a common language constituted formidable difficulties in the way of political unification. Undoubtedly these difficulties would be reduced as economic progress was achieved and a higher level of political consciousness reached, but a central body, if established, could not for some time be more than an inter-regional commission which might usefully attempt to co-ordinate economic and other problems. The Mission recommended that at the present stage, attention should be devoted primarily to the development and improvement of the regional and district organs, and that these should be granted greater legislative authority as their capabilities improved, until ultimately they might become fully responsible for local legislation affecting their districts.

The Mission felt that the Administering Authority was to be commended for having brought about substantial progress in the political sphere which the Mission had been able to observe at all stages of its visit. It found that the programme of political education had created a genuine desire among the indigenous population for further progress and that as a result continued advances might be anticipated.

Organic law: international treaties

The enactment of organic legislation for the Trust Territory, on which the Council had made recommendations at its seventh, eighth and tenth sessions, continued to await action by the Congress of the United States. The Administering Authority reported that a draft law had been re-submitted to the Congress in January, 1953. A petition from the representatives of the people of Saipan,<sup>1/</sup> transmitted to the Council by the Visiting Mission, referred to the desirability of an organic act.

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<sup>1/</sup> T/PET.10/8.

Responding to a request made by the Council at its tenth session, the Administering Authority submitted a list of 16 international treaties, agreements and conventions which, in the course of a continuing review, it had determined to be applicable to the Trust Territory. The list included telecommunications agreements, the Philippines-United States mutual defence treaty (1951), the security treaty between Australia, New Zealand and the United States (1951), the treaty of peace with Japan (1951) and an agreement extending the territorial scope of the South Pacific Commission to Guam and the Trust Territory (1951). While finding International Labour Organisation conventions and recommendations to be generally inappropriate to conditions in the Territory, the Administering Authority stated that the Administration was complying with their basic intent whenever possible.

#### Judicial organization

The judiciary was reorganized during the period covered by the annual report examined by the Council at its twelfth session. It consists now of (a) the appellate division of the high court, composed of three judges assigned by the chief justice from a panel of temporary judges designated by the Secretary of the Interior; (b) the trial division of the high court (formerly the district court), consisting of the chief justice and/or the associate justice, who are appointed by and responsible to the Secretary of the Interior, together with special judges for each district in the trial of murder cases; (c) a district court (formerly the justice court) for each administrative district, consisting of a presiding judge and one or more associate judges appointed by the High Commissioner upon recommendation of the chief justice; and (d) a community court for each community, consisting of a presiding judge and one or more associate judges appointed by the district administrator upon nominations by popular vote or otherwise, as he deems most in accord with the wishes of the people and consistent with the proper administration of justice.

The Council's previous interest in the judicial system had been directed particularly to the training and participation of indigenous inhabitants in the higher tribunals. The Administering Authority informed it at the twelfth session that, to that end, Micronesians had been appointed to all judicial positions in the district courts. The only two permanent non-Micronesian judges were the two judges of the trial division of the high court. Twenty-one Micronesians had been appointed as special judges of the high court to assist in its work. In all, there were 158 Micronesian judges (116 in the community courts, 21 in the district courts and 21 in the high courts), 6 Micronesian district clerks of courts, and 48 Micronesian clerks of community courts. In some localities, particularly on the smaller islands, the local head men or chiefs served as both magistrates (i.e. local administrative authorities) and community court judges, but separation of the functions was being carried out as rapidly as qualified Micronesians became available.

### III. ECONOMIC ADVANCEMENT

#### General

Economic life in the Territory is described by the Administering Authority as chiefly a family endeavour, with each member contributing goods and services to the family and to the clan. Regular employment for wages is not typical, and in fact exists only where there is a centre of non-indigenous population. The general situation is that of a people engaged for the most part in growing food for their own needs, and to a lesser extent supplementing their standards of living by the purchase of some foodstuffs, durable goods and minor luxuries out of the sale of local products.

These latter are severely limited, the most important of them being copra, trochus shell and hand-made articles. The Territory's only other resources of note are phosphate deposits, which are being mined for export on one island, and fisheries which, although once exploited thoroughly by the Japanese, remain little developed by the indigenous inhabitants. This general paucity of natural resources, combined with the difficulties of transportation, presents problems which, in the view of the Visiting Mission, are even greater than those which exist in the political field.

