

UNITED NATIONS  
TRUSTEESHIP  
COUNCIL



PROVISIONAL

T/PV.553  
8 July 1954

ENGLISH

Fourteenth Session

VERBATIM RECORD OF THE FIVE HUNDRED AND FIFTY-THIRD MEETING

Held at Headquarters, New York  
on Thursday, 8 July 1954, at 2:30 p.m.

Acting President:

Mr. PIGNON

(France)

Note: The Official Record of this meeting, i.e., the summary record will appear in provisional mimeographed form under the symbol T/SR.553 and will be subject to representatives' corrections. It will appear in final form in a printed volume.

54-19035

EXAMINATION OF CONDITIONS IN THE TRUST TERRITORY OF THE PACIFIC ISLANDS: ANNUAL  
REPORT OF THE ADMINISTERING AUTHORITY (T/1118, 1122; T/L.478)

[Agenda item 4(e)] (continued)

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

Economic advancement (continued)

Mr. SINGH (India): We have been very vexed to see that one or two problems have been outstanding for a very long period; we had hoped that the special representative would report to us that they had been settled satisfactorily. We feel that, if they have not been settled yet, and if there were some time-limit set in the mind of the Administration, then it would add to the urgency of the problems, in the minds of the Administrators who are going to settle them. We were wondering whether, in the case of these two problems, the Administering Authority has got some tentative date in mind. The first problem to which I refer is that of the yen currency. In the special representative's statement he said that it was hoped that the Administering Authority would soon to be able to deal fairly in connexion with many of the claims. Has the Administering Authority any date in mind concerning the final settlement of all these outstanding claims?

Mr. MIDKIFF (Special representative): We have begun, in one district, to settle the yen currency claims and it is my hope and belief that within a few months these claims will be settled. It would have been very gratifying to me to have been able to state that they were settled, but there have been some unavoidable delays. I think, however, that these yen claims will be settled within a very few months.

Mr. SINGH (India): I am very gratified to learn that, and we hope that the next annual report will contain some such conclusion.

The second problem which I have in mind was the land claims settlement. A number of titles still remain unsettled, and I was wondering whether, in that matter also, the Administering Authority has a date in mind.

Mr. MIDKIFF (Special representative): I cannot be quite so optimistic about getting all these claims settled. I have had considerable experience in the problems arising in the settlement of land claims and I know that it takes time to work out a cadastral survey and the location by metes and bounds in concrete posts instead of by the use of ancient landmarks that have disappeared and the procuring of testimony from local people. All this is going on with an augmented staff, and some tentative settlements actually have been made during the past year which, we feel certain, will prove to be, without any question, permanent settlements. For instance, on my second last trip to the Marshall Islands I requested that the whole Island of Wotje should be reoccupied immediately by the original owners and that they should work out details of settling the final title, and so on, as soon as practicable. That is the way we are proceeding, and I think it will be possible, during this coming year, to settle all these major land claims.

I believe that the Trusteeship Council hardly comprehends the vast amount of detail required when one gets into settling land claims that have been undetermined for a couple of generations. Testimony is hard to get and to be sure about, there are conflicting claims, and so on, and we wish to do this properly. Meanwhile, we are letting people move on to the lands and occupy them and use them in the expectation that our first judgments are going to work out all right and will result in few readjustments having to be made later. I hope that during this coming year we may have most of these things settled.

Mr. SINGH (India): In one place I read that of 687 square miles the indigenous inhabitants had 250 square miles in 1951 and the Administration and public domain 434 square miles. I do not know what had happened to the remaining 3 square miles, but could I ascertain what these land claims will mean? Will they mean that the indigenous inhabitants will get more land, or that the indigenous inhabitants have land which will be transferred to other indigenous inhabitants?

Mr. MIDKIFF (Special representative): The land taken as public domain by the Japanese included large areas. That is why the figure seems so startling. Those large areas were, to a considerable extent, middle and higher lands -- forest reserves, slopes and so on -- which the Japanese noticed were not occupied by settlers and which they therefore felt they might as well take and regard as public domain, and they began to occupy these upper lands with colonists. The Micronesians had very wisely refrained from occupying these upper lands because they are watersheds and the gradient is such that if the areas are cleared and the forest is removed erosion takes place and they are in danger of losing their water reserve and their forest.

This constitutes the big percentage of the 434 square miles which was taken over by the Japanese as public domain and which we fell heir to and still call "public domain". We are attempting to re-forest it and to cause people in proper areas thereof to homestead where we have need of more area. I think



that that is probably the most significant feature of the public domain. Other items that we do not need for administrative purposes we are planning to return to the Micronesians. For example, in the island of Uliga, in the Marshalls, in the Majuro Atoll, we are consolidating our administrative area, cutting it way down and making thereby a considerable part of what has been administrative land in the past available for reuse and resettlement and return to the original owners.

Possibly that explains the main features of the public domain problem and the figures quoted.

Mr. SINGH (India): Could the special representative give us, perhaps, not an exact figure but a rough estimate of what the distribution will be after these claims are settled? What then will be the distribution of this land between the indigenous inhabitants and the public domain and Administration?

Mr. MIDKIFF (Special representative): We have not been rushing to turn back the great slopes -- watersheds, forest reserves and so forth -- to the original owners. Those original owners made use of these upper slopes for timber and for quarrying of rock for their tools, as well as for herbs and so on, and it is really a question whether or not, in the interests of the public, of the Trust Territory as a whole, or of one island as a whole as, for instance, in the case of Ponape Island, it might not be better to go slow in restoring them to individual owners as against keeping them as public forest reserves and watersheds.

That makes it difficult for me to give a definite reply at the moment because it is something needing study by hydrologists, water experts, forestry people and so on, and whereas it may not go back to the original owners, except for those areas that are suitable for homesteading, the remainder may be kept as Trust Territory public domain as a forest reserve. I think it would be impossible for me at this time, with any degree of certainty, to answer the question specifically.

Mr. SINGH (India): May I ask whether the Administration has a certain figure in mind as to how much it is going to reserve for forestation? I find the following in the Visiting Mission's report:

"Timber is [one of] the chief resources of the Territory.

The economic potentialities of the Territory's forests were surveyed in 1950, but no specific information was available to the Mission concerning the results of the survey."

I was wondering whether the results of the survey are available now and whether the survey recommended any special figure as to how great an area should be kept under forest.

Mr. MIDKIFF (Special representative): I have to state that we have not gone far enough in the study to enable me to give a figure at this time. It may be that, during the course of this coming year, something fairly definite can be stated. We always find the conflict between the need for more homesteading land and the need for conserving the forest area and the watershed, and I just do not believe that we yet have the data that would permit us to give anything like a definite figure. It is one of the things we are trying to get -- and with this understanding, too: that from time to time we may have to restudy the matter and we may have to condemn certain areas that are occupied and set them over into forest reserves, depending upon the water situation. It is something that will have to be studied and watched continuously, and it certainly will be decided upon the criterion of what is for the best interests of the Micronesians. Possibly a year from now, we may be able to give something more concrete along that line.

Mr. SINGH (India): I am not quite clear in my mind as to what I should conclude from that. The survey was carried out in 1950. Am I to conclude that that survey was not completed, or was not completed satisfactorily, and that another survey is being carried out now which will give more satisfactory and more complete information?

Mr. MIDKIFF (Special representative): The survey of 1950 was a very cursory survey as to land use and was quite inadequate as a survey on which to base a definite programme. Studies are being continued, by our agriculturalists particularly, of proper land use. We do not yet have a good land use study, a thorough land use study, of our high islands. The low islands are being studied, atoll by atoll, to get representative atolls in order to draw conclusions. But, in general, they are pretty well occupied at the present time. Just during this past year, I authorized the Kapingamarangi people, now resident on Ponape -- called the Greenwich Village people on Ponape -- to use one atoll that has very few coconuts on it, so far, and to go out there and use it as a fishing area, a shelter, and start planting coconuts on it on every fishing trip they make. But, on the whole, the atolls are pretty well occupied and covered. It is the high islands that require more study. In general, they have been seriously injured by clean farming during the Japanese administration, and we are quite sure that the first thing to do is to get forests planted there instead of trying to make homestead occupancy in some of those steeper places. It requires a continuing study. It is something to which we are addressing ourselves now -- the agriculturalists are working on it -- but we do not have anything like a full and complete study of the thing yet.

Mr. SINGH (India): We look forward to more information on that aspect.

