



TRUSTEESHIP COUNCIL
 Twenty-ninth Session
 OFFICIAL RECORDS

Monday, 4 June 1962,
 at 2.50 p.m.

NEW YORK

C O N T E N T S

	Page
<i>Report of the Trusteeship Council: methods of work and procedures of the Trusteeship Council (General Assembly resolution 1701 (XVI)) (continued)</i>	19
<i>Examination of conditions in the Trust Territory of the Pacific Islands: annual report of the Administering Authority for the year ended 30 June 1961 (continued)</i>	
<i>Questions concerning the Trust Territory and replies of the representative and the special representative of the Administering Authority (continued)</i>	19

President: Mr. Jonathan B. BINGHAM
 (United States of America).

Present:

The representatives of the following States: Australia, Belgium, Bolivia, China, France, India, New Zealand, Union of Soviet Socialist Republics, United Kingdom of Great Britain and Northern Ireland, United States of America.

The representatives of the following specialized agencies: International Labour Organisation; United Nations Educational, Scientific and Cultural Organization; World Health Organization.

Report of the Trusteeship Council: methods of work and procedures of the Trusteeship Council (General Assembly resolution 1701 (XVI)) (T/L.1038, T/L.1041) (continued)

[Agenda item 7]

1. The PRESIDENT said that if he heard no objections he would take it that the draft resolution submitted by the United Kingdom delegation at the 1182nd meeting (T/L.1041) was adopted.

The draft resolution (T/L.1041) was adopted.

Examination of conditions in the Trust Territory of the Pacific Islands: annual report of the Administering Authority for the year ended 30 June 1961 (T/1590, T/L.1040) (continued)

[Agenda item 3 (b)]

At the invitation of the President, Mr. Goding, special representative of the Administering Authority for the Trust Territory of the Pacific Islands, took a place at the Council table.

QUESTIONS CONCERNING THE TRUST TERRITORY AND REPLIES OF THE REPRESENTATIVE AND THE SPECIAL REPRESENTATIVE OF THE ADMINISTERING AUTHORITY (continued)

2. Mr. SALAMANCA (Bolivia) recalled that the Administering Authority itself recognized the slowness of the pace of economic development in the Territory.

He asked in that connexion if the special representative expected the United States Congress to approve a \$10 million appropriation for the Territory. He would also like to know what was the reason for setting a ceiling on the amount that could be appropriated for the Territory's administration.

3. Mr. GODING (Special Representative) replied that the amount of the appropriation for the coming year would depend on the action taken on the bill to increase the statutory ceiling. The Administration hoped that the bill would be adopted before the end of the current session of Congress. In reply to the second question he stated that it was a common legislative practice in the United States to set such ceilings on the amounts that could be appropriated for various government activities.

4. Mr. SALAMANCA (Bolivia) asked whether, supposing that the bill to raise the ceiling was not adopted, the Administration thought that it could carry out its development programme with the smaller sum which would then be available.

5. Mr. GODING (Special Representative) said that if the ceiling was not raised the Administration could expect to receive an appropriation of \$7.5 million, the amount authorized in 1954. The Appropriations Committees of the House of Representatives and of the Senate had indicated that if the ceiling was raised they would then give consideration to the full amount requested.

6. In reply to a further question by Mr. SALAMANCA (Bolivia), Mr. GODING (Special Representative) said that there had been no directive from the Appropriations Committees indicating the activities which would have to be curtailed if the ceiling was not raised. The \$7.5 million on which the Appropriations Committees were currently basing themselves included \$890,000 for the transfer of Headquarters to the Saipan District. The programme that would suffer most if the ceiling was not raised would be that for the construction of such facilities as hospitals and schools. The Administration would still, however, be able to increase somewhat its education and health programmes and, to a lesser extent, its economic development programme.

7. Mr. SALAMANCA (Bolivia) said that, as he understood it, the appropriation of \$7.5 million would leave the Administration approximately the same amount of money it had had for 1962, i.e., \$6.3 million, since nearly \$900,000 of the new appropriation would have to be used to cover the transfer of Headquarters to Saipan. He found it difficult to understand how a programme of accelerated development could be carried in those circumstances.

