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Opening Statement to the Trusteeship Council
by the Special Representative of the United
States for the Trust Territory of the Pacific
Islands, The Honorable Frank Midkiff, High
Commissioner of the Trust Territory

Mr. President and Representatives in the Trusteeship Council, it is a pleasure to appear before you for the second time as the special representative for the United States and thus make myself available to the members of the Council in their review of the annual report for the administration of the Trust Territory of the Pacific Islands for the period from 1 July 1952 to 1 July 1953.

I wish to testify at this time to the benefits to my administration of our last meeting. Not all the recommendations made by all the members of the Trusteeship Council at the last meeting were found possible to apply during this year. Many of them, of course, in fact nearly all of the suggestions, were of a general policy nature and could not be reflected in definite adoption except gradually and over a period of many years. However, the wise counsel of those members of the Trusteeship Council, who have themselves had years of experience of trusteeship administration, is again sought, and their guidance is sincerely appreciated.

More than a year has elapsed since June 30, 1953, the closing date of the period reported upon and under review. It is thought desirable therefore to review in this opening statement some of the past year's developments that have taken place and that are not covered in the report.

I would like to point out at this time that I do not touch in this statement upon the petition which the Council has received from the Marshall Islands regarding the conduct of experiments involving thermonuclear devices. This petition I understand will be considered by the Council's Petitions Committee. I should, however, like to inform the Council that the United States has made it possible for Mr. Dwight Heine, who was one of the principal draftsmen of the petition, to be present here. Mr. Heine will be available when the petition is discussed in the Committee to answer any questions that members of the Committee may have regarding the petition. It is our intent in having Mr. Heine present to enable the Council to have first hand information on the petition and to enable Mr. Heine to follow through to its conclusion the petition which he helped originate.

Since March 13, 1953, when I assumed office, I have made four trips to the Trust Territory. I feel much more closely in touch with the people and their problems than I was a year ago. Also, in this period it has been necessary for me to make six trips to Washington, visiting the Department of Interior and other

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departments of the Government and including last year's visit to the Trusteeship Council of the United Nations.

It is desired in this statement to place before you some of the chief problems of our administration and thus present to you an opportunity to suggest possible approaches looking toward eventual solution.

RELOCATION OF HEADQUARTERS

One of the recommendations stressed at the last meeting of the Trusteeship Council was that a decision should be made concerning the location of the headquarters of the Trust Territory administration. Although this decision had not been reached by the end of the period of the report, a decision now has been reached to move the headquarters of the High Commissioner to Guam. This relocation, which will take place within a few months, is on an interim basis pending the time when funds will be available to construct a Trust Territory headquarters within the Trust Territory itself. The temporary location in Guam will provide that the High Commissioner and his small staff are geographically closer to the district centers of Koror, Yap, Truk, and Ponape, and somewhat closer to the district center of the Marshall Islands than is the present headquarters location in Honolulu.

The members of the Council will be interested to learn that during the past year, also, and prior to the decision to move the remnant of the High Commissioner's office to Guam, the location of the Department of Public Health was changed to Ponape within the Trust Territory, and the location of the Department of Education was changed to Truk, both within the Trust Territory; also, the Fiscal and Supply Officer and his staff and the Executive Officer and his staff were moved to Guam, thus bringing all the "line" functions closer to the district centers. It will be seen, therefore, that at the present moment there is only a very small nucleus left in Honolulu consisting of the personal staff and the advisors of the High Commissioner, and these very shortly will be moved to Guam.

CHIEF PROBLEMS

In general, it may be said that the basic difficulties for administering the Trust Territory continue--these being: (1) the great expanse of the area in which the islands lie; (2) the paucity of land and other natural resources; and (3) the diversity of languages and the nine ethnic groups. The administration is keenly aware of the many problems that arise from these basic conditions. We have been working away at them constantly. It appears to us that we are developing on a sound basis, but we appreciate the opportunity at these sessions to profit by the experience and guidance of the Trusteeship Council.

As to the problem of great distances over the ocean between the district centers and the numerous atolls of the Trust Territory, we attempt somewhat to reduce this by the organization of the Territory along geographical lines and placing the islands in six geographical areas, each area or district under the direction of a District Administrator. Fortunately, these District Administrators and their staffs are proving to be sympathetic and understanding of the people and their problems, and able to afford guidance and direction by personal contact in most cases. Continuity in service and years of experience, along with proper personal characteristics, are of great importance in developing an effective district staff. We are still in the transition stage, somewhat, in this respect. In fact, we are considering more decentralization and less dependence upon the central district staffs and more upon individual workers at more key points.