I now want to ask a question about the phosphates land. This is the second Territory in the Pacific area which produces phosphates, and we were delightfully surprised to read, in paragraph 109 of the Visiting Mission's report:

"Detailed precautions are provided in the recent contracts to preserve the agricultural resources of the island. Repeated ground water tests are conducted under supervision of a government representative who has power to terminate mining in any area where dangerous seepage of salt water is discovered. Most important, however, the Company is required to backfill all mined areas before termination of the contract. Experiments have shown that such refilled areas can to a certain extent be restored to agricultural production with adequate fertilization. At the time of the Mission's visit, backfilling was progressing at a rate twice as fast as the mining of ore and the Mission was informed that all areas mined

at that time could be filled within approximately two years. The Mission was also able to inspect an experimental plot of taro being grown on reclaimed land."

Could the special representative tell us how the backfilling is progressing and what success has been achieved in the cultivation of crops on this reclaimed land?

Mr. MIDKIFF (Special representative): Not very long ago, I personally walked around over the island of Angaur, over the land that has been backfilled, and observed the areas that are still to be backfilled and the areas still to be mined, so that I could make a decision, which decision was requested by the Phosphate Mining Company of Japan. They wished to extend their operations, and they had been falling behind somewhat in the backfilling process. For that reason, we suspended the mining altogether, requiring them to catch up with the backfilling a bit. Now they are catching up with the backfilling, and before long they will be able to go ahead and complete the area 1 D, which is their last area and which we required them to mine in compartments -- to mine a section and backfill it, mine another section and backfill it -- meanwhile backfilling Lake 2, another unfilled lake in which they were behind in their schedule for backfilling. This is a dead expense for the Phosphate Mining Company -- that is, the backfilling -- and naturally they would like to offset it with more mining. But we have had to make the decision that the mining must cease in order to preserve the taro land -- a reasonable amount of taro land -- for the north side of the island.

I would state, therefore, that we are watching very closely to see that the required areas are backfilled. As to the results of the backfill, it is evident that it takes quite a while for sufficient soil changes to take place in order to permit agricultural activities. There are some crops which will grow on the backfilled area when a certain amount of soil has been restored. We find that there is salt water rising underneath the area somewhat and it is not too encouraging. That is the reason we forbid the further mining of area 1 E. It is going to be possible to move some soil from one area on to certain of the backfilled areas and thereby increase the agricultural acreage of the northern part of Angaur. These activities are being watched carefully and are in process, and I hope they will be rounded out satisfactorily.

Mr. SINGH (India): I was very glad to hear that. Could I ask one more question concerning health and education expenditure. On page 28 of the annual report I find that the expenditure on health has decreased from 1953 to 1954. The 1954 estimate is about \$100,000 less than that for 1953, and the expenditure on education has gone on decreasing from 1952 to 1953, and then from 1953 to 1954. This is excluding the Saipan district. Could I ask the special representative what special reasons there are for having the expenditures on these very important aspects of the Territory go on decreasing like that?

Mr. MIDKIFF (Special representative): As a result of a drastic budget cut we have decreased our personnel in all fields. The greatest percentage was in the field of public works. We had to cause a great suspension of activity in the field of public works and in the field of administrative costs, but we also had to make some reductions in the fields of health and education.

I feel that the programmes are going along very well. As they look back upon the last year, my staff is of the impression that even with a decreased expenditure and a somewhat decreased staff, the work is being quite well done.



It has caused us to withdraw a number of American personnel and to place the responsibility for several of these posts on the Micronesians. The native medical practitioners and the aides who have been trained in the hospital, for instance, are taking the place of some of the surgeons, some of the dentists and some of the sanitarians who are American personnel.

With regard to education, there has been a decrease in some of the American personnel, but an increase in the Micronesian personnel and an upgrading to carry on this work.

As we look back and as I have reviewed it with my staff and have made the trips through the Trust Territory -- though they were rather fast, there were four of them -- I feel that the work is going along fairly well in these two fields. We could double our expenditures or triple it and get better results. But it may be said that the programmes are very good, in my opinion. Our personnel which is responsible for them and takes great pride in and are concerned with the success of these programmes are fairly well satisfied at the present time.

Mr. SINGH (India): We feel that there has to be a lot of leeway in the Trust Territory and that it would have been better to increase the efficiency without decreasing the budget. Could I find out what the reasons were for cutting down the budget?

Mr. MIDKIFF (Special representative): I think that was in keeping with the national programme of the present administration to reduce government costs. Great reductions were made in defence and in various departments of the Federal Government, and the Department of Interior, of which we are a small section, took very serious cuts last year and this year in trying to balance the budget. It is an attempt on the part of the Government to balance the budget and reduce the expenditures which were believed to be exorbitant and too high to sustain.

Sir Alan BURNS (United Kingdom): Page 26 of the annual report states that section 1143 of the Code of the Trust Territory "provides that taxes may be paid in labour in lieu of currency". I should be interested to learn of the extent to which people prefer to exercise this option.

Mr. MIDKIFF (Special representative): I do not think that I have definite figures concerning this. We permit payment of taxes in labour or in kind; that is, a deduction in copra which is brought in, in place of cash, where the people find it difficult to raise the cash and money. It is not a large percentage. Most of the taxes, as we read them out this morning, are taxes on copra which are deductions from the payments to the producers. The same is true as regards taxes on trochus and on phosphates. There are also taxes on imports of luxuries, cosmetics, etc.



The small municipal taxes and so forth are to a considerable extent paid by the people by labour. The money required by the municipalities for the payment of school teachers is now being provided not from individual taxes, but, in one case, by a one-mill tax on copra and in two other districts by import taxes on trade goods. I think it is safe to say that the taxes that are payable in labour in lieu of currency are those assessed by the municipalities in order to get improvements made in public works. That is the type of work that the inhabitants can do if they do not have the currency.

Sir Alan BURNS (United Kingdom): With reference to page 33 of the report, I am very glad to learn from the report and from the special representative of the recovery and improvement of the coconut industry. Can the special representative give us some information about the marketing arrangements which are in effect today, and whether the expansion of output from the Trust Territory will require the exploration of new markets?

Mr. MIDKIFF (Special representative): The Island Trading Company purchases the copra from the producers and, in some cases, from local wholesalers. The latter system was set up recently and is now established. It will be the successor to the Island Trading Company in each district. The Island Trading Company then secures bids in the west coast of the United States and Japan, and offers the copra for sale through brokers. We do not anticipate that any change will be required in the marketing procedure as the production increases.

One event happened recently, however, that will probably cause us to market our copra on the west coast almost entirely, instead of in Japan. We have been told that a very favourable trade arrangement has been made between Japan and Indonesia and between Japan and Manila, so that instead of using dollars, Japan will be able to secure copra in exchange for fabricated trade goods. This, of course, puts us at a decided disadvantage, and it appears as though the Japanese market may not be available to us in the future. It would seem that our market will have to be the west coast of the United States, and that probably the Copra Stabilization Board will act as the marketing agent and secure bids from the different brokers and dispose of large parcels of it, shiploads at a time.

Sir Alan BURNS (United Kingdom): With reference to page 34 of the annual report, I was interested to read of the successful development of indigenous commercial corporations with the encouragement of the Administering Authority. I would be grateful if some information about their activities could be given. Could the special representative tell us what sort of goods they handle and with which outside countries they have dealings?

Mr. MIDKIFF (Special representative): If I gave one illustration, possibly it would serve the purpose. I shall use as an illustration the company that has the most advanced development and the best credit, the Truk Trading Company. The other companies are similar, but they vary in their degrees of stability and credit.

The Truk Trading Company is a stock company, the shares in which are entirely owned by Micronesians in the Truk district. There is one American employed as a manager, and all the other employees are Micronesians. This trading company now has three small ships and a tug. The Micronesians in their own private vessels bring all the copra of the atoll to Nomwin, the centre. The three 50-foot ships of the trading company go to the nearby islands and bring in copra. The remainder of the copra, from the more distant atolls, is brought in by our own AKL, the Administration's visiting ship, and the Truk Trading Company buys the copra at the authorized rate per ton. It holds the copra and provides storage and stevedoring, and is paid the price of the copra and \$10 per ton for the assembling, storing and stevedoring of the copra. With the receipts, the Truk Trading Company has credit to buy merchandise. This merchandise comes from two sources, about 15 per cent from Japan and the remainder from the west coast of the United States.

Our own ships come back from Japan with a certain amount of goods for the Trust Territory, but they are not permitted to carry goods for private firms. The Japanese merchandise is cheaper and very accessible, but our ships cannot bring it back. Therefore, most of the merchandise handled comes from the west coast on Pacific Far East Line ships, and is picked up by our own ships and carried through the Trust Territory.

The Island Trading Company for the most part has provided credit to the Truk Trading Company. The Truk Trading Company, however, is now permitted a certain amount of credit by the branch of the Bank of America in Guam.