8. Mr. GODING (Special Representative) explained that the figure for 1962 had included a supplemental amount of \$200,000 for the purchase of an aeroplane, so that the actual figure for the administration of the Territory had been \$6.1 million. Thus if the amount finally appropriated for 1963 was \$7.5 million and

nearly \$900,000 was used for the transfer of Headquarters there would still be an increase of about \$500,000 over what the Administration had had at its disposal for 1962.

9. Mr. SALAMANCA (Bolivia) said that it appeared to him from the special representative's replies that \$10 million would actually be the minimum required to accelerate the Territory's development.

10. He then asked whether there had been an inquiry concerning the damages suffered by the inhabitants of the Territory as the result of the Second World War.

11. Mr. NOYES (United States of America) replied that the United States had dispatched a task force to the Territory in the autumn of 1961 to survey war damage claims and that as a result of that survey it had made certain proposals to the Japanese Government in March 1962 for the settlement of the problem. It was continuing its urgent consultations with that Government and hoped to be able to report definite progress in the near future. The United States recognized that it had an obligation to do its utmost to deal as quickly as possible with such claims and the 1961 survey represented a serious effort to comply with that obligation.

12. Mr. SALAMANCA (Bolivia) asked what conclusions had been reached as a result of the survey.

13. Mr. NOYES (United States of America) replied that since that was the subject of continuing negotiations with the Japanese Government, he did not feel that it would be appropriate to discuss it at the present time.

14. Mr. SALAMANCA (Bolivia) said that he would not press the matter; he would, however, like to point out that the Council had been receiving practically the same reply for fourteen years. It was clear that in the treaty concluded between the United States and Japan no account had been taken of the interests of the inhabitants of the Territory. There was one of the few cases in which compensation for war damages had not been received. If Japan was not prepared to pay for such damages, the United States, as the country responsible for the Territory should pay them.

15. Turning to the question of political advancement, he recalled that the United Nations Visiting Mission to the Trust Territory of the Pacific Islands, 1961, had stated in its report (T/1582) that the meetings of the district congresses were usually very short owing to the lack of funds with which to defray the expenses of the elected representatives during a longer period. He asked whether that situation had changed.

16. Mr. GODING (Special Representative) said that the Council of Micronesia met once a year for about a week. The district congresses were now meeting about twice a year in most districts and as they gradually took up more complicated legislation they were becoming accustomed to longer sessions, in some cases roughly twice as long as in the past. For example, the most recent session of the Truk Congress had lasted ten days and those of the Palau Congress, the Marshall Islands Congress and the Ponape Congress approximately two weeks.

17. Mr. SALAMANCA (Bolivia) recalled the statement in the Visiting Mission's report that a suit had been filed against the United States for damages to Rongelap and that the Chief Justice of the Trust Territory had rejected that claim. He would like to know

what was the Administering Authority's stand on the matter.

18. Mr. GODING (Special Representative) explained that the claim had been rejected simply because the court had determined that it had no jurisdiction to hear the case. The Administering Authority had, however, studied the matter at length and prepared a bill which would authorize compensation for damages to the people of Rongelap. That bill had been transmitted to the United States Congress as an executive proposal and was to be considered very shortly.

19. Mr. SALAMANCA (Bolivia) said that he would like more details concerning the bill.

20. Mr. NOYES (United States of America) read out excerpts from the bill, to the effect that \$1 million would be appropriated for the benefit of the inhabitants of Rongelap who were concerned. The bill described the way in which the fund would be administered.

21. Mr. SALAMANCA (Bolivia) said that he had the impression that the sum in question had been fixed by the Administering Authority without consultation with the inhabitants; he asked if the bill was satisfactory to them.

22. Mr. GODING (Special Representative) said that there had been some discussion of the matter with the people of Rongelap. The amount proposed in the bill, which was approximate, was a little lower than the sum requested by them.