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AT WHAT RATE SHALL CHANGE OCCUR?

One problem intertwining all others and involving a wide range of opinion and procedure is what shall we do about the "rate of change" or the speed at which customs should change in Micronesia. As stated in my closing remarks during the last session of the Trusteeship Council meeting, I was impressed then and still am impressed with the fact that there are two quite different ways of approaching change amongst the peoples of the Trust Territory.

The first way is purposefully to hasten change and achieve by dramatic and possibly even violent steps the overthrowing of the extended family or customary controls and the adoption of a western type of democratic system. A year's observation of changes that currently are taking place has caused me to believe that on the whole we do not need to complain that change in Micronesia is too slow. There are indications that rapidity of change is causing indigestion and possibly not merely imagined distress.

The second way of approaching change is to try to see that it occurs in a quiet, evolutionary manner, and that most change is expected to extend over a period of years and to take place in response to the felt needs of the Micronesian people.

There is no doubt that in certain spheres change is essential - in some cases unavoidable - and that progress can be made to follow change if matters are wisely handled. At the same time, it has become increasingly evident that the Micronesians must manage their own affairs to a very large extent and that their competence in such management must increase and their confidence in their ability so to do must be restored as it was in the days before the outsider came. For in those days, it is evident that they carried on with a great measure of success, adjusted their lives to the limited land, fresh water, and natural resources, and to the perils of sea and storm with which they were more or less constantly confronted.

This whole question, therefore, is laid before the Trusteeship Council with the statement that we are attempting to blend the old and new gradually, but never to accomplish a complete substitution of the new for the old. Does it seem proper to the Council that we should continue constructively but cautiously to build upon Micronesian custom and culture? The basic environment of the Micronesian people has changed only slightly and possibly only superficially during recent decades, no matter what manner of men have held political control. Should we not be cautious about insisting upon the adoption of a culture pattern that has evolved from continental conditions and in regions where natural resources are vast as compared with those of the Trust Territory Islands?

ELECTION OF OFFICIALS

Take, for example, the election of officials as contrasted with the established method of selection of the leaders. To begin with, it is noted that 97 out of a total of 117 magistrates are elected. The established method of old, for selecting leaders or chiefs, was largely influenced first by heredity, and secondly by native ability, but, nevertheless, the leaders were schooled and trained and were required to provide sound leadership, or they were deposed. Can we expect officials who are elected to be as competent in leadership and as responsive to the needs of their people as are the chiefs? Should we not, at any rate, while encouraging election of officials, also encourage the retention of authority of the responsible customary and hereditary leaders of the people and possibly look upon this blending as insurance of both liberal and conservative elements of the government? Will this not tend to create less confusion and afford an evolutionary and workable method of providing change and progress?

COURTS, PUBLIC SAFETY, NATIVE PUBLIC DEFENDERS

The Community and District Courts which are presided over by Micronesians have continued to function throughout the year with increased efficiency as the Judges become more and more familiar with their duties and the provisions of the Code of the Trust Territory. During the past year, a Micronesian Public Defender has been appointed for each District. They have all worked under the direct supervision of the American Public Defender who as he travels throughout the District instructs them in the necessary rudiments of law and court procedure. It is planned to hold a ten-day meeting of all Micronesian Public Defenders within the next month or so for the purpose of conducting an intensive course in the duties which they are called upon to perform.

ORGANIC LEGISLATION

The island people have well established codes of customary law. The imposition of a western code or "organic act" over the whole Trust Territory would run counter to customary law in certain places. This might not be serious if the environment and factors of living were modifiable to suit the new western code. However, the environment cannot be changed by fiat. Would it not seem, therefore, that the enactment of "organic legislation" and in fact the application of our own Trust Territory code, which is based on western legal concepts and practices, might well be permitted to come slowly and in response to felt need? As a matter of record, our judges have this fully in mind in administering our code.

We have found that there are well-recognized needs for certain new laws. Such we are proceeding to enforce. We also see the need for the continuance of the great body of the customary laws. We are endeavoring to codify these.

Very earnest study has been given by officials of the Trust Territory, Department of Interior, and representatives of the Congress to preparation of a suitable organic legislation Bill during the past year. It has been found best to continue study of such legislation, based upon longer observation of local legislation needs. Also, it is hoped that a guide may be indicated during the coming years as we codify native codes and laws.