That covers the chief features of the activities of our trading companies. The other trading companies act in about the same way, except that we do have a few that have not had connexion with the Island Trading Company. Of course, the firms of Carlos Etscheit and Leo Etscheit on Ponape and a Mr. Hammond on Kusaie, and a few other traders, exist in the Territory and have not had the support or assistance of the Island Trading Company. They have been getting on very well under their own steam, and that, in general, is the picture.

Mr. RIFAI (Syria): My first question relates to copra price stabilization. I note that the Administering Authority is resorting to a two-fold policy in order to ensure a stabilized price for copra in the Territory. The first policy was by granting a monopoly to the Island Trading Company and to the Northern Marianas Development Company and also by establishing a copra stabilization fund. We know that the Island Trading Company is about to fade away or disappear. My question is this. Is there any fear that the domestic or indigenous companies that will take the place of the Island Trading Company through some sort of competition between themselves might upset the stabilized price of copra?

Mr. MIDKIFF (Special representative): The continuation of the Copra Stabilization Fund is one of my chief hopes. I feel that it is essential to the success of the copra industry in the Territory. It is used by practically all copra-producing areas; it is something in the nature of a Copra Stabilization Fund; I believe it will be continued. We hope that we will be able to control the matter so that, while not interfering seriously with free competitive enterprise, we nevertheless will be able to have some regulation of trade which, for one thing, would permit the setting aside of the difference between the cost of getting the copra to market and the sale price into a fund which could be drawn upon when the cost has gone below the sale price so that we will still have that stabilized price to the producer. The plan at present is to have the Copra Stabilization Board itself carry on that Copra Stabilization Fund and administer it. We hope that we will be able to make regulations in the trade so that this will be possible or some other system will be possible, even if we should have to resort to a substantial export tax to do it.

Mr. RIFAI (Syria): My second question relates to the phosphates industry. I read on page 38 that "\$15,000 from the fund is distributed to the people of Angaur each year". This fund is established for the people of Angaur. I should like to know on what basis this sum of money is distributed. Is it on the basis of ownership of land which happens to be phosphate land or is it just without any discrimination to any person who inhabits the island?

Mr. MIDKIEF (Special representative): It is on the former basis. The various clans there own the land, and the distribution is made to the people of Angaur on the basis proportionate to the land area on the one hand and to certain other people whose lands have not been mined on the other hand -- a much smaller percentage of the annual payment. The \$15,000, by the way, is payment of interest and in part of capital. That distribution is made to the clans who own the land from which the phosphates have been mined, and these clans receive a larger share than the clans which have not had their lands bothered. All the people have helped to mine the phosphates; it has disturbed their normal activities of agriculture and so forth, so that clans whose lands have not provided phosphates require assistance. It has been agreed upon amongst the clans how it should be divided, and we have carried out the distribution that has been agreed upon and found to be fair by the clans themselves.

Mr. RIFAI (Syria): The following question is with regard to concessions. I note here that three concessions have been granted in the Territory. We know about one which is the Phosphate Mining Company; the other two are the Micronesian Metals and Equipment Company for the removal of scrap metal in the western Carolines and northern Marianas; and to the Dean Brothers for the removal of scrap metal in the northern Marianas. I should like to ask whether these concessions, the last two concessions, redound in any way to the material good of the inhabitants of the Territory. Are there any benefits derived from these concessions by the people?

Mr. MIDKIEF (Special representative): The northern Marianas is now under the Navy and I think that the activities of the Dean Brothers have terminated. I am sure at any rate that scrap metal is being purchased by Micronesian Metals and Equipment Company in Saipan, Tinian and Rota, as well as throughout the rest of the Trust Territory. So I think there is only one scrap metal organization now; namely, Micronesian Metals and Equipment Company. The people of the Trust Territory receive a royalty of \$6.50 per ton for the scrap. The scrap has deteriorated rapidly, particularly the ferrous scrap.

This is regarded as a fair receipt for the people of the Trust Territory; this money goes into economic development, conservation and welfare funds of the Trust Territory; it has gone there in the past. It is all used for economic development, conservation and welfare. It is, I believe, "a one-shot operation". The scrap will soon be exhausted and that source of revenue to the Economic Development Fund will cease. Meanwhile, we will have started several projects such as the pig improvement project, the poultry project, the cocoa project, and so on -- assisting things like that with the revenues from scrap.



Mr. RIFAI (Syria): I note from the report that customary land control systems effectively restrict the indigenous population's movements outside their sphere of kinship ties. Is this the only formidable restriction on the movement of the population in the Territory, or are there other restrictions?

Mr. MILKIFF (Special representative): About the only other restriction comes from a lack of funds and transportation. The Micronesians are always travelling about to the capacity of our ships. They get the money for it somehow to make the trips and the ships are always loaded as they go back and forth throughout the area. If they wish to go to Guam they can get permission; it is seldom denied and only in exceptional cases. But the owners of the land are always consulted before there is any shifting of population. For example, if a Kusaie group wished to come over to Ponape, or if a Pingelap group -- Pingelap is a crowded island -- wished to homestead a section of Ponape, the matter would have to be considered very carefully with the landowners of Ponape. Things of that sort are being arranged constantly. But the landowners have their requirements too. They want to be sure that these foreigners will observe their laws, their regulations, and their customary laws. Otherwise, they do not want to be bothered; they do not want to have disruptive influences coming in from the outside. If people come in they want them to be able to work and to take care of themselves, rather than being a burden and destroying their rules of society. We are very careful to observe the rights of these landowners, who are the clans and tribes and have a right, we think, to determine who shall come to live among them and how many they can take care of.

We are working at this sort of thing constantly, and during the past year there have been three rather substantial movements made along that line, but always with the consent of the present residents so that the latter may render assistance and give a welcome to the people. For example, when the Rongelap people were sent down to Majuro, the people of Majuro were consulted and agreed to make room on one of their islands for these people temporarily, and they have been hospitable in receiving them and assisting them to get along and to be comfortable.



Mr. DORSINVILLE (Haiti) (interpretation from French): I should like to go back to the question of phosphates. It has been said that, within a period of two or three years, the exploitation of these phosphates will cease and that a fund has been set up to protect the inhabitants of Angaur against the economic effects of this situation; a sum of \$15,000 has been distributed. I should like to ask the special representative what is the rate of indemnity which will be paid to the inhabitants of Angaur when these phosphates can no longer be exploited. And what is the relation between the rate of that indemnity and the annual income which accrues to the inhabitants from the operation of the phosphate mines? Will this indemnity be paid in perpetuity, or does the Administration foresee that it will be paid over a period of X years until the land has been completely rehabilitated or until the inhabitants are in a position to find other means of support? I shall appreciate it if the special representative can give me some details on this question.

Mr. MIKIEFF (Special representative): The careful studies made by the hydrologists and agriculturists, who are watching the phosphate mining at Angaur, have caused us to terminate the mining operations sooner than was anticipated, and I expect that by the first of October the mining will have ceased; the backfilling will be just about completed at any rate. During the taking we have established a severance fee of two dollars per person and that has built up what we call the Angaur Mining Trust Fund. We, as trustees, are obligated to pay the interest on that fund up to \$15,000 a year and, if the interest is not adequate, to pay the interest plus a portion of capital up to \$15,000 a year to assist the people who have had to devote their time to mining phosphate and who have suffered a reduction in their agricultural area. We have had the Mining Company backfill and shovel back on the backfill, and we are now working to restore the agricultural potential to the island. The Mining Trust Fund is to be disbursed on or before the date of the expiration of the last person in being at the time the trust fund was formed. That may possibly be fifty years, so that the fund will have been distributed over a period -- shall we say? -- of fifty years in interest and principal, and we hope that by that time the agricultural potential of the area

will be restored and that we can assist the people to increase their agricultural production and other resources.

Mr. DORSINVILLE (Haiti) (interpretation from French): On page 33, and following pages, of the report, mention is made of various branches of agricultural activity which are carried out in the Territory. Cacao is mentioned, and also coffee, cattle raising, fishing, etc. But there is one observation made by the Administering Authority concerning which I should appreciate some clarification by the special representative. It is said on page 33: "Potential resources for an adequate subsistence for the people of the Trust Territory appear to exist in the Territory". "...appear to exist in the Territory". I should like to have some explanation from the special representative on this point. Is this observation explained by the information which follows that statement, in connexion with the production of cacao, coffee, etc., or does it refer to something which is not contained in the report?

Mr. MIDKIFF (Special representative): Subsistence economy obtained before any outsiders came to Micronesia. The resources of land, soil, and so on were adequate to provide a living. They farmed their lagoons as well as fishing in them, and obtained flora -- plants, seaweed and the like -- as well as shell fish and small reef and lagoon fish. Some of those resources were seriously disturbed during the war by bombing and by the dynamiting of fish at a time when the shipping was interrupted by submarine warfare, so that changes took place. We are now assisting the Micronesians to recover and recuperate from those changes, and it is our belief that, with the application of modern sciences, we can not only restore the previous subsistence potentiality but can carry things somewhat beyond that, even despite a steadily increasing population. That is our objective.