23. Mr. SALAMANCA (Bolivia) recalled Mr. Goding's statement that the Territory was being opened to private investment; in particular he had referred to the possibility of developing a fishing industry. He would like to know what effect the development of that industry would have on the Territory's economy as a whole, in the opinion of the special representative.

24. Mr. GODING (Special Representative) observed that it was somewhat premature to say that the Territory had been opened up for private investment. There had, however, been discussions with representatives of the commercial fishing industry in the United States with a view to the establishment of tuna freezing plants, marketing facilities and so on. The prospects were good and, in particular in the Palau and Truk Districts, an industry might possibly be established that would employ three or four hundred people. That would be a very substantial contribution to the economy of those districts.

25. Mr. SALAMANCA (Bolivia) observed that the 1961 Visiting Mission had suggested that the Territory might be opened up for tourism (T/1582, para. 107). He asked whether the Administration had considered that suggestion.

26. Mr. GODING (Special Representative) said that the Administration was considering relaxing the present travel control arrangements. The problem, however, was one not only of control but of transport and housing facilities. Considerable progress would have to be made in those respects before any steps were taken to encourage tourism.

27. Mr. SALAMANCA (Bolivia) stressed that tourism would provide a new source of revenue to the Territory.

28. In replying to questions put by the USSR representative, the special representative had stated that 25 per cent of the land in the Territory was public domain land. He asked what was the Administration's

general policy, in respect of that land and what ultimate use would be made of it.

29. Mr. GODING (Special Representative) replied that land which was suitable for the purpose would be made available for the indigenous population under the homesteading programme. He pointed out that only a very small proportion of the land was held by the United States Government; the bulk was held by the Government of the Trust Territory for eventual transfer to the people. The representatives on the Council of Micronesia were aware of that situation.

30. Mr. SALAMANCA (Bolivia) asked whether agreement had yet been reached concerning the claims of the inhabitants of Kwajalein Atoll.

31. Mr. GODING (Special Representative) said that although negotiations had continued during the past year, no agreement had been reached. Settlement by negotiation appeared to be so difficult that bills had been introduced in the House of Representatives which would place the determination of the settlement within the jurisdiction of the Court of Claims of the United States.

32. Mr. SALAMANCA (Bolivia) recalled that in his opening statement (1181st meeting) the special representative had said that the Territory should have a Territorial legislative council by 1965 or earlier. He asked whether there was any prospect of the date being advanced.

33. Mr. GODING (Special Representative) said that he expected the transition to take place before 1965.

34. Sir Hugh FOOT (United Kingdom) observed that the annual report of the Administering Authority,¹ as supplemented by the special representative's statement, gave a clear and comprehensive picture of political advancement and steady unification in the Territory, with the participation of the people at every stage.

35. The report was realistic and free from exaggeration and the targets set appeared to be well considered and possible of attainment. His attention had, however, been caught by one phrase in the special representative's statement: "the break-through on the economic front". He wondered what the effect would be on the future economy of the Territory of the additional expenditure, which presumably would lead to further heavy expenditure in the future as the programme gathered momentum. In particular he wondered whether it was possible to distinguish between expenditures which were likely to increase local revenue and expenditures which were likely to increase local expenditure. For example, the anticipated improvements in the social services would place a heavy additional recurrent cost on the Territory. It would be useful for the Council to know which among the new projects were to be financed by subventions from the United States, which of them were likely to advance the day of financial and economic self-sufficiency and which were likely to retard it.

36. Mr. GODING (Special Representative) replied that it was difficult to foresee to what degree im-

proved education would increase the capability and productivity of the people and benefit the economy as a whole. Some of the costs involved in expanding social service programmes would undoubtedly add to the general level of expenditure and could in some circumstances be a continuing burden. In the health programme, for instance, the introduction of United States personnel was bound to result in higher costs for a time, though it had been shown that as training went on and United States personnel were withdrawn there was a decrease in costs. Appropriation of sums for road-building or agricultural rehabilitation programmes would, he considered, lead to eventual reduction in governmental expenditure or subventions or assistance by the Administering Authority. In short, some of the projected expenditures would raise costs for the next few years whereas some should result in decreased requirements for assistance.

