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PROVISIONAL VERBATIM RECORD OF THE THIRTEEN HUNDRED AND TWENTY-SEVENTH MEETING

Held at Headquarters, New York,  
on Wednesday, 29 May 1968, at 10.30 a.m.

President: Mrs. ANDERSON (United States of America)

1. Examination of annual reports of the Administering Authorities on the administration of Trust Territories, for the year ended 30 June 1967.  
(a) Trust Territory of the Pacific Islands [4] (a) [4] (continued)
2. Examination of petitions concerning the Trust Territory of the Pacific Islands [5] [5] (continued)

Note: The Official Record of this meeting, i.e. the summary record, will appear in provisional mimeographed form under the symbol T/SR.1327 and will be subject to representatives' corrections. It will appear in final form in a printed version.

## AGENDA ITEMS 4 (a) AND 5

EXAMINATION OF ANNUAL REPORTS OF THE ADMINISTERING AUTHORITIES ON THE ADMINISTRATION OF TRUST TERRITORIES; FOR THE YEAR ENDED 30 JUNE 1967

(a) TRUST TERRITORY OF THE PACIFIC ISLANDS (T/1680) (continued)

EXAMINATION OF PETITIONS CONCERNING THE TRUST TERRITORY OF THE PACIFIC ISLANDS (T/COM.10/L.7, L.8, L.9 and L.10; T/PET.10/L.12; T/PET.10/39, 40, 41, 42 and 43)

At the invitation of the President, Mr. William Norwood, Special Representative for the Trust Territory of the Pacific Islands under United States administration, Mr. Isaac Ianwi and Mr. Jacob Sawaichi, advisers to the Special Representative, took places at the Council table.

The PRESIDENT: The Council will continue with the examination of the conditions in the Trust Territory of the Pacific Islands.

Mr. ROGERS (Australia): May I begin by expressing a welcome on behalf of the Australian delegation to the High Commissioner for the Trust Territory and the members of the Congress of Micronesia who are here with him. It is a great pleasure for us to renew their acquaintance.

My first question is in the field of education. Yesterday, we heard the Special Representative say in reply to a question from the representative of China that the examination of education conditions and problems in the Trust Territory by the team from Stanford University had been completed and that his delegation would be making available to us a copy of the conclusions of this investigation. It may be that the question I am about to ask has already been answered in the material which the Special Representative will be supplying, but it concerns a suggestion that was made in the report of the Visiting Mission last year in paragraph 101 of Chapter 2, which dealt with education. The suggestion was that the Administration should consider the creation of one or two selective high schools in Micronesia. The reasons for making the suggestion were explained at some length in that chapter. I would like to hear the Special Representative's comments on the suggestion and he might possibly also care to say something about the conclusions of the Stanford team with respect to any modifications to the educational system which they recommended.

Mr. NORWOOD (Special Representative): Just for purposes of clarification, do I understand that when you use the term "selective high school", does that refer to an occupational high school, a vocational high school or a high school with some specialized curriculum apart from what we call a general secondary school?

Mr. ROGERS (Australia): No, not exactly. There was a suggestion in the report about vocational or technical high schools, but this was something separate. It was based, I think, on the past experience of PICS when it was a more selective high school. The suggestion was that the Administration might consider the creation not only of regional high schools, which the Territory has at present, but of selective high schools catering primarily to students who are intending to go on to further education in the Territory.

Mr. NORWOOD (Special Representative): As indicated yesterday, and as the representative of Australia has acknowledged, we will have copies of the Stanford Report available for members of the Council to consult.

The report placed considerable emphasis on the need to strengthen the corps of Micronesian teachers and to that end made strong recommendations that our educational programme at the high school level, preceded of course, by a reorientation and improvement of education at the elementary level, should have as one of its basic objectives the ultimate production and qualification of Micronesian teachers who can be phased into the educational programme in high schools and at other levels. That is a recommendation which has a mixed acceptance. There are some who are engaged in our educational programme in Micronesia who feel that there are distinct benefits to be derived from a continuing input of American teachers or others whose English language competence or whose competence in other fields of study will continue to be useful and that a major effort to replace these individuals with Micronesians might be somewhat premature if acceleration takes place too soon. That is one of several recommendations of the Stanford study that has not found a completely universal acceptance among our administrative people who are engaged in education.

We have had a similar experience with this report as we had with the Nathan Report in that while they were very valuable and provocative recommendations they were, after all, advisory recommendations. We are having a look at each of them to see whether in our collective judgement, from the point of view of the Administration, and in the opinion of the Congress of Micronesia and its committees on education and other areas, these are recommendations which we feel are really leading us in the direction we want to go.