Mr. QUIROS (El Salvador) (interpretation from Spanish): On page 106 of the annual report, in which we are given statistical information, we are told that there are ten trading establishments and enterprises organized and registered under the laws of the Trust Territory. On page 34 the names of the private corporations are given, and the special representative has already told us what are the activities of some of them, particularly the Truk Trading Company, which appears to be the most important and to do the largest business.

Since there is no income tax or corporation tax in the Territory, I should like to know what kind of taxes these trading establishments and enterprises pay. Do they merely pay higher licence fees, or are they subject to some other form of taxation which can be levied on businesses operating at a certain level? In other words, what kind of taxation do these companies pay?

Mr. MIDKIFF (Special representative): We have a tax advisory committee in Honolulu and, interestingly enough, that is one of the subjects that we have been considering during the past year. We plan to impose some form of corporation tax. We have not arrived at the best tax structure yet: that is one of the undertakings before us. Heretofore we have been more concerned with keeping these corporations out of trouble and getting them on to a good, firm footing so that they could really serve the needs of the people, have a good credit rating and be somewhat stable. Until now, therefore, we have not been of

the opinion that it would be wise to tax them. They have been making profits and paying dividends, but the latter have been in the form of stock dividends so that they have been conserving their cash. Some, although not all, have been operating at a profit. We believe that the time has just about arrived for us to arrange for levying taxes on businesses. Hitherto there has been only an annual licence fee.

Mr. QUIROS (El Salvador) (interpretation from Spanish): In reply to a question from the representative of Australia the special representative gave some very interesting information with regard to the cultivation of coffee. On page 33 the annual report tells us:

"An attempt is now being made to revive the production of coffee in the Saipan District. The former Japanese coffee plantations on the slopes of Mt. Tapochau are being rehabilitated and a small but adequate coffee mill has been set up."

This leads me to believe that coffee is being processed in the Territory, which is interesting. The special representative told us that there was not enough coffee produced for export purposes and that there were no encouraging signs that export would be possible in the future. I should like to know whether the coffee which is produced and processed in the Trust Territory is all consumed there and, if it is, whether it is consumed by the indigenous inhabitants. In other words, do the indigenous inhabitants like coffee or is the coffee drunk solely by the American inhabitants?

Mr. MIDKIFF (Special representative): I am not as well informed as I might be concerning the coffee-drinking habits of the people of the Marianas, but I suspect that they may have yielded to temptation by this time and got into the coffee-hour habit. At any rate, none of the coffee is exported. It is very small in amount, and I do not know about the quality. I surmise that the American personnel is in the habit of purchasing standard brands and would prefer its own customary brands. I would hazard a guess that most of the local coffee is drunk by the people of the Marianas, but I have not really any facts.

In this connexion I should like to make one small observation. I was thinking after I had spoken a little discouragingly about coffee this morning that it was quite out of character for me to speak discouragingly about anything that the people wanted to try, except in so far as they might waste money on experiments. I am all for assisting them to try to make a success out of coffee. I do not expect the prices to stay up as they are indefinitely. I have, in my own experience, been through a number of disappointing periods on the subject of coffee prices. I should like to add that all I have in mind is to take a cautious attitude and, at the same time, to encourage anyone who wants to make an effort in coffee to do the best he can with it and try to prevent him making any too serious mistakes. That is my attitude at the present time. I felt that I would like to place it on record and thus, possibly, correct the misapprehension that I would try to discourage anyone.

Mr. QUIROS (El Salvador) (interpretation from Spanish): I should like to make clear that, when my delegation asks questions concerning coffee, this does not mean that we are in any way concerned about any future competition, which, of course, we would always welcome in any case. But what is of interest to us is to know whether the local inhabitants like coffee, because, if they like coffee, it might be a further encouragement to them to grow it on a larger scale and to grow it as successfully as possible.

My next question refers to the information on the last page of this chapter, which concerns the radio stations in the Territory. It is stated that there are two local radio stations in Truk and Marshall Islands, which transmit both in English and in native languages and which broadcast news and entertainment programmes. I do not know whether my question would relate more closely to cultural matters. However, since I have already started upon it, I might as well ask the question now, since this information in regard to radio stations is under this section of the report.

This is what I should like to know: the year before last, unless I am mistaken, we were informed in the report on the Territory of Western Samoa that the Administering Authority, as a means of bringing about progress in education and cultural advancement generally among the population, had imported radios from abroad and had sold them at cost to the population, which made it easier for the people to buy those radio sets. There can be no doubt that radio is a very effective and very important medium of education, and we thought that what had been done in Western Samoa was a very fine idea, an idea which might very well be followed in other Territories. Now, since radio stations already exist in the Pacific Trust Territory, since the United States is probably the world's greatest producer of radio equipment, I should like to know whether the Administering Authority has not thought about the fact that a measure such as that taken by New Zealand for the Territory of Western Samoa might also, with great benefit, be taken in the case of the Trust Territory of the Pacific Islands -- that is, to import radio equipment and to sell it at cost, so that the inhabitants of that area might show greater interest in such radio programmes of a cultural and other nature as may be available to them. This, of course, would provide a very important means of educating the population. I should like to know whether the Administering Authority has thought about this at all or intends doing anything about it.



Mr. MIDKIFF (Special representative): Radio in the Trust Territory is as yet a new medium. It seems strange to make a statement of that sort, since it has been so well established here and in other countries of the world. However, we have not done very much with it. We have not found any need to subsidize the purchase of the sets, because the people are buying them very rapidly through the ordinary trading stores. The biggest problem, to the extent that we go into it officially, is to make sure that the people are not endowed with a great many headaches and disappointments. Batteries deteriorate rapidly, and the Trust Territory is so unlike some of the other Trust Territories, where the land is more or less compact and where transportation is a simple matter, that to service radio sets and provide a store of batteries at frequent intervals through the different atolls would not be a simple matter.

There is a responsibility to do this kind of thing. In due time, somebody will have to work it out. It is just one of the things to which we have not yet addressed ourselves adequately. I thank the representative of El Salvador for his suggestion, which is a very good one. Without question, the radio is an excellent medium, if properly employed, for cultural uses and for disseminating information concerning weather, the arrival of ships, and so forth. We are anxious to carry this along and develop it. It is one of the matters on which we may be able to give some more concrete statements of progress a year hence.



The meeting was suspended at 4 p.m. and resumed at 4.20 p.m.

Mr. PERRY (New Zealand): In its report last year the Visiting Mission expressed its concern over the decision that the Island Trading Company would have to cease operations on 31 December 1953. We are now told that it will cease operations on 31 December 1954. I should like to ask the special representative whether there is any possibility of the life of the company being further extended?

Mr. MIDKIFF (Special representative): I think the answer is just a plain negative. There has been a considerable representation on the part of business firms to the effect that the Government should be out of business in so far as possible. I think that the policy has become so well established that there is no chance of reopening that issue and getting a further extension. We have acted on that premise and think that we are going to be able to have suitable successors to the Island Trading Company, so that the Micronesians will not lose the benefit of this type of service and will be able themselves, in a very considerable part, to take over, operate and profit by the Island Trading Company function.

Mr. PERRY (New Zealand): My delegation is certainly interested in the remarks which have been made on the development of successors to the Island Trading Company. There is one point, however, on which I would like clarification. The Island Trading Company performed a co-ordinating function, I think. As I understand it, there will be a number of independent and separate successors to that company. Is the Administration thinking of any procedure for co-ordinating their activities or will they operate entirely as independent units?

Mr. MIDKIFF (Special representative): There is planned co-ordination in marketing of copra. Up to the present time we have not felt that it would be necessary to have a co-ordination or a co-operative in existence. The Island Trading Company operated through branches. In most cases it has been possible

to dispose of the buildings and most of the stock of the Island Trading Company to local private trading companies, a branch in the Marshall Islands, for instance, being bought out by the Marshall Islands Import-Export Company. In many cases the local trading companies are taking over the experienced American personnel as managers of the new companies. Altogether, it looks as if the matter will be very well handled and the marketing at the top co-ordinated by the Copra Stabilization Board itself instead of the Island Trading Company which formerly was its agent.

Mr. PERRY (New Zealand): I should like to refer now to page 35 of the annual report. There is a reference there to the Economic Development Committee. We are told that this Committee was formed during the past year and that it makes recommendations to the Economic, Conservation and Welfare Board. But the Committee is apparently itself responsible for the administration, operation and management of the projects.