37. Sir Hugh FOOT (United Kingdom) said that he had been interested to hear from the special representative that, through a change of policy, outside capital investment was now to be encouraged in the Territory, subject to certain reservations and limitations. He asked whether the stage had yet been reached at which it was possible by means of tax policy to offer positive inducements to private capital for development.

38. Mr. GODING (Special Representative) said that so far no effort had been made to introduce a general tax-relief programme as a means of attracting capital. The Administration felt that the basic resources of the area must be held primarily for the population and that the introduction of outside capital for the purpose of exploiting any of those resources should be carefully controlled; it would be permitted only in areas where there was little or no possibility of capital formation from the resources of the local people.

39. Sir Hugh FOOT (United Kingdom) observed that, as the special representative had pointed out, it was difficult to make any progress in establishing a tourist industry until accommodation was provided. In the development of a tourist industry, and especially in the construction of new hotels, it had been found essential in many parts of the world to grant some tax inducement first.

40. He wondered whether the special representative could give any further information about the intentions of the Administration with regard to tax policy in general.

41. Mr. GODING (Special Representative) said that, as he had already informed the Council, the possibility of introducing a general income tax throughout the area had been under consideration. The Administration felt that the matter was one for the Territorial legislature; certain taxes came within the competence of the district congresses, but the development of the general tax structure was closely related to the development of the political structure.

42. Sir Hugh FOOT (United Kingdom) expressed the hope that the special representative might be able to estimate whether the gap between local revenue and expenditure was likely to increase or decrease within the next few years.

43. Mr. GODING (Special Representative) said that he anticipated that the increased total expenditure would be matched by increased local revenues; he did not anticipate any great change in the ratio, in which

¹ 14th Annual Report to the United Nations on the Administration of the Trust Territory of the Pacific Islands, July 1, 1960 to June 30, 1961: Transmitted by the United States of America to the United Nations pursuant to Article 88 of the Charter of the United Nations, Department of State Publication 7362 (Washington, U.S. Government Printing Office, 1962). Transmitted to members of the Trusteeship Council by a note of the Secretary-General (T/1590).

funds granted by the United States represented by far the largest percentage of total government revenues.

44. Sir Hugh FOOT (United Kingdom) asked whether the special representative felt that the tendency towards the unification of the Territory was increasing or whether, as the stage of self-government approached, local loyalties became stronger and different interests tended to prevail, as had occurred in other territories with which he himself had been concerned.

45. Mr. GODING (Special Representative) said that he had observed a growing feeling of unity and association. He was not aware of any economic pressure which might work in the other direction, though of course such problems might arise in the future, but generally speaking he felt that association in the central Government, in the school programme and the many other inter-district activities had resulted in a much closer feeling among the people.

46. Mr. RASGOTRA (India) said that he had been pleased to note from the special representative's statement that the policy and general administration of the Territory, which he himself had strongly criticized the previous year, had apparently become more dynamic and that the rate of progress was likely to become much faster in the next few years. He welcomed the fact that the Inter-District Advisory Committee had become a Territorial council, but wished to know whether that fact as yet involved any change in substance. The special representative had said that the Council still remained an advisory body. He asked when it was to have some legislative functions, which would limit the powers of the High Commissioner.

47. Mr. GODING (Special Representative) recalled that the date set had been 1965 at the latest, so that the remaining steps in the transfer of powers would have to take place within the next three years. There was likely to be a legislative council before then, and further substantial progress would be made within the next year. The steps to be taken involved introducing procedures for dealing with legislation which were in line with those of a fully-fledged legislative body.

48. Mr. RASGOTRA (India) would have thought the target date could have been advanced. He asked whether, in the interim period, Mr. Goding as High Commissioner intended to heed any advice the Council might give him.

49. Mr. GODING (Special Representative) replied that the Administration felt that the recommendations of the Council should be listened to with respect and put into effect unless a compelling matter of public policy was involved. The majority of the recommendations both of the Advisory Committee and of the Council had in fact been approved.