A saving feature of the situation, however, is that the Administering Authority believes that an adequate subsistence for the people of the Territory is assured by the potential resources which exist. Its policy has therefore been, by means of research, education, financial and technical assistance and government enterprise, firstly to develop and improve the agricultural economy with the object of making the Territory self-sustaining, and secondly to improve and as far as possible diversify production for export. The Mission considered the policy as basically sound. It drew attention, however, to consequences of which, it stated, the Administering Authority was fully aware: namely, that the basic agricultural economy could not be expected to produce any great revenue of the type necessary for ambitious programmes in any field. The Mission considered that the existing development of the Territory was only possible because the government had at its disposal appropriated funds which

were between four and five times greater than the total revenue of the Territory. A subsistence economy, the Mission felt, imposed definite limitations on the amount of services and luxuries with which the islanders should be provided, since it was not in their interests to accustom them to a standard of living which they might never be able to maintain with their own limited resources.

The Trusteeship Council had previously recommended (at its tenth session) that the Administering Authority continue with its effort to achieve a greater degree of economic advancement and self-sufficiency. The general view of the Mission was that, although income levels were very low in most areas, substantial progress had been made during the past three years, among the most noteworthy achievements being the continued increase in copra production and the progress made in the formation of indigenous trading concerns. On the other hand, the Mission considered that greater progress might be achieved in the field of agricultural development and noted the existence of a number of other problems which, if not resolved satisfactorily might sooner or later prove to be a deterrent to rapid economic advancement.

#### Agriculture

Agriculture is - and in the view of the Visiting Mission will remain - the chief economic activity. The main features of the Administration's agricultural programme are the replacement of crops and livestock destroyed during the war; the operation of agricultural stations on Saipan and Ponape for the improvement and diversification of subsistence crops; and the improvement of indigenous farming through direct assistance, agricultural education in the schools, youth farm clubs and adult extension courses. As the Council, in urging the diversification of crops, was encouraged to note at its tenth session, special attention is being given to the development of cacao, which is thought to offer considerable possibilities in the high islands, and coffee is being developed to a more limited extent.

The Visiting Mission appreciated the soundness of this programme but felt that it met only minimum requirements. It saw a principal weakness in the fact that the agricultural advisers, being attached either to the education or island affairs services and having no separate funds, were restricted mainly to teaching. After making certain specific suggestions, the Mission urged the establishment of an integrated long-range programme of agricultural development on a scale greater than at present, and suggested the possibility of creating a separate department of agriculture. The programme might include a land utilization survey, soil conservation and reforestation, improvement of agriculture by encouraging fertilization and the introduction of new plants, increased research into plant selection and the suitability of new livestock breeds, and the continuation of the existing educational programme, including the training of Micronesians as assistants to the district agriculturists.

#### Trade

The economic life of the Territory involves a limited amount of trade with other areas of the world. This is mostly carried on for the Micronesians by the trading arm of the Administration, the Island Trading Company, a semi-public corporation which buys the copra, handicraft and other products and sells them in the world markets, and imports trade goods into the Territory. Its profits have been used to repay the original financing of the company by the United States Government and for the furtherance of the economic development of the Territory.

The Visiting Mission reported that the company had performed an invaluable role in fostering indigenous enterprise and preventing exploitation; it had served as the agent of government policy in providing copra producers, even on remote islands, with a fair price and a regular market; it had assured the equitable distribution of consumers goods and provided a major source of territorial revenue.

From the outset it has been the declared intention that the Island Trading Company should withdraw progressively as indigenous trading organizations capable of supplanting it become established. There are already private joint stock companies in all districts. The Visiting Mission found, however, that these enterprises varied considerably in terms of efficiency, and except in the Saipan district where the Island Trading Company does not operate, only one company, in Truk, appeared to possess the necessary competence, business enterprise and capital which might enable it to assume responsibility for the commerce of the district. The Mission was firmly of the opinion that the majority of these companies could not at their present stage of development undertake responsibility for the intricacies of foreign marketing of their products without further assistance.

In these circumstances, the Mission was perturbed to learn of a decision of the United States Congress that the Island Trading Company should cease operation on 31 December 1953. Coupled with this decision was a directive to the effect that all funds remaining on liquidation of the company should be paid into the Treasury of the United States, and additional provisions appeared to be designed to ensure that none of the former activities of the company could be assumed by the Administration under a different organization structure.

The Mission expressed concern about the situation thus created. In the absence of adequately developed local enterprises, the only practical connecting link between the Territory and world markets must be non-indigenous commercial concerns, but even if profit margins proved adequate to attract them the profits would be lost to the Territory. With regard to the conduct of trade within the Territory the Mission considered that the local indigenous companies could only satisfy the requirements of their districts if they were provided with additional working capital in the form of government loans either free of interest or at very low rates, and with adequate assistance by the Administration. Every effort should also be made to guarantee inter-district shipping on a subsidized basis. Even so, the inadequacy of the local trading concerns in the Yap and Palau districts made it probable that these areas would suffer hardship for some time

to come. The cessation of the other functions of the Island Trading Company would, in the Mission's view, cause a serious economic loss to the Territory, and it thought that every effort should be made to expand the economic activities of the Administration and increase the staff.