One of the recommendations of the Stanford Report was that there should of course be balanced emphasis on vocational training. For this reason we have started what we call the occupational centre -- actual construction will start next year -- in Palau. But the plan for the present is to continue the high school programmes more or less in their present form while making an effort to improve the quality of the instruction, laying particular emphasis on appropriate curriculum. The Stanford study group found, as other visiting groups have done, that in many instances, both at the elementary and the secondary levels, our curriculum materials are incompatible with the teaching environment and that much more stress needs to be placed upon the development of curriculum in relation to the environment. This is receiving emphasis in the Micronesian teaching programme which is under contract to the University of Hawaii and is presently being carried on in Ponape. But we do not at the present time have plans for a major shift in high school programming other than the ones I have already mentioned -- namely, more emphasis on vocational training, a stronger effort to upgrade the quality of our teachers, both Americans and Micronesians, and more emphasis on curriculum material of a more appropriate design.

Mr. ROGERS (Australia): My second question also arises out of something in the Visiting Mission's report, a suggestion which was endorsed at the thirty-fourth session of the Council.

The suggestion was made in paragraph 195 of the report. It was that the first requirement, in the Mission's view, was to build up the economic infra-structure of the Territory, particularly in the field of transport, assessing priorities on the basis of potential productive return.

(Mr. Rogers, Australia)

We have already heard, in the Special Representative's opening statement, mention of the entry of jet aircraft into the Territory and of new arrangements for internal airline services and arrangements for expanded shipping services. I wonder whether the Special Representative would give some indication of how extensive the expansion will be in shipping services, and whether he could say something about planning for extensions in the field of transport -- improvement of roads and improvement of harbour facilities, which were two items mentioned in the report.

Mr. NORWOOD (Special Representative): The possibilities for a meaningful development of the resources of Micronesia hinge very heavily on transportation. That has not only been the conclusion of the Visiting Mission but also the opinion of the United States Congress and, more important still, of the Micronesians themselves in the various districts.

(Mr. Norwood, Special Representative)

The problems that we have encountered up to this point in time have hinged in part -- and perhaps to a large extent -- upon the fact that not only have the field trip services within the districts been inadequate to take care of the economic and trade requirements of the districts, but we have also been using these field trip schedules for administrative purposes.

As I believe was reported a year ago, we determined that we should acquire additional vessels for administrative uses, so that when we send doctors, community development representatives and various administrative representatives into the districts we do not have to tie their schedule of service to the field trip schedule. We budgeted something in the neighbourhood of \$200,000 or more for the acquisition of some vessels which we hoped to obtain in order to provide this service. Upon searching the shipping market we found that our cost estimates were below the existing market requirements -- in other words, we could not get the type of ship that we had hoped to get for the money that we had proposed to spend. Furthermore, the delivery of new vessels was, we found, far in the future. In other words, the shipyards in Japan, the United States and elsewhere seem to be fully occupied with construction these days and ships are hard to come by.

We have obtained one surplus vessel, which has just recently entered service and has been assigned to the Marshalls, where the shipping requirements are particularly urgent. This vessel will be used primarily for administrative requirements and in order to supplement the field trip services while vessels regularly assigned to that area are in dry dock or are otherwise diverted.

The new shipping proposals that have just recently been submitted, and are currently under review in Washington and at Headquarters on Saipan, will, we hope, result in some imaginative new suggestions for meeting the peculiar logistics problems that we encounter in Micronesia. We have said that we will welcome any new concepts, not only envisioning new shipping techniques, new styles of vessels, new sizes, new schedules, and also new patterns of service, so that the Marshalls, on the eastern side, would not necessarily have to depend upon Japan for service but would possibly have direct connexions with the west coast of the United States.

A subject that is related to transportation -- and this is particularly true with respect to air service and, to a considerable extent, to shipping service -- is the importance of communications. To this end, we are engineering a complete overhaul of our entire radio communications network so that there can be more reliable information with respect to weather conditions and better communication

(Mr. Norwood, Special Representative)

between the districts and Headquarters. We propose to spend about \$2 million on the complete renewal and upgrading of the communications system.

If I could assign priorities from the Micronesian point of view, I would say that the people of Micronesia are anxious first to have better schools and, second but closely related, better road systems. To this end, we are programming the development of roads, but we have taken the position that it will be imprudent to allocate money for resurfacing dirt roads until we can afford the materials that are necessary for good road surfaces. We are now planning, and we have just recently acquired some aggregate and crushing plants for installation, and we have made arrangements for better-quality aggregate material in Palau.