On page 36 of the report we find the statement of revenues and expenditures of the Economic Development, Conservation and Welfare Fund. From the report I am not clear about the composition of the Economic Development Committee and the relationship of that Committee to the Board and to the Fund.

Mr. MIDKIFF (Special representative): The Economic Development Committee was composed of especially highly trained staff members. Through reduction in budget we lost some of these members, so that we do not have a separate Economic Development Committee. But the Economic Development Board itself serves in this capacity.

Another change has been made. During the past year we have placed the projects which formerly were directed by the Economic Development Board and its Committee directly under the respective District Administrators. Thus, the staff of the District Administrator and the District Administrator supervised the projects which are carried on in their respective districts. This seems to be working out quite well and in some respects better than was the case before. The District Administrators take more interest. There is less chance of friction and it seems to be an improvement over the former system.

Mr. FERRY (New Zealand): I take it that the Economic Development Committee, which we are told in the report was formed during the last year, has now been coalesced with the Board. I also take it that the Board is responsible for the administration of the Economic Development, Conservation, and Welfare Fund.

Mr. MIDKIFF (Special representative): That is true, and usually I am called upon to sit in on the meetings of this Board. I do so as an auditor, and a very interested auditor, and I try to keep myself posted on the use being made of the Fund and on the progress being made in the respective projects.

It has been the source of a considerable economic development activity in the Trust Territory, and I think that under the present system of requiring the District Administrator to be responsible there on the ground we shall make better progress and get more co-operation from the local staff and people than was obtained when the projects were run from the High Commissioner's Office, bypassing the District Administrators.

Mr. FERRY (New Zealand): I should like to refer now to the question of transportation in the islands. In its report the Visiting Mission stated that the Administration planned to acquire a fleet of six auxiliary schooners to replace the existing district vessels and to operate solely within the assigned districts. In his statement the special representative stated "already we have purchased two motor schooners for this purpose", that is, to replace the AKLs, "but we still are having to rebuild and alter them to suit our needs". I am not sure whether the two vessels mentioned are two of the six that were proposed last year, or whether the plans of the Administration have been changed.

Mr. MIDKIFF (Special representative): After further studying the programme, we have changed our plans somewhat. The plan originally envisaged the continuation of the Trust Territory in almost all the surface transportation business, but we have found it possible to get trans-ocean freighters to call at one port, possibly two, in the future. That makes a change in the requirements for our service by our 5,000 tons AKs. We have also found a very gratifying

increase in the services rendered by the small Micronesian ships, and that has modified our original plan for maintaining a full auxiliary schooner service throughout all the districts.

After we have received the final report from our Surface Transportation Committee, which is composed of experienced shipping men in Honolulu, the requirements for auxiliary schooners, or whatever may be decided upon, will be made clear and we shall be able to decide just what subsidizing of the Trust Territory ships will be required to fill the gap between the two services I have mentioned.

Mr. FERRY (New Zealand): I wish to refer now to the question of the production of meat in the islands. On page 33 of the annual report it is stated that a market for beef exists and that this market could absorb all the meat that could be produced in the Territory. I understand that there is some beef production at the moment, and I should like to know something of the possibilities of developing that market.

Mr. MIDKIFF (Special representative): The market, of course, is not a very large one, and we should be able to supply our own needs. Beef production, as it is usually envisaged, is not a very practical matter for the Micronesian people. The substantially-sized carcasses would have to be distributed and cooked almost immediately, since there are no general refrigeration services in the islands, except in the centres. The protein contents of the diet of the Micronesians is much more practically obtained from fish, fowl and pork. They kill a pig when they hold a large gathering.

The other difficulty with beef is that the cattle can be grazed only on the high islands, and, as a rule, only in the coconut groves. Most of the high islands have rather steep slopes, and it is a dangerous thing to graze cattle on them. The gradient of the slopes is such that if grazing animals eat all the succulent growth around the trees, the trees are apt to die and erosion sets in. In that way, a whole bad chain begins. It is necessary, therefore, to provide tight fences in order to avoid this, and these fences can be provided by running wires from tree to tree in a coconut grove. Legumes can be planted in the coconut groves, and the cattle can graze on that and keep the place clean and help to make the harvesting of the coconuts easier.

That is our plan to increase beef production slowly and cautiously. My enthusiasm is restricted in this area as, I said, with respect to coffee. I do not wish to discourage anyone, but I have some misgivings with regard to the possible reliance that we may have upon beef production as a factor in our economy. We cannot devote substantial areas to it, areas which can be used for coconuts, because the return from coconuts is higher; and we cannot run the risk of deforesting areas and so on. So that amongst coconut groves, on the higher islands and possibly later, when the cocoa plants get up amongst the cocoa plantation trees on the higher islands, we would do well to run beef. My thinking, based upon the advice from our agricultural committees, is along those lines at present.

Mr. PERRY (New Zealand): I should like to refer to page 42 of the report. In the last paragraph there is a reference to two government plantations. One of them is a coconut plantation in Ponape covering approximately 2,700 acres. That impresses me as being quite an appreciable government plantation. Could the special representative give us some information on that?

Mr. MIDKIFF (Special representative): The Ponape coconut plantation was set up by the Japanese during the days when they were expanding agricultural production through the efforts of their colonials. They sent these people out as farmers and labourers to live there, and they expanded agriculture under the higher areas. It is very unusual to see coconut plantations away from sea level or approximately sea level. This is an experiment. It is working out fairly well. It does not have the best conditions for a coconut plantation but after the war, when the Japanese colonists had to devote so much attention to warfare and matters of that sort, they neglected this plantation. It had been neglected so since the war that the brush grew up and became a very serious and expensive problem; they had to get rid of the brush. About two-thirds of it has been cleared once and about one-third has been cleared twice. The latter third is being kept clean



and harvested, and the middle third is being harvested in part and homesteaded in part. We expect to use the upper third for homesteading if the necessity arises for placing people on this upper land. It is not a very promising enterprise; yet we have now been able to get it onto a self-sustaining basis. We have a young man from Hawaii there who is a good manager; he has taken over the leadership and the management in such a way that it has been able to stand on its own feet this year. In due time it may be able to operate at a profit.

Mr. PERRY (New Zealand): My last question refers to the problem of statistical organization. I think it is clear both from the tables and from the remarks on page 82 that there are at present some deficiencies in the statistical organization. One can very well appreciate the difficulties faced by the Administration. At the same time, it seems to my delegation that an adequate statistical organization is quite essential to the proper future development of the Territory. Could the special representative tell us whether any special steps are being taken to cure the defects, particularly in the more developed areas, perhaps by bringing in an expert to direct the development of an organization?

Mr. MIDKIFF (Special representative): We were offered the services almost a year ago of a man who was then available, an expert in statistics. He was a very high-priced man, but the offer came at a time when we were cutting back our staff seriously and having to let competent employees in other fields go. At any rate, all things considered, we felt that it was not a good time to undertake this particular activity. I am aware of the value of statistics that can be analysed and can be used as a measure of progress. At the present time we are trying to get along with the reports turned in by the district administrators. Each member of his staff turns in a monthly report and then a summary at the end of each year. The Finance and Supply Departments, the Medical Department and the Education Department have their reports. We had not intended, I must say, to employ a specialist just yet. It is something we had planned to delay a bit until we get some of the other more urgent things taken care of.

Mr. OBEREMKO (Union of Soviet Socialist Republics) (interpretation from Russian): In the report of the Administering Authority on page 41, we read that "tools used for cultivation are the traditional digging stick, long handled Okinawan hoe, and a large metal bush knife." Judging from this statement and some other statements of the Administering Authority in the report the indigenous population work with a primitive subsistence economy. In T/PV.550, page 53, in the introductory statement of the special representative we read as follows:

"Modern agriculture and horticultural science reveal ways of using more of the areas of the high islands, while at the same time maintaining the water shed and conserving the soil. The problem here is, shall these possibilities in modern science be enforced upon the Micronesians or shall the spur of necessity and enlightenment through education be depended upon to develop a feeling of need and desire on the part of the Micronesians so that they will appreciate aid given on these lines and in due time themselves assume the cost of carrying on modern and improved agriculture?"



Bearing in mind the primitive level of the economy of the indigenous inhabitants and the statement of the special representative to the effect that modern agricultural science opens up new possibilities for the utilization of unused lands, the question arises: why has the Administering Authority not yet solved this problem? A kind of artificial problem is raised as to whether or not it is worth while to introduce modern agricultural methods. In our opinion, this question is already solved and, indeed, the Administering Authority itself admits that modern methods open up wide possibilities. According to the Charter, the Administering Authority is obliged to promote the economic development of the indigenous population of the Trust Territory; therefore, is it in order to raise the question as to whether or not these modern methods should be introduced?