The value of the Territory's total exports fell from \$2.21 million in 1951 to \$1.75 million in 1952, and imports from \$2.22 million to \$1.85 million. The principal item of export is copra, accounting in value for 62.9 per cent of the total. The entire crop is marketed through the Island Trading Company under a price stabilization system designed to give the producers reasonable protection against the fluctuation of world market rates. A stabilization fund was created out of part of the profits of the company during 1950 and the early part of 1951, and it had to be drawn upon throughout the following year to support the price paid to the producers.

The Visiting Mission praised this policy, and considered it essential for the economic welfare of the indigenous population that a similar price support policy should be continued after the abolition of the Island Trading Company.

The Mission nevertheless heard several complaints about the copra price, together with requests for the abolition of the stabilization fund;<sup>1/</sup> it believed, however, that these complaints were due to lack of understanding, and that every effort should be made to explain to the people the reasons for price fluctuation and the purpose of the stabilization fund. It found a serious insufficiency of money incomes among the population of the Palau district, on the other hand, as a result of extensive damage done to plantations by insect pests.

The Mission was gratified to note that the United States Government no longer (as from 12 June 1952) imposed a tax on coconut oil made from copra produced in the Territory.

One petition <sup>2/</sup> on the subject of trade was forwarded to the Council by the Mission from Ponape. It requested the establishment of free trading channels with Japan because of the relatively higher price of United States goods.

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<sup>1/</sup> One such complaint is contained in T/PET.10/19 from Ponape.

<sup>2/</sup> T/PET.10/18.



Land

The fullest possible development of land resources in the Territory is somewhat impeded, the Administering Authority states, by the traditional land tenure patterns, which generally meet the needs of subsistence living but discourage diversity and expansion, and by the settlement of land ownership problems.

These latter problems, which were brought repeatedly to the notice of both the 1950 and the 1953 Visiting Missions, and whose prompt settlement has been urged by the Council, arise primarily from the former Japanese administration. All unoccupied land was then taken over as public domain, in contravention of indigenous usage, and ownership of much of this land is now disputed by the inhabitants. Other disputed lands were acquired for military and administrative purposes by the United States authorities during and after the military occupation.

All of this "public" land, totalling some 434 square miles out of a total land area of 687 square miles, is being held in the custody of the Administration for the benefit of the people while the claims are investigated. The Administering Authority estimates that most of them can be settled within about two years after two survey teams have been trained. The Visiting Mission found that most progress had been made in the Saipan district, where the situation was not as complex as elsewhere. Out of 1080 claims filed, 433 had been determined. Little had been done in the other districts beyond the acceptance and registration of claims, which totalled 91 in Palau, 64 in Ponape, 277 in the Marshalls and 48 in Truk.

The principal complaint heard by the Mission in all the districts concerned related to the slowness of the Administration in acting upon the claims. In Saipan a further source of grievance was that in most cases where a preliminary determination had been made, land had been returned only on the basis of a revocable permit pending the outcome of further investigations; the people complained of the lack of security of tenure, but the Mission was assured by the Administration that in most cases their possession of the land would be confirmed.

The Mission, while realizing the difficulties involved, believed that the slowness with which the question was being handled constituted an irritant to the population, and that all practical steps should be taken to hasten the settlement of claims and wherever possible to grant permanent titles. Every effort should be made to explain to the people the real aims of the Administration and to associate their representatives with the task of settling the problem.

In all areas visited by the Mission requests were made for compensation for land and property destroyed during the war and for land occupied by the Administration. While doubting whether any equitable basis for compensation could be devised for trees and other possessions whose time of destruction could not be determined, the Mission considered that the Administering Authority should give high priority to the settlement of claims against it for land destroyed or otherwise taken from the local inhabitants after United States occupation.

A number of petitions on these matters were transmitted to the Council by the Visiting Mission. One such petition came from the representatives of the people of Saipan,<sup>1/</sup> five from persons in Ponape,<sup>2/</sup> and one from Truk.<sup>3/</sup> From the Majuro atoll, two petitions<sup>4/</sup> bearing 94 and 304 signatures respectively, sought compensation for the use of land by the United States authorities.