As we develop the facilities for constructing the new hospital, and the services that will support the new hotel in Truk, we will, of course, at the same time have to attend to the road system in Truk. We recognize that the development of a better road system must proceed simultaneously with the construction of these other essential facilities.

We would like to see the shipping services take the same dramatic forward thrust that our air service has taken, but until we have had a look at these proposals, which I have not yet seen, we shall not know to what extent we can actually move ahead with more efficient operations in shipping services.

Mr. ROGERS (Australia): The next question concerns a subject which again was mentioned by the Special Representative in his first statement, and which was the subject of a question from the representative of France yesterday. The question concerns taxation. The Special Representative informed the Council that a revenue officer had been appointed to the Administration, and the representative of France asked a question about the taxation of American citizens and other aliens in the Trust Territory. My question is on a rather different aspect of taxation, and it arises from some comments made in paragraphs 267 and 268 of the Visiting Mission's report. This section deals with revenue, and after referring to the grant from the United States Government, it goes on to the question of raising revenue in the Territory itself.

(Mr. Rogers. Australia)

In paragraph 267 the Mission was glad to note the intention of the Administering Authority to appoint a revenue officer, and it expressed the opinion that there was a need for further and deeper study of the fiscal system in the Trust Territory, which needs a thorough overhaul. It said that some existing taxes were not collected and an important source of revenue was thus lost.

It went on to say that, apart from the revenue-raising aspect, the payment of direct taxes plays an important part in developing political consciousness in the body politic and in establishing a real and active relationship between elector and elected.

The Mission's strong impression was that most Micronesians could well afford a substantial tax burden related to their means.

I should like to invite the Special Representative to make any comment he wishes on that section of the report, realizing of course that with the fairly recent report of the revenue officer a full answer cannot be given.



Mr. NORWOOD (Special Representative): I think that the validity of the recommendation made by the Visiting Mission with respect to taxation is certainly recognized and accepted. I would question, however, the statement that most Micronesians could well afford a substantial tax burden. Of course, I realize that this is related to their means. As I am sure the Visiting Mission observed, there is a wide range of individual income in Micronesia varying from the relative affluence of the residents of Ebeye to the relative lack of income on the part of the residents of many of the more remote islands. Many of the people on Ebeye are, of course, working on Kwajalein earning the United States minimum wage. Many of the residents in the Marianas are on a dollar economy and have relatively satisfactory incomes. The economy in Palau, especially in the district centre, is again moving in the direction of the dollar economy, and those people too, I am sure, could afford some additional tax burden.

I believe that our problem is one of providing a tax that can be uniformly applied and more effectively collected. We have considered, of course, through the district legislatures, encouraging the legislation of taxes that would be applicable to the state of economy in the individual districts. There is no reason why people on Ebeye, for example, most of whom are wageearners who have a fairly substantial income, should not carry part of the cost of the community facilities, which are needed on that island. This has been under consideration and we have proposed to discuss it with the Marshall Islands District Legislature. This may be another approach which we can handle on a district-by-district basis, thus making some allowance for the fact that the economic status of all districts is not necessarily uniform.

However, I think that our main need right now for the immediate future is to carry out a complete reappraisal of our existing taxes -- the excise taxes that are applied to various types of imports and merchandise -- to make an analysis of the reasons why these taxes are not flowing in the Treasury and to set up procedures for more effective collection. Then, we must look rather carefully -- and, perhaps, this might be something to be considered by the next Congress of Micronesia in July -- into the possibility of a uniform income tax that would be applicable to Micronesians as well as Americans, with appropriate schedules of deductions for those that have large families, so that we can make a reasonable adjustment in accordance with the ability of the taxpayers to carry the tax burden.

(Mr. Norwood, Special Representative)

But I do agree, as I think I indicated yesterday and as the Visiting Mission has pointed out in its recommendation, that the ability and willingness to pay a tax should be a part of the process of governmental and community responsibility.

Mr. ROGERS (Australia): My last question is a political one.

The Special Representative has told us that elections to the Congress of Micronesia will take place in November of this year. I wonder if he could tell us whether there are programmes of political education which the Administration may be encouraging and which are designed to create the widest possible awareness of the elections and the issues which face the voters, what the electoral arrangements are, and what the elections mean in terms of the political present and future of the Territory?

Mr. NORWOOD (Special Representative): The experience today reflects a very lively interest on the part of the Micronesian electorate in the political procedure by which they select their representatives, members of the district legislatures, and the Congress of Micronesia. I believe that, while we have many problems sometimes in reaching all the voters in the more remote areas, the percentage of participation in the elections reflects very favourably upon the interest, participation and understanding of issues and candidates. The nature of campaigning varies widely from district to district. For example, in the Marianas the candidates themselves, of course, are representative of the two-party system there and they engage in lively, if not vitriolic, campaign oratory and aggressively present the issues and their platforms for the consideration of the voters. This is also true, I believe, in Palau.