50. Mr. RASGOTRA (India) commented that, while trained Micronesian personnel was replacing United States personnel in several departments of government, no mention had been made of progress in the appointment of indigenous district administrators. He asked whether Micronesians were being trained for such posts.

51. Mr. GODING (Special Representative) replied that a number of able Micronesian administrative officers were being trained for the highest administrative posts. One of the difficulties in appointing Micronesian district administrators was that some of the most promising young men, although competent

to hold such posts immediately, preferred to return to the university to obtain their degrees. Apart from the problem of personnel, there were some fundamental steps to be taken in relating the Administration to the embryonic legislative assemblies in the districts, so as to make the executive and legislative bodies at district level part of an integrated governmental institution.

52. Mr. RASGOTRA (India) commented that, while the move of the administrative headquarters from Guam to Saipan was a significant development, the choice of Ponape or Truk District would have seemed more logical from the point of view of geography. He asked whether a further move to a more central situation was contemplated.

53. Mr. GODING (Special Representative) recalled that, in response to questions asked at the twenty-seventh session, he had stated that the ultimate choice should be made by the people of Micronesia. Saipan had been selected as the provisional capital because it was well equipped with housing and public facilities taken over from the Department of the Navy, whereas the contemplated site in the Truk District was as yet undeveloped.

54. Mr. RASGOTRA (India) said that his impression, after visiting the Territory with the 1961 Visiting Mission, had been that the economic planning was somewhat haphazard. Apparently some planning was now being done, and he would like to know how large the plan was likely to be, what targets were contemplated, what period of time was involved and how it was to be financed.

55. Mr. GODING (Special Representative) replied that the financing of the current plan depended very much on the budgets presented to the United States Congress. The research and planning which had been done was less haphazard than it might appear at first sight. A great deal of basic work had been done, over the past ten or twelve years, and efforts were being made to review it and bring it up to date. Recent steps had been the appointment of a staff economist, a co-operative affairs officer and a marketing officer, and a comprehensive plan was being systematically developed. It had not, however, evolved to the point where actual dollar figures or target dates for the achievement of various stages could be supplied.

56. Mr. RASGOTRA (India) explained that the 1961 Visiting Mission had gained the impression that, while there were a number of isolated projects for development, there was a need for a more co-ordinated plan with well-defined priorities and some attempt at establishing the relationship between input and output and estimating the relative size of productive and non-productive, recurring and non-recurring expenditure. The situation did not appear to have changed radically since the previous year.

57. At present the financing of development depended upon annual appropriations, and that had to some extent obstructed the rapid development of the Territory. He asked whether a development fund was contemplated, or if the various projects would be assured of the necessary financing either from internal sources, or United States sources, or both.

58. Mr. GODING (Special Representative) replied that the economic development fund had now been proposed, which would be broader in scope and more flexible in utilization than had been the case in the past. The fund would be financed partly from appro-

priation grants and partly from local revenue such as the processing tax.

59. Mr. RASGOTRA (India) asked whether any consideration had been given to a suggestion made in the Trusteeship Council by a former United Kingdom representative, Mr. Caston, that the Territory should have its own postage stamps as a source of revenue.

60. Mr. GODING (Special Representative) replied that there had been some discussion of the matter, although detailed benefit-costs ratios had not been worked out. The United States Post Office Department, which was responsible for the distribution of mail in that wide area, might well be reluctant to see the stamp revenues going direct to the Trust Territory if the expenses continued to fall upon the Department. Further consideration would be given to that problem.

61. Mr. RASGOTRA (India) commented that mail in the Trust Territory was carried by Trust Territory aircraft, although the aircraft might themselves have been supplied by the United States Government. He hoped that the matter would be given further consideration, as it could make a substantial difference to the Territory's revenues.

62. The 1961 Visiting Mission had recommended in its report that taxation on salaries of United States personnel stationed in the Territory should be levied either by the Trust Territory Administration or, if it were still levied by the United States Government, reimbursed to the Trust Territory. He asked whether any action had been taken in that connexion.