#### Mineral resources

Minerals in the Trust Territory are few; the deposits of known commercial value are phosphate in Angaur and bauxite in Babelthuap, two islands close together in the Palau district. The bauxite has not been exploited, but the phosphate has been mined since 1949 by a Japanese company which sells the product in Japan and operates under contract with the Government of the Trust Territory

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1/ T/PET.10/8.

2/ T/PET.10/13, 14, 16, 17 and 20.

3/ T/PET.10/10.

4/ T/PET.10/22 and 23.

and the people of Angaur. Approximately 102,290 long tons of phosphate valued at \$500,000 were exported in 1952 as against 143,738 tons valued at \$741,935 in 1951. The Visiting Mission found that the operations were drawing to a close, the estimated reserves in February 1953 being 10,000 metric tons authorized under existing contracts and 300,000 tons as yet unauthorized.

Under the terms of the present agreements, a severance fee of \$2 minimum per ton extracted is paid into a trust fund established for the benefit of the people of Angaur. The assets in the fund increased from \$370,678.17 in June 1951 to \$730,450.15 at the time of the Mission's visit, most of it being invested in United States Government securities yielding interest rates between 2.5 and 2.76 per cent. The fund provides an annual payment in perpetuity of \$15,000 to the island community. Other benefits accruing to the indigenous people are derived from rentals and permanent improvements including electricity supply. The Government of the Trust Territory receives a severance tax of fifteen per cent on the value of the ore extracted. The company is required to take precautions to preserve agricultural resources, and among these is the covering over of all mined areas with earth.

The Visiting Mission noted that the trust fund had been established with the consent of the Angaurese and that the mining of phosphate had been of benefit to the indigenous population of the Palau District although the advantage had been derived mostly by one municipality. It nevertheless heard expressions of dissatisfaction with the management of the fund, primarily because the people did not know what sums had been invested in it and also because they felt that the payments of \$15,000 per annum were insufficient. The Mission considered that a request which they made for periodic financial statements was a reasonable one.

Remarking in general on the benefits which the phosphate mining has produced for the community and on the fact that the Palau district as a whole is suffering from a severe shortage of cash income due to the destruction of coconut trees by the rhinoceros beetle, the Mission suggested that careful consideration might be given to the possibility of exploiting the Babelthaup bauxite deposits.

### Fisheries

As has been noted, the important commercial fishing industry conducted by the Japanese has not been restored by the indigenous inhabitants. The Administering Authority has referred to the establishment of such an industry as a long-term objective, and the Trusteeship Council has at two previous sessions attached great importance to it.

The Visiting Mission found, however, that the difficulties involved were substantial. Few, if any, of the indigenous inhabitants possessed either the necessary temperament or the skills and techniques which such an industry requires and to re-establish the industry would involve capital investments in ships and shore installations on a major scale and require a highly competent and experienced foreign personnel to control and operate them. Even then, the Mission believed, considerable risk would be assumed in such an undertaking due to the competition with other fisheries much nearer the world markets and the general hazards connected with commercial fishing. The Mission considered that it would take many years of encouragement and training before the indigenous people could be prepared to play a dominant and effective role in deep-sea fishing.

### Transportation

The transfer of the administration from naval to civilian control required new arrangements to be made for sea and air transport to serve, as the essential means of administration and trade, the large number of islands comprising the Territory. The Administering Authority stated in its report for the year ending 30 June 1952, that the facilities were then considered to compare favourably with those formerly provided, but that experience had shown that changes were needed, and these were being put into effect.

The Administration owns seven former naval motor vessels: six of 250 measurement tons operating primarily within the districts, and one of 4,800 tons serving between Guam and the district centres and making occasional trade trips to the United States and Japan. Another large ship has recently been added. The Administration also owns four amphibious aircrafts operated by a commercial airline on a cost-plus-profit basis.

The major change being made, according to current plans apart from the addition of a second large ship, is to replace the existing district motor vessels with six auxiliary schooners which for various reasons including the addition of the second steamer could provide twice the present number of administrative and trading visits to outlying islands - previously visited every three months - at a cost less than half that of the motor vessels, and which could eventually be manned almost entirely by Micronesian crews. The Administration also hopes that commercial shipping may be induced to make regular calls within the Territory, thus obviating much of the high cost of the present necessity of transshipping cargoes at Guam. The Visiting Mission noted that an existing handicap is that for security reasons commercial shipping is restricted to United States flag vessels.