(Mr. Norwood, Special Representative)

In some of the other districts the election is on a much lower key and the positive, aggressive quest of the candidate for votes is not regarded as a graceful approach to elective office but his somewhat low-key, almost apologetic appearance in request of support, is more in character with the process.

Now the extent to which the Administration can and should undertake an education campaign related to the forthcoming elections in November will depend on how we resolve this problem which we face by virtue of the fact that the members of the Congress of Micronesia who will be up for re-election in November will have to make a choice and will have to decide whether to continue to run for elective office or to retire from elective politics and retain their positions with the Administration. It is for this reason, as was indicated in the testimony yesterday, that the concept of an annual salary is currently under consideration and, if it is to have any bearing on the November elections, will have to be resolved rather soon. If the question is resolved in favour of an annual salary for members of the Congress this, of course, will then require or justify a rather intensive programme of information and education advising the voters of what has happened and the conditions under which the Congressmen will be seeking re-election.

This is related, of course, to some extent -- to a rather significant extent, in fact -- to the question of the political future of Micronesia, and I have no doubt that, in some areas and perhaps in some districts, the issues of the political future and the timing of the day of decision will figure in the political campaigns and in the elections in the various districts. Of course, we use the radio in all districts and have formulated policies whereby radio services in the districts are made available to candidates who are given certain guidelines to keep the political speeches within the bounds of good taste. We estimate that our radio broadcasts reach about 85 per cent of the population of Micronesia and that our local newspapers in the various districts reach about 50 per cent.

In connexion with the latter I should like again to acknowledge the contribution which the Peace Corps has made. This past year a very significant number of information specialists have been assigned to work with the district

(Mr. Norwood, Special Representative)

administration in developing the newspapers and many of these -- not many but several -- have begun to change into independent newspapers rather than government house organs, and this has also tended to encourage a broadening and a liberalization of public interest and public discussion of political issues and governmental policies.

Mr. ROGERS (Australia): I have no more questions and I should like to thank the Special Representative very much for the detailed answers he gave us.

Miss BROOKS (Liberia): Thank you, Madam President. Although I have already said how happy I am that you have been elected President of the Trusteeship Council, I should like to ask the male element in our Council to bear with me if I say that after long years in the Trusteeship Council, or assisting in the Trusteeship Council, the time came when the male element felt that they should have a female President of the Council, and having elected one, they decided to elect two in succession.

I should like to ask the Special Representative to excuse me if I repeat some questions which have already been asked due to the fact that it was not possible for me to be present yesterday. But there are certain problems which have existed for a long time and with which all of us are deeply concerned. One of those problems is war damage claims. I would like to ask how the situation stands with regard to this problem.

The PRESIDENT: I should like to thank the representative of Liberia, if the Council will allow me, and to say that if the Council saw fit to elect a second woman as President of this Council, it was because the first woman performed her duties so admirably.

Mr. NORWOOD (Special Representative): The war damage claims fall into two categories: those that arose out of the actual hostilities and those that arose from activities following the termination of hostilities. Claims that are directly related to the hostilities I think I shall ask Mr. Finger to cover, if he will, as he can bring the record up to date with respect to the status of those claims, and I can perhaps supplement that with some information on the post-war claims.

Mr. FINGER (United States of America): Before answering the question I should like to say that our very happy experience with the first female President of the Trusteeship Council certainly encouraged us to repeat the experiment this year.

Now with respect to the question raised, I believe that Miss Brooks was not present when I made a statement about those claims at our opening session, I would like to repeat that now.

"I regret to report that, despite the continuance of negotiations during the year, the United States is not yet able to report the conclusion of negotiations with Japan regarding Micronesian claims. Progress has, however, been made. The United States has made concrete proposals to the Government of Japan, envisaging a joint disposition of the claims question. Both Governments intend to continue to pursue vigorously the solution of the question, and the United States will keep the Council informed."

(T/PV.1325, p. 43-45)

Mr. NORWOOD (Special Representative): As I believe the record and perhaps also the report will show, in approaching the long-standing problem of claims arising out of activities that followed hostilities, a review team was appointed two years ago -- a year and a half ago -- and spent three months touring all districts, interviewing claimants and building a record of post-war damage claims.

Even today we have not yet completed that record. There are more claims to come in and we have, just recently I believe, set a date -- 15 September -- this fall as the cut-off date for claims to be received. We have distributed forms through which these claims may be registered, and have made arrangements for these to be received in each of the districts.