A Bill has been enacted by the Congress authorizing the continuance of the present government and administration of the Trust Territory of the Pacific Islands and authorizing that funds shall be appropriated to finance the same. This authorization extends until June 30, 1960, during which time organic legislation thoroughly appropriate to the needs of the area will be studied, formulated into a bill which is clearly for the best interests of the Micronesian people and then enacted into law.

CHANGE THROUGH EDUCATION

Does not the theory of changing slowly and in an evolutionary manner also indicate a question concerning education? Would it be advisable for us to adopt the practice of bicultural education? In this, we should try to retain the best of the old ways and add gradually those items of the more modern way of life that will be beneficial in the economy and official life of the people. Most people teach much of their fundamental customs and domestic skills to their children in homes and community. With encouragement, such teaching can be restored and expanded and somewhat modernized in Micronesia--at no public cost.

More than a century ago, Christian missionaries spread their influence throughout the Trust Territory. The ten commandments were disseminated and gradually became established in place of many of the old customs. Superficially, at least, idolatry disappeared and individuals throughout Micronesia, with few exceptions, accepted Christianity. Missionary schools stressed the 3 R's and to a slight extent the application of science, as well as teaching some other

things that were regarded as a more modern practical way of living. These latter included modern cooking, clothing, laundry practices, and the use of modern hand tools. The Germans, in turn, introduced the idea of producing copra on a commercial scale. It is manifest, therefore, that these agents already and long ago modified the culture of Micronesia to a very definite extent and many of these modifications have become acceptable to the people. Many now desire and request systematic formal education which they regard as affording opportunities for personal growth and development. It is right at this point that problems arise as to whether the Micronesians should be afforded education that will wean them from their environment and from service to their people and call, and practically urge them to residence and employment in outside areas. May it be that a combination of the old and the new--of education for improvement of their local conditions on the one hand, and on the other hand for their own personal growth and competence even beyond the opportunity of use locally--can be gradually and wisely harmonized?

Do the members of the Trusteeship Council who have had personal experience in administrative problems with dependent people conclude that it is wise to let the people find their own way to a considerable extent, though at the same time aiding them in their efforts to improve their own conditions?

ADVANCED STUDY

We have 160 students pursuing advanced courses in Suva, Guam, Manila, Honolulu, and the American Mainland.

These young people are training themselves in fields including medicine, dentistry, sanitation, nursing, general education, priesthood and ministry, business and commerce, communications, and certain skilled trades.

The medical and dental students at Suva are being financed by the Trust Territory Government. A few students are sponsored by civic and professional groups in Hawaii. Several are sponsored by the Catholic Mission of the Trust Territory. Many of the 100 are working their way through school.

Most of them at present intend to return to the Trust Territory to serve amongst their people and improve conditions in their communities.

WAYS AND STANDARDS TO BE IN ADJUSTMENT WITH LOCAL ECONOMY

Since the resources of the area are inevitably limited, does it not seem wise to avoid the introduction of ways and standards that cannot be maintained by the economy of the area? In other words, when it is known what the Micronesians actually desire, after having weighed all factors over against their long island experience, then we are in a position to aid them to obtain these things insofar as they are practicable. Since their environment is limited and their economy correspondingly meager, does this not indicate that we should go slow in disturbing the mores and economic customs that have proved adequate over so many generations? Cannot we agree that insofar as it is practicable, can be sustained by the local economy, and the people really desire it enough to espouse it and make it work, our "objective is the preparation of the population for the integration of the scientific changes of this century into their own cultural pattern?"

I have stated these simple questions as to what we shall do concerning the "rate of change" in several ways, I hope not too repetitiously, because I am impressed by the belief that we must have the proper answers in order wisely to deal with most all other problems in the area.

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DEVELOPMENT

DEVELOPMENT OF SELF-SUFFICIENT ECONOMY

A second problem arises in connection with the foregoing. This problem has to do with how to aid the Micronesians to develop a self-sufficient economy. It will be recalled that the Micronesians of old had a self-sufficient economy at subsistence level which provided a form of living that some modern people today might enjoy. However, it is impossible for many of the Micronesians forthwith to return to their ancient mere subsistence economy for the following reasons: Their means of subsistence have been damaged or destroyed by imported pests, war damage, and western modification; and the Micronesians themselves today wish something different from the old subsistence economy. The problem, therefore, is to develop a self-sufficient economy above the mere subsistence level.