The Mission, which, as noted, emphasized both the great difficulty and the importance of providing adequate communications and which felt that the facilities existing at the time of its visit were below the optimum level for efficient administration, was considerably impressed by the Administration's plans. It noted also with satisfaction that some progress, although not considerable, had been made in the past three years in encouraging indigenous shipping to enter trade within districts, especially in the Marshall district.

#### Public Finance

Due to the subsistence character of its economy the Trust Territory is largely dependent on outside support for its financial requirements. As in all previous years, the Trust Territory fell far short in the fiscal year 1951-52 of meeting its public expenditures from local public revenues, and relied heavily upon contributions by the Administering Authority in the form of "appropriated funds".

Thus, local revenues totalled \$346,326 in 1951, \$602,241 in 1952 and were estimated at \$302,111 in 1953. However, the Visiting Mission noted that these figures include only general revenue and exclude revenue accruing from services and facilities provided by the Administration which, in 1952, brought the total local territorial revenue to \$1,704,725. Expenditures, however, amounted to \$7,557,109, \$5,062,639 and \$5,795,861 (est.) in 1951, 1952 and 1953 respectively, the very large deficits being made up from specially and regularly appropriated funds.

The decline in expenditure from 1951 to 1952 was attributed by the Visiting Mission to the change in administration; the Department of the Interior, according to the Mission, does not have at its disposal resources and funds in addition to those specifically appropriated by the Congress for the Trust Territory, whereas the Navy was able to spend more through the provision of naval personnel, transport and facilities. The Interior Department has thus been obliged to reduce staff and to curtail services. The Mission found that this appeared to have had an adverse effect mainly in regard to transport facilities and building construction.

The chief local sources of revenue are various types of import and export taxes. Certain of these revenues, notably the tax on phosphates and surpluses of the Island Trading Company, enter an economic conservation and welfare fund maintained as a separate account for the financing of economic projects. A head tax of \$2 is levied by the municipalities from each male resident between the ages of 18 and 50 years for municipal expenditures, which are also financed by property and luxury and other taxes and fees. Concerning efforts which had been made, and in which the Council expressed interest at its tenth session, to find a more equitable form of taxation to replace the head tax, the Mission concluded that owing to the low level of cash incomes a more modern form of levy on income would be impractical.

The Mission observed that an important source of territorial revenue in the past had been derived from the profits of the Island Trading Company, which had made possible a wide range of economic projects. The contribution in the year 1951-1952 had been \$124,886, and the company remained a principal contributor

to the new economic development fund. With the pending abolition of the company, the removal of this source of income would have serious repercussions on the rate of economic advancement unless additional funds were made available for economic development.

#### Japanese currency and savings

Demands of the people of the Trust Territory for reimbursement for Japanese yen held before the military occupation of the islands, and for the settlement of Japanese postal savings and other types of claims, have created a problem on which the Council has reported previously, and to which, at its eighth session, it hoped for an early and equitable solution. The Administering Authority reported that plans were under study; the Visiting Mission found that no conclusions had yet been reached, and that the problem was among those which were uppermost in the minds of the people.

A preliminary estimate secured by the Mission indicated that the amounts involved are approximately 3 million yen in currency and postal savings and 198,000 yen in contractual obligations such as bonds, stocks and insurance.

The Mission appreciated that the claims did not represent a legal responsibility incurred by the Administering Authority, but believed that some final action should be taken at the earliest opportunity and that every effort should be made to conclude arrangements with the Japanese Government which would assure the people of a certain measure of satisfaction.

A number of petitions<sup>1/</sup> which the Mission transmitted to the Council, particularly from Ponape, contained complaints on this matter.

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<sup>1/</sup> T/PET.10/8, 13, 14, 15 and 16.

#### IV. SOCIAL ADVANCEMENT

##### General

The necessary guarantees for the social welfare and security of the inhabitants are provided, in the view of the Administering Authority, by the combined effects of its own programmes of political and economic advancement, medical care and education and the system of relationships which exists within their society and which assures every individual of assistance when needed. The funds for social welfare are provided by the Administering Authority, since local revenues are inadequate.

The Visiting Mission found living conditions in the Territory to be generally good, because food was abundant and the essential needs of the people in such matters as medical and education services were provided by the Administration. In general, the people appeared well fed, healthy and happy, although the results of the impact of wartime devastation, especially on the island of Koror, would be apparent for years to come.

The basic social customs and conditions are the special concern of a staff anthropologist, assisted by six others in the districts. New social legislation promulgated during the past year has been directed towards maintaining the established policy of fair employment in the government service; setting up new policies for pardoning or paroling of convicted persons; authorizing district administrators to perform marriage ceremonies; and governing residence.