63. Mr. GODING (Special Representative) said that the matter was still under study.

64. Mr. RASGOTRA (India) welcomed the fact that English was now established as the medium of instruction at elementary school level. The special representative had said in his opening statement that English was to be used where there were teachers capable of teaching it. Transitional difficulties were to be expected, but he would like to know how long that transitional period was likely to take.

65. Mr. GODING (Special Representative) replied that the new instructions comprised a significant change from the previous policy under which elementary grades had been taught in the vernacular. Naturally the present teaching staff varied considerably in their knowledge of English, and they had to be trained. The programme would require a considerable number of United States educational specialists to work with the teachers. The exact time required would naturally depend on the funds available; it would probably take a minimum of three or four years for English to be introduced at the elementary level in all the schools of the Trust Territory, including those in the outlying districts. The change would, of course, be much more rapid in the schools serving the more densely populated centres, which comprised approximately 80 per cent of the population.

66. Mr. RASGOTRA (India) felt that the implementation of the policy might suffer if the transition were to take three or four years. He asked for an assurance that every effort would be made to obtain funds to expedite the programme.

67. Mr. GODING (Special Representative) replied that a considerably larger budget for the Territory had been accepted as part of the Administration's programme, and there were likely to be further in-

creases in the funds made available, particularly for the educational programme, which was to be given top priority. The policy was to be implemented immediately wherever possible, and all available techniques were to be used for increasing the ability of the teachers to teach in English.

68. Mr. MOROZOV (Union of Soviet Socialist Republics) recalled that, at the 1182nd meeting, he had asked the reasons for the delay in the circulation in the Territory of the Declaration on the granting of independence to colonial countries and peoples (General Assembly resolution 1514 (XV)). It appeared from the reply given at that time that there had been a delay because the material had been sent to the United Nations for translation, that the operation had taken a long time and that the translation into two of the languages of the Territory was not yet completed. He had previously understood that the translation was to be done by the United States, but since it had been done by the United Nations, he addressed his question to the Under-Secretary.

69. Mr. PROTITCH (Under-Secretary for Trusteeship and Information from Non-Self-Governing Territories) replied that, according to information given by the Office of Public Information, the resolution containing the Declaration in the form of a United Nations document had immediately been distributed to all delegations. Fifty-eight Office of Public Information pamphlets containing the Declaration had been sent direct to the addresses in the Trust Territory supplied by the Administering Authority in March 1961. A total of 7,650 copies in English had so far been supplied for distribution in the Territory. The translation into five local languages had taken some time; copies had been issued in the following quantities: Palaun, 3,000; Marshallese, 3,000; Ponapean, 3,000; Yapese, 3,000; Trukese, 3,000. The Office of Public Information was co-operating with the Administering Authority on a translation into Chamorro.

70. Mr. MOROZOV (Union of Soviet Socialist Republics) commented that the Under-Secretary appeared to assume that the Declaration had been circulated within a reasonable time. It had not, however, been received in the Territory until five months after its adoption. He wished to know when the request for translations into the local languages had been made, who in the United Nations Secretariat had complied with the request and how long it had taken. He also asked when the translation into the remaining two languages would be completed.

71. Mr. PROTITCH (Under-Secretary for Trusteeship and Information from Non-Self-Governing Territories) emphasized that a distinction should be made between the official text of resolutions adopted by the General Assembly, which were immediately available in mimeographed form, and the pamphlets issued by the Office of Public Information. He would endeavour to ascertain the exact dates when the pamphlets had been translated into the languages mentioned.

72. Mr. MOROZOV (Union of Soviet Socialist Republics) commented that whether the answer was to be sought from the Office of Public Information or elsewhere in the United Nations was of little consequence, because Secretariat officials and, in particular, the Acting Secretary-General were ultimately responsible. It was not a technicality but an extremely serious matter—in fact, a political scandal—that the indigenous population of the Trust Territory had not

been informed, after eighteen months, of a vitally important decision of the United Nations which had a direct bearing on their future. It was essential to establish the responsibility for the delay, whether it was the fault of the United States or of the United Na-

tions, and if necessary a special investigation should be instituted in the Secretariat.

The meeting rose at 4.55 p.m.