(Mr. Norwood, Special Representative)

Upon analysis, we have found that some of these claims are almost certain to have arisen out of combat operations, and therefore they must be screened and put in their proper category before they can be properly evaluated.

We have opened a claims office on Saipan and in the Marianas district centre, and have a claims officer who is devoting full time to tabulation and to preparing procedures for the evaluation of these claims. This programme was somewhat set back by the typhoon which virtually wiped out the claims office but happily did not destroy the records that are pertinent to this problem.

It is expected that we will need about one more year to review all the claimants in the various districts and to refine the existing data in order to eliminate those that result from wartime activities, to identify those which appear to be duplications and to establish the identification of claimants or their heirs. When this fieldwork has been completed we expect to be able to recommend a formula for settlement and to turn to the important question of funding the payments and coming up with a reliable total of funds that will resolve this long pending problem.

Miss BROOKS (Liberia): I would like to address this question to Mr. Finger.

I am wondering whether, in his estimation, it is possible for these war damage claims -- especially the one to which he referred -- to be dealt with before the date to be set for the self-determination of the people as a nation.

Mr. FINGER (United States of America): As the representative of Liberia is aware, negotiations between two Governments are difficult to predict. We are pursuing those claims as actively and as vigorously as is possible. I could only speculate as to the timing, but I would say that this is a good probability that agreement would be reached before the plebiscite on self-determination takes place.

Miss BROOKS (Liberia): I should like to thank the representative of the United States for the information regarding joint efforts to take care of these payments. I asked the question because I think that, in the historical development of Trust Territories, as well as of other Non-Self-Governing Territories, it becomes a difficult problem for peoples, after they have obtained

(Miss Brooks, Liberia)

self-determination, to be able to handle effectively and quickly the problems with which the administration had been faced but which it had been unable to solve.

I should like now to ask my distinguished friend one question to which I hope he will be able to give an answer that is not the usual one. I think that the Special Representative is aware of the concern of both the 1964 and 1967 Visiting Missions concerning the powers of the Congress of Micronesia, especially as to release of the control of finance. I would like to ask the Special Representative about this question of the veto power of the High Commissioner: does it still exist in law if not in practice, and how much budgetary control is exercised by the Congress of Micronesia?

Mr. NORWOOD (Special Representative): The veto power is still authorized in the Secretarial order and in the applicable laws, and it is also exercised in practice. The procedure of course calls for the authorizers, the Congress, to override any veto action by the High Commissioner if they have the time to do so within the schedule of their session; or they can override or reenact at the next session laws which have been vetoed, and then the action will go forward to the Secretary of the Interior for adjudication.

With respect to funding, and the appropriation of funds, or participation in budget programmes and budget projections, as was indicated in response to previous questions on this subject, we have not as yet devised a suitable procedure for providing opportunity for the Congress and its finance committees to get involved in this to the extent that it should be involved and, in my judgement, to the extent that it deserves. We are committed this year, in preparation for and anticipation of the fourth session of the Congress, to have a preliminary budget plan ready for submission on the opening day of the Congress, and we hope that we may actually have it ready before the opening day so that, if the Congress' committees are in action before the Congress actually opens, they may have additional opportunity to review the budget and give it early consideration. The procedure also calls for the Congress to have the privilege -- if the Administration and the members of the Congress cannot agree on the budget programme -- of forwarding its recommendations to the Secretary of the Interior along with the recommendations of the Administration. Here again, the Secretary is then privileged to adjudicate the differences.

(Mr. Norwood, Special Representative)

I believe that we all recognize, as we become more familiar with the relationship between the Executive and the Legislative Branches, that the present restraints on the planning and allocation of appropriations is a rather serious handicap to the Congress of Micronesia, and I would hope that through various devices -- and even the possibility of a special session, or special budget session, if necessary -- that we can more actively participate in the evaluation and establishment of programme goals, and thereby participate more meaningfully in the determination of how great a part of the available funds should be allocated for various program purposes.



(Mr. Norwood, Special Representative)

The problem is, of course, that the greater percentage of our available funds comes from the United States Congress and the Committees of the Congress expect the representatives of the Trust Territory Administration to account meticulously for all moneys spent and, to date, have not looked with favour on any very significant move in the direction of transferring the responsibility for appropriating funds to the Congress. I feel that we can collaborate and counsel more meaningfully than we have done in the past. This would be at least one move in the direction of resolving this long-standing and difficult problem.