The Visiting Mission learned that the Bikini people who were removed from their island to make way for atomic fission tests and resettled on Kili in 1948 were gradually adjusting themselves to their new home, but that some difficulties still persisted and the Administration was studying the question of providing further assistance. The Mission observed that the plans of the Administration in regard to the ex-Bikini people were not available at the time of its visit.



Labour

About 5,000 persons, less than one-tenth of the population, are employed as wage-earners, some one-third of them by the Administration itself and the remainder in small business enterprises, salvage operations, work for the military and private employment.

The Administration took during the period under examination what it and the Visiting Mission regarded as an important step towards systematizing the labour structure by making a general review of classification and wages aimed at correcting past inequities. In response to a request at its tenth session, the Council was informed that inquiries were made into the cost of living of Micronesians at district centres with a view towards adjusting the rates of pay, and that the Administration intended to make continuing studies in this field. The Mission found it to be the policy of the Administration to apply the principle of equal pay for equal work to all its employees regardless of race and to replace American personnel wherever possible by Micronesians. It received and transmitted to the Council a petition<sup>1/</sup> in which the Chairman of the People's House of the Ponape Congress made a brief request that Ponapeans who had acquired skill in "foreign" jobs should be enabled to receive good wages.

Trade unions, although not prohibited, are non-existent. The Administering Authority states that the only prohibition on the right to strike is that which forbids striking against the government. There were two labour disputes during 1951-1952; a stoppage at Majuro and a walk-out of public works personnel at Palau. Settlements were reported to be based on the wage and classification survey already mentioned.

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<sup>1/</sup> T/PET.10/16

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<sup>1/</sup> T/PET.10/16

### Status of women

While stating that it recognizes the equality of women in all matters, the Administering Authority makes no attempt to impose it arbitrarily. It has encouraged, to the previously expressed satisfaction of the Council, the entry of women into public life, and reports that the Marshallese Congress includes five women and the Palau Congress two, while women have eagerly sought the chance for selection and training for the nursing and teaching services. The Visiting Mission observed that there appeared to be a noticeable improvement in the status accorded to women in some areas.

The Mission found at Koror a women's club whose members exercised an important voice in community affairs. This group asked<sup>1/</sup> that women should be given a greater share in the formulation of local government policy, and asked in particular that women should be appointed as judges on the local courts. The Mission felt that due consideration should be given to this request.

### Immigration

The Administering Authority states that in the interest of the indigenous inhabitants, entry into the Territory for residence or other purposes is by special permission of the High Commissioner, and that no problems arising from immigration exist there.

The Visiting Mission reported hearing at several places pressing requests that permission to enter the Territory should be granted to Japanese nationals married or otherwise related to citizens of the Trust Territory provided they renounced their Japanese nationality. It transmitted to the Council two petitions<sup>2/</sup> on the subject. A similar request had been received by the previous mission in 1950, and at its eighth session the Council asked for information on the matter.

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1/ T/PET 10/9

2/ T/PET.10/11, T/PET.10/12

The 1953 Mission reported that it had been informed that in each case where a request to return to the Territory had been received from a Japanese, the Administration had forwarded it to the Department of the Navy for security clearance. Thus far the Department had given only negative decisions and no permits for re-entry had been granted. The Mission hoped that the Administering Authority would fully inform the Council on the matter.

A plan to allow 87 inhabitants of the Trust Territory of Nauru to visit relatives in the Marshall and Caroline Islands, under stipulations including good health, financial independence and acceptance by their relatives, was reported by the Administering Authority to be pending.

#### Medical and health services

The medical and health services, to which the Council at previous sessions has drawn favourable attention, while at the same time recommending further development, underwent extension during the period under review. The services remained based essentially on a system of district hospitals, one in each of the six administrative districts, which serve as centres for public health activities. Each has, on the average, two medical officers, a dentist, a nurse-supervisor, a hospital administrator and other staff; and it is supplemented by dispensaries on the larger inhabited islands which are staffed by health aides trained at and supervised from the hospital. The system is controlled by a director of public health on the staff of the High Commissioner, who integrates with it the programmes of training and research.

Expenditure on the services for the fiscal year 1952, totalling \$648,368, showed a substantial increase over the \$490,000 spent in 1951 and was the highest yet recorded. New construction took place in the hospitals: a psychiatric unit at Saipan with two eight-bed wards for the Territory's mental cases; an addition to the Yap hospital, and a 20-bed tuberculosis ward at Ponape. The number of the more highly-trained personnel, both indigenous and non-indigenous, showed an increase. There were, for instance, 17 non-indigenous medical and dental officers as against 14 in the previous year, while the total of trained

medical and dental Micronesian personnel increased from 37 in 1951 to 52 in 1952. Among the latter, the number of indigenous medical and dental practitioners and internes increased from 14 to 22 and of graduate nurses from 23 to 30. In the lower categories, the number of Micronesian nurse aides increased from 43 to 92, while the number of health aides fell from 166 to 144. An event of the year was the award of a medical practitioner's license to the first Micronesian so trained under the present Administration.