It appears to us that the matter is perfectly clear: the economic development of the Trust Territory requires the introduction of modern agricultural methods.

In this connexion another question arises. What has been done by the Administering Authority during the trusteeship period for the improvement of agriculture on behalf of the population? What assistance has been given to the people in the use of modern agricultural machinery and the introduction of modern methods?

Mr. MIDKIFF (Special representative): To anyone who is familiar with the terrain of the Trust Territory, two varieties are obvious. One is the low island terrain, and the other is the high island terrain where there is additional rainfall due to the deflection of the winds to the cooler altitudes. The low islands are quite well covered, on the whole, with groves, or even jungles, of coconuts. Besides this, the Micronesians have taken advantage of the brackish water that underlies the islands and have made compost pits where they have planted taro, breadfruit trees, etc., and they have also been able to raise yams and sweet potatoes.

In the high islands the terrain is such that, with the very heavy rainfall, it is a serious thing to do any clean farming; that is, to employ modern agricultural implements for ploughing and cultivation. It is said that it takes a million years to produce a foot of soil from the basaltic rocks. In one rainfall, with clean farming it is quite possible to lose two or three inches of soil, having it swept right out to the ocean. For that reason the Micronesians have evolved

a method of agriculture that is not modern but is probably better adapted to their environment. They plant their high land taro with the use of the digging stick, and their bananas in about the same way, not disturbing the ground cover or exposing the soil to erosion and loss.

The employment of genetics in improving the strains of coconuts and animals is something that we have been showing to the Micronesian people. It is taught in the schools, it is explained to assemblies of chiefs, and so on, and experimental demonstrations are carried out by our agriculturists. Thus, with a limited staff, a good deal is done to demonstrate what the possibilities are. It is possible that in this way we are making substantial progress. I believe that it would be possible to do much more. We might require competition among the districts and penalize one district if it did not reach a certain quota, and we might take a number of other steps to expedite production. We have felt, however, that the thing will work better and will be more in tune with the whole system of customs and the economy and the way of life of the people of the islands if we make these demonstrations and assist them in carrying out experiments, providing them with selected seed and helping them to learn how to get their own seed.

I did not intend to imply by what I said in my opening statement that we were neglecting efforts to improve the agriculture of the Territory. We might spend more money on it; we might be much more active in promoting it, but there is always the practical question of what, in the long run, is the best way, and possibly a steady evolutionary growth may be the better plan. It rather seems so to us, and I have placed that thought before the Trusteeship Council rather in the form of a question and in order to solicit the views of the Council.

Mr. OBEREMKO (Union of Soviet Socialist Republics) (interpretation from Russian): From the statement of the special representative I still do not have a clear idea as to the intentions of the Administering Authority. On the one hand, the special representative gives various arguments in favour of retaining the present primitive implements, saying that there is erosion of soil as a result of modern methods and that, if these primitive implements are not used, certain regions may lose a great deal of soil and may be threatened with erosion. On the other hand, in his opening statement, the special representative said that the Administering Authority was trying to do something in the direction of introducing

new methods of farming and more modern agricultural implements. There seems to be a certain contradiction. On the one hand, reference is made to the impossibility of replacing the present primitive implements while, on the other, it is said that the Administering Authority is in no hurry but that it is doing something. This is all the more difficult to understand since, in the opening statement, a question was put to the Trusteeship Council, a completely artificial question to which the Administering Authority should long since have been able to give an answer in favour of the introduction of modern methods and implements and should have been able to take concrete steps in that direction.

I was interested not in the question of whether modern methods could or could not be applied in the Trust Territory -- I think the reply to that has already been given by the special representative in his opening statement -- but in the question of what has already been done by the Administering Authority to help the indigenous population to obtain, not necessarily tractors or combines, but implements more modern than wooden sticks and knives. Soil can be worked with implements other than sticks and knives and erosion still be avoided. If the Administering Authority has some programme of action in this field, could the special representative tell us when it will be in a position to inform us in a report that a considerable part of the population no longer uses such primitive tools as digging sticks and bush knives but employs more modern implements and more modern methods? That is the question in which I am interested.

Mr. MIDKIFF (Special representative): Of course, the implements one needs to employ depend upon the crops which are raised and, also, upon the terrain. Whereas knives and digging sticks, or now, shovels or steel implements -- axes, adzes, and so on -- are employed to a very great extent, we have not yet introduced much in the way of machines. The caribou draws the plough in many places, getting ready for taro planting, and no other tractor that I know of would work under those conditions. A caribou and a plough do the job very well. The areas are not so very extensive. At Babelthaup Plantation we have actually introduced and tried out tractors, disc ploughs and tractor-drawn cultivating implements on an area that had been cleaned by the Japanese colonists. That is available for all to see, but there are very few places in the islands that have any area like that. It is, fortunately, an area which is fairly flat. It is not large in acreage; it is surrounded by a kind of rim and is more like a bowl and is safer to clean than any other area that I know of in the entire Trust Territory.

Thus we do not have sufficiently extensive areas of flat land to employ very many modern machines. I think that the chief need now is transportation and copra-cutting machines. We need those things and we are looking into the question of practical transportation to assist the people and machines to save labour and speed up the preparation of the copra. We know that these things have been devised, and we are happy to assist in introducing them into the

Trust Territory so that we may prepare more copra than is being prepared at present and get it to market without the extreme labour of paddling or sailing small canoes and the risk attendant thereupon. Those are the chief things that appear to us to be needed now, but it just does not occur to me what particular new agricultural implements will render any particular service in the Territory at present. We should be very glad to assist the Micronesians in getting these things if we saw a place for them. At the present time, our agriculturists, who are not inexperienced in tropical agriculture, have not come up with many suggestions along those lines.

Mr. OBEREMKO (Union of Soviet Socialist Republics) (interpretation from Russian): The representative of India has already touched upon the question of alienated lands in the Trust Territory. On page 107 of the annual report we find that in 1951 the indigenous inhabitants owned 250 square miles and the Administration 434 square miles, or more than 63 per cent of the total area of the Territory. Can the special representative give us any figures later than these which refer to 1951? Has he, for example, the figures for 1953?

Mr. MIDKIFF (Special representative): I think that there are no later figures. The point is that, as I stated earlier, most of this land is in what is called "public domain" and is on the slopes of the high islands. There are reserve areas on many of the low islands too under public domain. We are reducing these but, as I have stated at different times, we have not yet completed our land transactions and we are still working away on them so that the figures are not available. It is possible during this coming year to make conclusions of several of the land settlements, and it is also possible that we may make decisions concerning the extent of the public domain that still should be kept in forest reserve and watershed, but any great increase in private ownership would have to be through returning the slopes -- the watershed and forest reserve -- to the original owners, that is, to persons who did not make very much use of it but who, nevertheless, had title to it.

To what extent it would be advisable to do that instead of keeping it as public land is a problem that we have not yet settled.

Mr. OBEREMKO (Union of Soviet Socialist Republics) (interpretation from Russian): The question of the return of the expropriated land to their former owners has already been touched upon here several times. On page 40 of the annual report we read:

"The most frequently expressed land problems centre about the slow process of returning lands expropriated during wartime."

It is added that the indigenous population desires that the land should be returned to the indigenous owners. Could the special representative give us any information with regard to the amount of land handed over to the indigenous inhabitants during the period covered by the report?



Mr. MIDKIFF (Special representative): I have nothing further on that subject; I have no further definite figures, as I have said at various times.

Mr. OBEREMKO (Union of Soviet Socialist Republics) (interpretation from Russian): Then I should like to know what the general intention of the Administering Authority is. Does it intend to return to the indigenous population all of the lands which were alienated from it by the Japanese and German colonizers and then by the American authorities?

Mr. MIDKIFF (Special representative): I am not sure that I understood that question. It sounded to me very much like the question that I have answered many times, and I do not wish simply to repeat what I have said before. If there is some additional or different aspect of it that I should speak to, I would very much appreciate having the question restated or repeated.

Mr. OBEREMKO (Union of Soviet Socialist Republics) (interpretation from Russian): I am interested in the question of the general plans and intentions of the Administering Authority. This question, at least so far as I could tell from following the exchange of questions and answers, has not been raised. I am not referring to any concrete time-limits or any concrete areas of land. I am asking: Does the Administering Authority intend in general to return to the indigenous population all of the lands which have been alienated from the population?

Mr. MIDKIFF (Special representative): I am very glad to have that question raised. Probably I had not made that very clear. As I have stated, the Administering Authority does not own a square foot of land in the Trust Territory. The only land that is not owned by the people of the Trust Territory is land that is held as public domain by the Government of the Trust Territory for the use and benefit of the public, to wit, the Micronesian people themselves. It is my plan to return public domain to individual former owners just as rapidly as we can establish title and in so far as (a) these lands are not needed for actual administrative purposes or (b) are not required for forest reserves, watersheds, etc.