Miss BROOKS (Liberia): I think the members of the Visiting Mission know how eager and how hard the Special Representative has tried to get funds for the Territory. It is true that the Administration has contributed quite a considerable amount; but taking the geographical situation of the Territory into account, even that amount can meet only a small part of the needs of the Territory. I was therefore impressed by the Special Representative's endeavours to obtain more funds from the United States Congress for Micronesia. I would like to know how successful his efforts have been.

Mr. NORWOOD (Special Representative): Before I answer the question just put, I should like to add to my answer to the previous question so as to mention that this past year, in an attempt to devise ways and means by which the Congress would become more familiar with the procedures of the United States Congress and with the Committees that look carefully at our funding, we asked the Congress to designate two representatives to accompany us to the hearings before the House Sub-Committee on Appropriations and the Senate Sub-Committee on Appropriations; and they did so. We were fortunate to have Mr. Raymond Setik from the Truk District, Mr. John Ngiraked from Palau, and Mr. Kaleb Udui from the Legislative Council in attendance when we appeared before each of these Committees dealing with appropriations. If the Congress is interested in doing so, we shall continue to do that in future years.

I should emphasize that these representatives were selected by the Congress of Micronesia, not by the Administration.

With reference to the amount of funds being made available by the United States Congress, I am pleased to report that we have made very significant progress. In addition, I feel that the visits made by representatives of the Sub-Committee of the House of Representatives and the Sub-Committee of the United States Senate gave both of these bodies a more helpful understanding of our problems. Already there is evidence of a sympathetic desire to help us move forward as fast as we can with development programmes to meet the needs for which funds will be required.

We have added one officer known as our programme analyst, whose responsibility is to work with all departments in projecting long-range financial requirements; along with that he will help sort out priorities and assist us allocate on a long-range basis the funding that will be required to continue our development programme. This is helpful in that it follows procedures that have been specified by the United States Bureau of the Budget, another very important agency interested in our funding and use of the finances made available to us.

We have also made it clear that, for purposes of orderly development, we need lead time, that is, we need a span of years for which funds have been allocated so that, as we look ahead, we can have reasonable assurance that in the next two or three years we will have a range of money with which to work.

Recently, the Senate Sub-Committee which visited Micronesia last winter reported out legislation -- in other words, it recommended legislation which still has to be enacted -- calling for the authorized expenditure of \$120 million for the period 1970-1972. This past year, funds appropriated for our use have been at the level of about \$24 million -- I am speaking of fiscal year 1968. In fiscal year 1969, starting on 1 July, we hope to have approximately \$32 million. And the proposed new ceiling, if it is approved through the final legislative process, will then increase the average amount available to us to about \$40 million.

We are attracted by the concept of a \$120-million ceiling spread over three years because that will enable us to come in with specific funding requests in any given year; that may vary from year to year, but they should not exceed the total authorization. Here, again, this gives us the flexibility we think will be helpful.

To summarize, I am greatly encouraged by the interest which the United States Congress has shown. I feel that if we can demonstrate our capacity to use this money wisely and show results that clearly demonstrate our ability to fulfil our obligations to the people of Micronesia, I have no doubt whatever that the Committees of the Congress will continue to be generous.

Miss BROCKS (Lib ria): The two previous Visiting Missions were concerned that the Micronesians should move up as quickly as possible to the highest echelons of the administration. I think the Visiting Mission referred to the possibility of a post of Assistant High Commissioner to be filled by a Micronesian. I think a suggestion was also made to have either a Council or a Cabinet work with the High Commissioner in order to give him some sound advice as to the desires and wishes of the people of the Territory with regard to its administration. I think it would be valid to say that in this way the decisions on the Territory would not be made by the High Commissioner alone or by the Department of the Interior, but would be a joint effort by the people of the Territory and the Administration.

I would like to know from the Special Representative if any consideration has been given to these suggestions and if so to what extent they have been considered.

Mr. NORWOOD (Special Representative): As I indicated in my opening statement and acknowledged in response to previous questions, we recognize that this is one area where not enough progress has been made. I think the manner in which the members of the Congress of Micronesia, as individual office holders, have risen to the responsibility of their office is a clear indication that we could expect and find similar capabilities and examples of responsible performance in the administrative branch.

We have been experimenting this past year with Micronesian representation at Cabinet meetings and at meetings of the department heads. This has taken the form of inviting Micronesians who are in positions of importance and substantial responsibility in the Cabinet Offices to attend Cabinet meetings and similarly to attend the general department head meetings.

In addition, during the past year I have appointed a Micronesian as my Special Assistant. As some of you know, this fine young man, Mr. Leo Falcam, was formerly District Administrator in Ponape. I feel that it is particularly desirable and helpful to have a Micronesian in my office at my right hand to help me think as a Micronesian, if that's possible it is probably not possible, but I try to put the decision in the context, whenever I can, of what it means from the Micronesian point of view. Mr. Falcam has been very helpful in this regard.