As regards the training of new personnel, which the Council at its tenth session hoped the Administering Authority would continue to accelerate, 50 students were studying medicine, dentistry and sanitation at the Central Medical School at Suva, Fiji; five students graduated from the X-ray school functioning on Saipan; and a school for nurses was established at Truk. The Visiting Mission, which noted with satisfaction the rapid increase in the number of trained Micronesians and the increasing replacement of American personnel, learned that in three years' time, when 18 indigenous dental practitioners would have finished internships, it was planned to turn over all the dental work of the Territory to them under the direction of one American supervising dentist.

The Mission felt that the Administering Authority was to be commended for the provision of the health services, which were contributing much to the welfare of the inhabitants and which appeared to have won their full approval. It reported a marked improvement in the standard of health, which had been generally poor at the end of the war. It noted that the formerly widespread disease of yaws had been greatly reduced by highly successful treatment with penicillin, and that the most pernicious diseases at present appeared to be tuberculosis and leprosy, for which improved services were planned. The Mission found that an existing problem was to devise means of improving the provision of medical services to outlying islands, and that the situation would be improved by current plans to increase the frequency of multi-purpose administrative field trips and to establish radio equipment on remote islands, and by the acquisition of a schooner equipped with medical apparatus.

In the field of research in tropical diseases, whose importance was emphasized by the Council at its tenth session, the Administering Authority informed it of the start of a controlled pilot study on the island of Saipan of the use of a new drug (isonicotinic acid hydrazine) in tuberculosis treatment, and the continuation of an extensive investigation of the problem of filariasis.

## V. EDUCATIONAL ADVANCEMENT

### General

The general educational facilities in the Trust Territory consist primarily of a public school system providing free education at the elementary and, to a more limited extent, the intermediate levels, together with a central school which brings selected students up to a standard described by the Visiting Mission as very roughly comparable with that of a junior high school. Avenues towards higher education are found outside the Territory, particularly in medical and other vocational training and in secondary education. Apart from the public school system, Catholic and Protestant missions operate a small number (20) of schools which are required to meet minimum curriculum standards set for the Territory as a whole by the Administration but are not subsidized by it.

Approximately 90 per cent of the children of school age (normally 8 to 14 years) are, according to an estimate of the Administering Authority, enrolled in the public elementary schools, of which there were 139 in 1952, ten new ones having been built during the year, and 142 at the time of the Mission's visit, with 5,767 pupils. The elementary schools are primarily the responsibility of the municipalities, subject to over-all supervision by the Department of Education. They are staffed entirely by indigenous teachers.

Because of the shortage of suitable teachers and of municipal funds, only a little more than half of the elementary schools have attained the desired six-year programme. The school day for the first three years is approximately three and one-half hours and thereafter approximately four hours, and the school year consists of 180 days. Instruction is primarily in the local vernacular, with English taught as a secondary language.

The intermediate schools, of which there continue to be six in the public system (with 835 pupils at the time of the Mission's visit) and five conducted by the missions (with 368 pupils), complete a nine-year course consisting of six years of elementary and three years of intermediate schooling.



The public intermediate schools are established at the headquarters of each district, are supported entirely by the Administration, and are administered by American principals with teaching staffs composed of about half American and half Micronesian teachers. English is the predominant language used. Entry is gained by various means of selection by a scholarship committee in each district. The Administration furnishes scholarships (505 in 1952) covering subsistence and costs of incidental requirements.

The one higher school, now known as the Pacific Island Central School, was organized in order to offer four different fields of study, carrying the students two years beyond the intermediate level: namely, teacher education, general education, radio communications and agriculture. It has subsequently been reorganized on the basis of a general education curriculum. The Visiting Mission found the principal emphasis to be towards teacher training and pre-professional education. The school had at that time 135 students, selected from among the best graduates of the public intermediate schools. It has an American principal and five American teachers.