The past year has been occupied with action to improve the economic lot of the Micronesians. The Administering Authority has taken not one cent of revenue from the area. Rather, it has assumed annually a net outlay of several millions of dollars in carrying out its trusteeship.

Gains have been made steadily. These gains include, in some cases, painful readjustment toward an economic basis that will be able to support practicable standards of living, fitted to the islands' environment and resources, and capable of being maintained by the Micronesians themselves as and when they become self-governing.

As Special Representative, I submit to the Trusteeship Council the above premise for action and trust that it will meet with the approval of all members when duly considered. It seems to me the only sound basis for permanent administration.

I should like to review with you some of the steps we are taking in this direction.

COCONUT CULTURE

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COCONUT CULTURE

The chief product of Micronesia is copra. At present, more of it can be produced than is needed for subsistence. This excess is sold in exchange for trade goods. Most of the copra comes from the low islands. As the population increases on these low islands, the need for coconuts for food will increase, and unless husbandry is improved, the excess of copra for sale will decrease proportionately. It is known that coconut husbandry can be improved by genetic selection and by improved methods of planting and cultivation.

Coconuts naturally grow well in Micronesia but in many places war damage to the trees and the introduction of pests have reduced production. Also, since the time of the German administration, there has been a neglect of husbandry. Coconut trees now in most places are old, and are in crowded forests whereas they should be in well-spaced groves with rows properly planted. Efforts must be constantly exerted to improve the strain and variety of the nuts. Work is being done to encourage increased production from existing trees and to replace many of the trees now close to the end of their bearing period. It is hoped that the introduction of burros and outboard motors in addition to increased personal leadership on the part of the District Administrator, the agriculturists, and the chiefs, will lead to increased industry and labor resulting in higher output. A "low island" nursery and propagation center to select and plant quality nuts is being formed for Jaluit Atoll. Seed selection and programs to improve planting procedures are under way generally throughout the Districts.

A survey by W. V. D. Pieris, of the South Pacific Commission, who is a world authority on coconut culture, has given us helpful recommendations which, although not yet adopted generally, have benefited the program considerably.

During August 1953, a live Scolia Wasp was discovered in Koror (Palau Islands), which indicates that efforts to establish the wasp, which is a predator of the Rhinoceros Beetle, have been successful. The last release of Scolia Wasps was made in December 1951. It is hoped that the wasp will multiply to the extent necessary to control the ravages of the beetle. Other steps are being taken to combat the beetle, including removal of vast numbers of old coconut stumps and collection and destruction of grubs.

The high islands have some areas that are capable of substantially increased production of crops heretofore unused by the Micronesians to any considerable extent. Modern agriculture and horticultural science reveal ways of using more of the areas of the high islands, while at the same time maintaining the watershed 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 they will appreciate aid given in these lines and in due time themselves assume the cost of carrying on modern and improved agriculture.

FISHERIES, INCLUDING TROCHUS

During the past fiscal year the Trust Territory has explored possibilities for developing commercial fisheries in Micronesia along lines that will insure maximum participation of, and accrual of direct benefits to, the Micronesians.

Much first-rate advice was obtained through consultation with members of the Tuna Industry Advisory Committee (advisory to the Director, U.S. Fish and Wildlife Service) which committee met at Honolulu in February of this year. Partly as a result of such counsel, and also on the strength of advice received at frequent intervals from officials of the Pacific Oceanic Fishery Investigations (another activity of the Fish and Wildlife Service), first attention is being given to encouragement of local fisheries in the Districts, for the purposes of

increasing the supplies of fish protein needed for local consumption, as well as to enable exports to neighboring Districts and to Guam. Efforts are being put forth further to develop the program instituted at Ponape in early 1952 whereby Kapingamarangi and Mokil men residing there market the fish catches obtained off the main channel entrance. Since inception of the plan, surpluses have been shipped regularly to Truk for use there in the hospital and Central Dining Room, with some going on to Guam.

A plan to store and raise fish in fish pens for export sale has been broached at Ponape, but has been discounted as a likely commercial venture by fisheries experts. The fish pens, however, long successfully used on Mokil Atoll, may have future value in connection with local subsistence fishing activities elsewhere.

The government of the Trust Territory is observing closely the new -- and for American fishing interests, radical--experimental expeditions to the central Pacific area by the United States fishing groups. Activities and participation by Micronesians are objectives in all such planning.