(Mr. Norwood, Special Representative)

The proposal for a Sub-Cabinet of Micronesians has been under consideration. I have not yet been able to see just how such a Cabinet could function, but it is an idea that deserves continuing evaluation.

It has also been suggested that if members of the Congress are paid on an annual salary basis during the period when the is not in session, the Congress itself or perhaps members selected by the Congress could form an advisory body which would work with the Administration on a continuing basis in reviewing programmes and problems, the effectiveness of legislation and administrative decisions. This is also another possibility that is under consideration.

One of our most important needs, of course, is for better training and this we have accelerated during the past year. We have been reorganizing some of our departments and selecting new people to direct these departments. We have insisted that it is a basic part of their responsibility to plan and carry out carefully designed and administered training programmes so that the gradual increase of meaningful participation by Micronesians on all levels of the administration shows steady progress and we hope more accelerated progress than it has in the past. It is not fair to the Micronesians to place them in positions of responsibility unless they are clearly qualified to accept the responsibility involved in those positions. On the other hand, if we wait until we are completely sure that we have qualified candidates, we may lag behind. I am inclined, on the basis of our experience over the past two years, during which I have been in this position, to take more risks in this regard, and perhaps part of the training process itself should be the more aggressive moving of people into these positions, taking our chances that a good job will be done. I think if we take a more liberal view the results will be reassuring.

Miss BROOKS (Liberia): Another concern is with regard to the question of taxation. I would like to know if any steps have been taken to have taxes paid by virtue of the services rendered directly in the Territory, or to have taxes revert to the Government of the Territory after payment. That is number one.

(Miss Brooks, Liberia)

Number two: What steps have been taken both by the Administration and by the Congress of Micronesia to ensure that the burden of development through taxation should be shared by the peoples of the Territory as well.

Mr. NORWOOD (Special Representative): We have taken no steps to date to return the United States taxes paid by Americans to Micronesians. I do not think this would be a particularly significant contribution to the revenue, but it is a possibility that may deserve further consideration. So far no steps have been taken in this direction as yet. I think there is general agreement that some form of an income tax, with appropriate deductions so that the burden and spread are equitable, should be considered.

(Mr. Norwood, Special Representative)

The first requirement, however, is to review our existing tax structure, to identify sources of revenue that are not being developed as efficiently and as effectively as they should be, to have our newly recruited revenue officer become acquainted with his work, and then to come up with a basis of data on which we can make a meaningful and reliable assessment of what our tax programmes should be. As previously indicated, the ability of Micronesians to share in the tax load varies widely from district to district and requires very careful and rather selective analysis.

Miss BROOKS (Liberia): One of the problems, as I saw it, in the Territory was that there were not sufficient scholarships for the number of students who wanted to avail themselves of the opportunity to study abroad. I am wondering what has been done in connexion with this problem. I think that even in Yap -- at the high school there -- there were students who felt that they would not be given the opportunity because there were just not sufficient scholarships. I think too that the recommendations for scholarships far exceeded the number of scholarships which were available in the Territory. Has anything been done to remedy this situation?

Mr. NORWOOD (Special Representative): We do recognize that our scholarship programme does not begin to meet the demand, nor does it as it is at present administered serve the long-range goals we feel our educational programme should have. There is, I believe, a great need for better correlation between the selection of scholarship programmes and opportunities in Micronesia for the application of the results of the study.

We now have almost 300 Micronesians pursuing various forms of study beyond the high school level. They range from almost sixty in various forms of professional education to some seventy in the social sciences, twenty-four in engineering, fifty-five in medical studies, and a number in other fields such as fine arts, law, agriculture, public protection, police work, and others.

(Mr. Norwood, Special Representative)

It is felt that through our scholarship office and a more careful consultation with the agencies that are providing scholarship programmes, such as the College of Guam and the East-West Center in Hawaii, we should have more effective follow-up than we now have. In other words, we should analyse the course given, counsel with the student more effectively during the period of his study, and then follow up with him to see, when he returns to Micronesia, whether there has been a meaningful opportunity for him to apply the skill or the special knowledge that he has gained through the scholarship programme.