The Administering Authority reported that the entire educational programme of the Territory had been re-examined to ascertain its suitability to the needs and conditions of the people. In the elementary schools the curriculum had been reduced to the social studies and the correlation of English, science, health and hygiene with the experience and surroundings of the Micronesian people. In addition, activities had been added such as cultivation of crops, woodworking, handicrafts, fishing, and basic arithmetic. The curriculum of the intermediate schools had been devised as an extension of those subjects, while the Central School afforded training in them in addition to the specialized fields of teaching, agriculture and radio communications.

The Visiting Mission thus found a departure from the formal academic curriculum which had been borrowed largely from the American educational system, towards a functional programme in which teaching was directed primarily towards preparing students to assume an active role in community life.

The Mission noted this change with satisfaction, and reported that it had been favourably impressed by these developments in the educational programme. It stated that the curriculum now placed special emphasis on the study of local community problems and co-operative activities in which children worked together with their elders and with administration officials on special projects which provided them with a basic knowledge of the fundamentals of such subjects as health and hygiene, sanitation, agriculture, trade and local government.

Above the elementary level, the Mission felt that the high element of selectivity in the apportionment of vacancies in the intermediate schools and the Pacific Islands Central School was undoubtedly to be regretted, and that facilities at these levels should be expanded wherever possible. Care must, however, be taken to ensure that the educational facilities were not disproportionate to the economic potential of the Territory. On this point, the annual report of the Administering Authority indicated that the expenditures on public education for the fiscal year 1952 amounted to \$430,930 (as against \$385,509 in 1951), exclusive of construction, maintenance and other related costs. This sum was nearly 8 per cent of the total territorial expenditures.

The Mission also felt that, insofar as resources permitted, attention should be given to the improvement of school buildings, which were not always adequate at the elementary schools visited by the Mission. The Administering Authority itself reported that the average elementary schools had only very limited equipment and supplies, and a good many of them had only thatched roofs and coral floors.

### Teachers

The biggest problem of education in the Trust Territory, in the view of the Administering Authority, is the education of teachers themselves. The Micronesian teachers who entirely staff the elementary public schools have had education varying from no formal education whatever to study at an

American university. There are still approximately 50 teachers, out of the total of 301 in all the public schools, who have not been educated beyond the 5-year elementary schools of the former Japanese administration or the present 6-year elementary schools.

The Administering Authority reported that greater effort was being made to provide in-service education of the teachers by employing a teacher trainer in each district. Students at the Central School would be selected as teachers while undertaking the general education course, and go back to their districts for a year of specialized education for teaching.

The Visiting Mission described as urgent the need to increase the numbers and qualifications of indigenous teachers. It remarked also that the fact that the elementary teachers' salaries were paid out of local municipal revenues meant that their salaries varied considerably according to the wealth of the community, and that in some cases lack of funds might be a factor affecting the amount of education provided. It will be recalled that this aspect of the problem attracted the notice of the Council at its eighth session, when it recommended that the Administering Authority continue its policy of aiding municipalities, where necessary, in meeting the costs. Subsidies paid to municipalities for this purpose increased to \$9,090 in 1951, but the amount in the following year was \$3,300. Micronesian teachers' salaries varied from \$90 to \$1,020 a year.

#### Professional and higher education

There are at present no facilities within the Territory for advanced education and training beyond those provided at the Pacific Island Central School and by apprentice training in the Administration, and, in the view of the Visiting Mission, it is hardly to be expected that the Territory could support a college for some years to come.

The Administering Authority has, however, as has been noted earlier, sent medical and dental students to Fiji and also student nurses to Guam for training. In 1952 a total of 101 other students were attending schools

outside the Trust Territory: 75 at high schools on Guam, 13 at high school in Manila, 8 at high schools, university and a hospital in Hawaii, and 5 at high schools and universities on the United States mainland. Some non-governmental scholarships are available, but the Visiting Mission observed that in most cases the cost of education was borne by the students themselves; the Administration provided one scholarship for overseas training and financed the cost of transportation for all students. One outstanding citizen of the Trust Territory had been awarded a United Nations fellowship in public administration.

The Trusteeship Council had recommended at its tenth session that the Administering Authority should consider the establishment of an expanded scheme of scholarships to enable indigenous students to study abroad, particularly in law and business administration. The Administering Authority reported that it acutely appreciated the need for scholarships and other assistance, and everything possible was being done to meet it through private and public funds. The Mission described, as one of the principal problems, the difficulty which graduates of the Territory's Central School faced in obtaining scholarships for advanced training overseas, including those under the United Nations technical assistance programme, due to the fact that the Central School did not as yet provide education up to the level of a senior secondary school. Consideration should be given, it felt, by both the Administering Authority and scholarship granting organizations to special provisions which would enable outstanding graduates of the school to bridge this gap.

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