Mr. OBERENKO (Union of Soviet Socialist Republics) (interpretation from Russian): If I correctly heard the last reply of the special representative, he said that the Administering Authority owns no land in the Trust Territory. This may be some kind of legal subtlety of definition. However, I think it remains an irrefutable fact that 63 per cent of all the land of the Trust Territory does not belong to the indigenous inhabitants. Furthermore, the special representative told us in his opening statement that the Administration intends to keep certain lands for military uses on a permanent basis. This question then arises: On the basis of what law, what decisions, what resolutions or ordinances, would the Administering Authority keep this land permanently for military purposes, and what would be the area of that land?

Mr. MIDKIFF (Special representative): As to the law, I am not a legal expert, but it is my impression that that question could be answered by stating that the Administering Authority reserved the right under the strategic trusteeship to withdraw portions of the Trust Territory as might be needed for strategic uses and purposes.

As to the ownership or title, although the Administering Authority reserves the right to use the land, it does not acquire title. The title, which is so important to the Micronesians themselves, remains with the original owners, and the Administering Authority does make payment for any lands it requires, for military purposes or otherwise, on a fair and just basis. As a matter of fact, what is fair and just has not yet been decided, but, as I said in my opening statement, we are very close to agreement on that subject also.

The revenue will be available to the owners and they will have title, although in some cases the use may have been granted to someone else, for which rental will be received. In other cases, it will be possible for the Administering Authority, in reserving certain areas where the uses are not active, to permit the owners, in addition to compensating them for the areas, to make such use of those areas as can be terminated on reasonably short notice.

The extent of the areas, in square miles, that the Administering Authority will require is probably small.

Mr. OBERENKO (Union of Soviet Socialist Republics) (interpretation from Russian): I should still like to have clarification of that question, since a definite area of land in the Trust Territory will be permanently reserved for the use of the Administration for military purposes. Although nominally the title to this land would belong to the former owners, nevertheless, since the land would for use belong to the Administration, the question remains: Who, in reality -- if we leave aside all legal formalities -- would be the owner of that land, or to whom would that land belong? I think the reply to that question is clear: The land would belong to the Administering Authority. The Administering Authority would use that land permanently. I am therefore interested in the answer to this question: On the basis of what law -- I should like to know the number of the law, and its date, and what its provisions are -- is this assignment of lands for permanent use by the Administration made? Who decides that a certain region, for strategic or other considerations, is set aside for the Administration's permanent use? Is this done arbitrarily by the military authorities?

Mr. MIDKIFF (Special representative): I do not know that I have fully understood that question, but I think that I have. May I refer to article 5 of the Trusteeship Agreement which provides that the Administering Authority shall be entitled:

"1. To establish naval, military and air bases and to erect fortifications in the Territory;

"2. To station and employ armed forces in the Territory..."

I think that it is not necessary for me to give details of the areas which the military requires. In fact, I do not know what their future plans may be. It may be that there will be increases or decreases in the areas that they want, and it may be that for their own reasons, they would prefer not to have the exact areas disclosed. I believe that would be a matter of right from the security standpoint.

As to the matter of title, may I say that title amongst the people of the Islands amounts to a great deal more than is customary elsewhere. Land is so small in quantity that it has not been fragmentized, as we are accustomed to fragmentizing it, dividing half to each of two sons, a small portion to the grandsons as they come along, and so on. That would be impracticable. Therefore, the title to the land is held by an extended family or a clan and the status of the head of the clan or the chief rests upon title. His status, his strength, his standing amongst his people, coming from the title, is of great importance; it is an important fact. It is important quite in addition to and even separate from the products of the land or the wealth that may come from the land. The ownership or the title to the land, added to an annual rental or compensation, retains the status of the owner and enables him to get along even though he is not dwelling on a particular piece or having the use of the piece himself. I do not think that I can overstress that. I am therefore anxious to avoid any form of alienation of lands.

As a trustee of a landed estate myself, I own an undivided portion of a very large amount of land. But although I have the title and although that gives me a certain status, I do not live on all that land. The land is lived upon, occupied and used by other people almost entirely.

That is the situation which obtains in Micronesia with the owners and chiefs, and so forth, who have these lands but who make it available to the military or to the government for such uses as they may be permitted to make of it under the terms of the Trusteeship Agreement. I hope that I have not been too diffuse. I have tried to stress the importance of preserving title and the value of a title once it is preserved, and while revenue and support comes along with the title.

Mr. OBEREMKO (Union of Soviet Socialist Republics) (interpretation from Russian): First of all, I would like to say that we are not interested in any secret in connexion with the use of some lands for military purposes. I am interested in a completely different side of the question. Perhaps I did not state my question quite clearly. I shall attempt to ask it more simply so that I may receive a clear reply.

I am interested in what legal basis exists for having definite sectors set aside for military purposes. The special representative called attention to article 5 of the Trusteeship Agreement. In that article we really read that the Administering Authority has the right to set up naval, military and air bases in the Trust Territory, and to maintain troops on the Territory and to use them. It also says the following:

"To make use of volunteer forces, facilities and assistance from the Trust Territory in carrying out the obligations towards the Security Council undertaken in this regard by the Administering Authority, as well as for the local defence..."

When I ask the question concerning the use of certain lands for military purposes, I am not making a secret of the fact that I am referring to areas where tests of atom and hydrogen bombs were carried out. This is not provided for by the Trusteeship Agreement. Definite atolls and islands were used for tests of atom and hydrogen bombs. No fortifications were set up there and no naval or air bases were set up. The islands where bombs were dropped did not maintain troops. It is true that the population of neighbouring islands suffered from the tests, but that is another question which we shall discuss later.

In the present case I am interested in the basis which exists for this action. On the basis of what law, what decision or what executive order are any sectors set

aside? I am not interested in their location. Areas set aside for use for military purposes are not provided for either by the United Nations Charter or by the Trusteeship Agreement.

Mr. SEARS (United States of America): There are two sections to the Agreement. One is article 1 and the other is article 13. Article 1 refers to the designation of a strategic area. Article 13 of the Trusteeship Agreement states the following:

"The provisions of Articles 87 and 88 of the Charter shall be applicable to the Trust Territory, provided that the Administering Authority may determine the extent of their applicability to any areas which may from time to time be specified by it as closed for security reasons."

The ACTING PRESIDENT: (interpretation from French): Does the special representative wish to speak?

Mr. MIDKIFF (Special representative): I am trying to look for a reference. I do not think that I have anything further to add at this time in answer to this question.



Mr. OBEREMKO (Union of Soviet Socialist Republics) (interpretation from Russian): First of all, I should like to comment on the reply of the special representative. I understand that the special representative is trying to find a reference to some decision or order issuing from the Administering Authority or from some organ which would give a legal basis for the setting aside of some areas for military purposes. I think that the special representative will be able to give us such information if such laws or decisions exist.

With regard to the statement of the representative of the United States, in which he referred to article 13 of the Trusteeship Agreement, I should like to quote that article. It states:

"The provisions of Articles 87 and 88 of the Charter shall be applicable to the Trust Territory, provided that the Administering Authority may determine the extent of their applicability to any areas which may from time to time be specified by it as closed for security reasons."

Apparently in hastening to reply, the representative of the United States did not look at the provisions of Articles 87 and 88 of the Charter, and I would take the liberty of recalling what is provided in those articles. In Article 87 it is stated:

"The General Assembly and, under its authority, the Trusteeship Council, in carrying out their functions, may:

- a. consider reports submitted by the administering authority;
- b. accept petitions and examine them in consultation with the administering authority;
- c. provide for periodic visits to the respective trust territories at times agreed upon with the administering authority; and
- d. take these and other action in conformity with the terms of the trusteeship agreements."

Accordingly, reference is made in that Article to the functions of the General Assembly and the Trusteeship Council in carrying out their tasks under the Trusteeship System. Article 88 states:

"The Trusteeship Council shall formulate a questionnaire on the political, economic, social, and educational advancement of the inhabitants of each trust territory, and the administering authority for each trust territory within the competence of the General Assembly shall make an annual report to the General Assembly on the basis of such questionnaire."

Thus, reference to article 13 of the Trusteeship Agreement or to Articles 87 and 88 of the Charter cannot answer the question we raised. We do not ask that the Administering Authority should give us any detailed information concerning the areas which are closed for reasons of security. That is what is provided for in that article. If the Administering Authority has declared some areas closed for reasons of security, it can interpret Articles 87 and 88 respectively in respect of annual reports and visits by the Visiting Mission. That is what the Article deals with, but it does not deal with the question of the use of certain areas of the Trust Territory for purposes which are not provided for in the Trusteeship Agreement or the United Nations Charter.