It is also recognized that in addition to funding these scholarships from moneys made available to us by the Congress, there are probably many other agencies and institutions and sources of scholarship assistance which we are not now tapping. Here again, a broader vision on the part of our scholarship office is indicated in order to make this a more meaningful experience for the beneficiaries of the scholarship programme. One of the key recommendations of the Stanford Report which we feel has considerable merit is the suggestion that we should have a one-year transitional programme for the Micronesians who are leaving high school and entering some form of advanced study, so that before they go to the College of Guam or the University of Hawaii or other universities or colleges in the ~~xxxxxxx~~ United States mainland or elsewhere, they have a one-year college preparatory experience to enable them to strengthen their English language competence and perhaps to tone up other needs that will equip them for a more effective experience in the scholarship opportunities which they will have.

I think it is recognized that until we can reach the point where we can have a junior college -- or in the future, a college of Micronesia -- that the scholarship programme itself appears to be the best interim answer. But considerably more money, considerably better staff organization and better planning and co-ordination with the various universities and colleges offering scholarships to us, should be established.



Miss BROOKS (Liberia): It would seem that the Special Representative anticipated the next question I was going to ask and gave the answer in advance. I was going to ask whether he did not think that the junior college proposed by another Mission would have an effective role to play in this particular situation, but he has already commented on that.

I should like to answer another difficult question. This is straying back to the political field. I want to know whether, in dealing with the Congress of Micronesia and the people in the Territory through its Administration there, he can give me an approximate time when he thinks the people of Micronesia will be ready for self-determination.

Mr. NORWOOD (Special Representative): I think that this is a question, Dr. Brooks, that my associates might be in a better position than I to answer. You have asked me for my opinion, and I shall be glad to give it. The proposed establishment of a status commission has contemplated that a plebiscite should be held on or before 1972. There is some opinion, both in the Congress of the United States and I believe also in the Congress of Micronesia and among the Micronesian public at large, that the recommendation of a date should follow the appointment of the study commission and should be based upon its recommendations.

As is known, the Congress of Micronesia has appointed its own study commission and is currently in the process of evaluating various factors and alternatives that would affect the determination of a date.

I was asked a question similar to this when I first appeared here some two years ago, and my answer at that time was that I hoped to see this decision made during my tenure and I still hope that it will happen while I am in this office. However, there is a wide range of opinion within Micronesia with respect to this issue and many of the Micronesians take the view that they want plenty of time to understand what alternatives are available to them and what the political alternatives mean in relation to the economic factors that affect various forms of government, and the relationships between political self-determination and economic self-determination. But I would suggest, if it is your pleasure, Madam President and Miss Brooks, that my colleagues might contribute some helpful opinion on this one.

The PRESIDENT: Could I ask the representative of Liberia whether she wishes to hear from other members of the delegation?

Miss BROOKS (Liberia): I would be delighted to hear from the representatives of the Territory. I had the impression that they were in the process of studying and had not really arrived at a conclusion, but if they wish I should like to hear from them.

Mr. SAWAICHI (Adviser to the Special Representative): I would go along with the opinions expressed by all concerning the fact that we are still in the process of studying the possibilities; I also feel that the time to decide our political future depends on the people themselves. If they give enough indication,

(Mr. Sawaichi)

it is for the Micronesian people themselves to decide when -- that is to say, the time to determine our future.

Miss BROOKS (Liberia): I would like to pose this question to the Advisers. In the Territory, we discovered that in certain remote areas the people were rather politically minded; in other remote areas, they seemed not to have known what it was all about. In still other areas, they knew what the situation was but were hesitant to speak about it. In still others, there were people ready to talk about it.

Now, what steps have been taken by the Congress of Micronesia in order to enlighten the people in these Territories so that they would be able to understand fully that this is a question that they cannot avoid -- no matter how long they might postpone it -- and so as to stimulate them to discuss these problems and to be able to arrive objectively at a decision regarding them.

Mr. SAWAICHI (Adviser to the Special Representative): I believe that in certain parts of the Trust Territory some people are not well aware of what is going on with regard to political matters. But I think our educational system and our schools have begun to teach some subjects having a bearing on our political future. I am confident that within a few years the people of those areas will know about our political problems.

Miss BROOKS (Liberia): I should like to thank the Special Representative, the representative of the United States, and the Advisers to the delegation for so patiently answering my questions. I look forward to reading the report; I have asked about it, but I have not as yet seen the written report. After I have done so, I think I shall be in a better position to assess the entire situation -- not to ask any further questions, but rather to make a statement.

The PRESIDENT: I understand that the representative of the Soviet Union is not quite ready to commence with his questions which he wishes to address to the Administering Authority, but that he will be ready this afternoon in time for our meeting at 3 p.m.

(The President)

In this case, while we had hoped we might be able to conclude the questioning in one meeting this morning, the Council will meet again this afternoon at 3 p.m. and, once again, I would ask that the members of the Council make every effort to be here promptly.

The meeting rose at 12.20 p.m.