In respect to this, I should like to ask the special representative what were the decisions or orders which gave the Administration the basis for setting aside certain areas for atomic and hydrogen tests, which are completely unprovided for in the Trusteeship Agreement.

Mr. SEARS (United States of America): The closing of these areas is inherent in the designation of the area as a strategic area. Furthermore, the Trusteeship Agreement of 1947, which covers the Marshall Islands, was predicated upon the fact that the United Nations clearly approved these islands as a strategic area in which atomic tests had already been held. Hence, from the very outset it was clear that the right to close these areas for security reasons anticipated closing them for atomic tests, and the United Nations was so notified. The Soviet Union took part in the unanimous approval that was given on behalf of the United Nations by the Security Council.

Mr. OBEREMKO (Union of Soviet Socialist Republics) (interpretation from Russian): There is some kind of misunderstanding here. Of course, I do not dispute the fact that the Agreement was approved by the Security Council in 1947, or that that approval was unanimous. That is true. Nor do I dispute the fact that reference is made to the fact that the Administering Authority can declare certain areas closed and thus can interpret restrictively Articles 87 and 88 of the Charter. But although the representative of the United States has said that the Agreement was approved under such conditions and that atomic tests had already been carried out there, the Trusteeship Agreement does not provide anything at all with regard to that. Therefore, when some lands are set aside, not for the building of military or air bases, but for the carrying out atomic and hydrogen bomb tests which led to the destruction of islands, this goes beyond the limits of the Agreement. If I may comment now on this subject, I would say that the carrying out of these atomic and hydrogen weapon tests is a direct contradiction and violation of the Trusteeship Agreement and the Charter and is counter to the obligations assumed by the Administering Authority.

However, I am interested now in a rather different question, and I believe that the special representative understood that question. I am interested in knowing what were the decisions -- perhaps they were not laws but merely executive orders -- which formed the basis for the setting aside of these areas and for the holding of atomic and hydrogen weapon tests. Is there some orderly system, or is this left to the complete discretion of the Administering Authority?

Mr. MIDKIFF (Special representative): I should think that the use of areas for military purposes would fall within the general concept of managing or administering a strategic area and the ability to withdraw parts. However, if I may I should like to give a little different approach.

The abstract problem of the possessor of the sovereignty of the Territory has little or no bearing upon the question of the legal right of the governing authority to use public property for public purposes. This right depends not on sovereignty

but on the authority to govern. For example, let us assume for purposes of argument that the Administering Authority of a Trust Territory under the United Nations possesses no sovereign rights over the Territory. This notwithstanding, there is little doubt that the governing authority has the right to build a dam and a hydro-electric plant and to "destroy" real property by flooding it.

If this property is private property, the governing authority can legally acquire it by exercising its right of eminent domain, a right which is common to governments everywhere. The Administering Authority has used several small parts of atolls for public purposes, and the specific use of the property -- for which purpose -- is possibly irrelevant as long as it is regarded as essential to the best interests of the area. That is a decision which I think must be permitted to rest with the Administering Authority, a determination of the necessity for the use of areas and the acquisition thereof by the process of eminent domain.

Mr. OBEREMKO (Union of Soviet Socialist Republics) (interpretation from Russian): I think it would be better in this present case if we make our comments on this question during the general debate, and I shall therefore proceed to my next question on this section.

The special representative made reference in his opening statement to phosphate mining. He stated that:

"... negotiations for opening of new mining areas at Angaur were conducted ... with officials of the Japanese Phosphate Mining Company ... throughout the early months of 1954." (T/PV.550, page 55)

He also stated that the firm was very anxious to obtain permission to enter remaining agricultural lands. This question has been touched upon already, but in another connexion and in another light. What is the number of inhabitants living in north Angaur?

Mr. MIDKIFF (Special representative): I am sorry, but I do not have the exact population figure of the island of Angaur in my files. I should say that the total population is about 300 or 325; it may be more than that. It is my impression that about a little over a third of the population of Angaur is in the northern half and that the southern part is the more populous half.

Mr. OBEREMKO (Union of Soviet Socialist Republics) (interpretation from Russian): I have a few sub-questions on the same question. It is said here that an agreement was reached. I should like to know with whom that agreement was concluded. Who was the second party to this agreement? Did the Administering Authority consult with the population of this area, the land of which people was handed over to the phosphate company?

Mr. MIDKIFF (Special representative): In legal terms the party of the first part was the Trust Territory Government represented by the High Commissioner, and the party of the second part was the Phosphate Mining Company.

As to the procedure used by the Trust Territory Government in arriving at this agreement, I would say that the agreement was first made during the time of SCAP in Japan quite soon after the capitulation of Japan. It was made for the benefit of the Japanese as well as for the Micronesians. In other words, the Japanese badly needed fertilizers at that time, and it was thus made possible for them to reopen their phosphate mining operations in Angaur which had been in operation before the war and which had been carried on by the Japanese for their own benefit. The benefits that were provided for the Micronesians were severance fees and opportunities for employment. There were certain other fringe benefits such as the use of a hospital which the Japanese maintained there and the right to purchase inexpensive goods in the Japanese stores and so on, so that benefits seemed to be flowing in both directions. During the recent negotiations and the agreement referred to here to discontinue the operations soon -- and that agreement was reached after long consultation with the leaders and the people of Angaur -- some of the people of Angaur, realizing the flow of ready money, wanted to have the agreement extended so that they could go right ahead and continue to have this money come in all the time. Others who were responsible for the food and the over-all management of the Island saw what a hole they were working themselves into and decided that it would be best to stop before all their taro lands had been destroyed. It was decided, after careful consultation with those experienced leaders of Angaur and



skilled agriculturists and a skilled hydrologist whom we placed down there to make measurements, to terminate the mining operations and complete the back-filling. Possibly, that is an explanation of the chief steps that have been taken to date.

Mr. OBEREMKO (Union of Soviet Socialist Republics) (interpretation from Russian): In his opening statement the special representative said that the Japanese Phosphate Mining Company obtained permission to enter the remaining agricultural areas with underlying deposits of phosphate. Phosphate is being extracted and it is expected that in October all of the deposits will be exhausted. At this point I am referring to page 40 of the annual report, which states: "Section 900 of the Code of the Trust Territory of the Pacific Islands prohibits the transfer of land to non-citizens of the Trust Territory of the Pacific Islands. It was drafted with the intent of protecting the inhabitants against loss of their lands and agricultural resources" -- I stress these words -- "and applies equally to alien individuals, co-operations or missions".

How can we reconcile these two statements, or, rather, the statements in the report of the Administering Authority and the fact that certain areas of agricultural lands were handed over to a foreign phosphate company and will no longer be used for agricultural purposes?

Mr. MIDKIFF (Special representative): It is believed that there will be sufficient wet taro land left now that we are terminating operations and preserving the area known as 1 E. That will be sufficient for the north Angaur people. The requirement which we have imposed from the beginning to backfill all the lakes which were exhausted by hydraulic mining was imposed in order that the coral soil might disintegrate and be re-covered by soil that had been pushed to one side and carried back and replaced, making other types of agriculture possible.

As I walked over these backfilled areas I saw many types of normal growth. Taro growing will be impossible for a very long time, if not forever, on the backfilled areas, but other agricultural products, including coconuts, will grow there. It may be said that, while the people of Angaur have benefited by having a trust fund provided for them, they have also had preserved for them their own areas which, while not all suitable for wet taro, are suitable for other forms of agriculture, particularly the standard agriculture in the form of copra production.

It may be well to emphasize -- lest there be a misunderstanding -- that the land was not transferred to the Company but was simply leased for mining. Mining rights were provided at the desire of the people. At first, and until very recently, the people were anxious to have this mining right along and we have had requests from other islanders to try to have the Japanese come to mine the phosphate on their islands too. But the supplies have been so limited in these other places that, after studying the situation carefully, we decided that it would not be good judgment to attempt to mine them, and therefore we are terminating the whole thing with the conclusion of this 1 D area.

The ACTING PRESIDENT (interpretation from French): Before adjourning the meeting I should like to remind representatives of the programme of meetings tomorrow.

The Standing Committee on Petitions will meet at 10.30 a.m. in Conference Room 1. At the same hour, in Conference Room 3, the Drafting Committee on Western Samoa will meet. The Committee on Rural Development will meet at 1.30 p.m. in Conference Room 7. The Council will meet at 2 p.m., and the Drafting Committee on Nauru will meet at the same hour. The Drafting Committee on New Guinea will meet at 5 p.m. in Conference Room 3.

The meeting rose at 5.55 p.m.