Conversations are proceeding with Hawaiian and West Coast commercial firms towards the development of improved fishing facilities for the Micronesians. It is not planned to set up canneries or by-products plants, but it is anticipated that the islanders will be taught ways to improve their fishing intake.

The Japanese Military, in order to further their security program, destroyed all but 80 of the Micronesian 1500 canoes. This literally wiped out the native subsistence fishing on many islands except for reef wading and fishing. Since each canoe requires a mature breadfruit tree to manufacture, and since there are no surplus breadfruit trees on most islands, it will take a considerable time to replace the canoes. The Micronesians are now occupied in remodeling and repairing surplus whaleboats and motor launches to meet the need. In a few instances, they are constructing cabin launches which use an outboard motor or engine, permitting wider cruising range.

The trochus industry yielded \$18,439 to the Micronesians in 1953. At present we are spreading the trochus beds and extending the period of the harvest season annually, thus increasing this source of income.

ANGAUR PHOSPHATE MINING

Negotiations for opening of new mining areas at Angaur were conducted in Honolulu with officials of the Japanese Phosphate Mining Company at intervals throughout the early months of 1954. The mining firm was, of course, most anxious to obtain permission to enter remaining agricultural lands underlain by phosphate deposits. Discussions as a result were prolonged and thoroughly exhaustive, and involved considerable hydrological and agricultural research and observations.

At the beginning of April 1954 an extension to the basic contract was agreed upon according to which mining is authorized in an additional tract located at North Angaur. The area is expected to be exhausted in October of this year, at which time mining is to terminate finally. There will then remain slightly less than ten acres of first-grade taro land available to the North Angaurese clans, and this acreage is considered to be the minimum beyond which it is not in the best interests of the inhabitants to encroach.

The Phosphate Mining Company, in order to protect ground water supplies and replace land areas destroyed in mining, is bound by contractual obligation to backfill bodies of standing water resulting from past operation.

Authorized on October 2, 1953, with an initial allotment of \$4,000, this Jaluit Development Program was established to provide for rehabilitation of Jaluit Atoll as a preliminary step in resettling islanders on the island of Jabwor, former site of the Japanese civil headquarters in the Marshalls. On December 30, 1953, the authorized allotment was increased to a total of \$5,500.

Main emphasis is to be placed on agricultural redevelopment, with special attention to setting up a coconut nursery for distribution of selected seed nuts and seedlings to the barren lands and to other areas of the Territory. Of equal importance is the concept of employing at Jaluit a carefully selected couple to inaugurate an operation designed to awaken the voluntary participation of the local islanders in local improvement undertakings for their own benefit. It has been possible to attract a mature, self-reliant couple interested in a challenging assignment of this type.

CACAO

A search for new subsistence crops and commercially feasible cash crops adapted to the islands is continually pursued by our agriculturists. At the moment cacao seems to hold promise for the future as a source of cash income, and active experimentation is now being done with this plant at Ponape and more especially in the Palau areas (Babelthaupt Island and elsewhere). Mature plantings of Criollo variety remaining from Japanese agricultural experiments are providing a source of seed for propagation activities on the high islands.

Thousands of carefully selected cacao seedlings are now being grown and are being distributed on the various districts where the soil, temperature, rainfall, etc., are suitable for cacao growing. At Palau 29,000 cacao plants have been set out in a nursery, and another 1,000 distributed to local people. Other seedlings have been established in two nurseries at Ponape. The staff is studying the best ways to grow, cultivate, harvest, prepare, and market the crop.

OTHER ECONOMIC PROJECTS

As careful study indicates the advisability of trying additional economic projects, funds will be made available for experimentation up to and including pilot studies. In a very small way the production of beef is being undertaken and carefully watched. Nine blooded Brahma bulls have recently been shipped from Tinian to Rota and Ponape to improve the local stock. Cattle are being run in coconut groves where legumes have been planted. They aid in keeping the plantations clean of brush so that coconuts can be harvested more easily. Swine and poultry stock and their husbandry are being improved. Many Micronesian families have pigs and chickens, but the grade is very low. During the past year, many selected breeding swine have been imported in an effort to improve the quality and quantity of pork available to the Micronesians. Other tropical fruits and spices especially adapted to the area will be investigated; black pepper, vanilla, and some others are now growing. High island reforestation projects, badly needed after the widespread forest destruction of the Japanese period (illustrated by extensive over-cropping and clearing for clean farming), are contemplated and being undertaken to assist in (a) soil conservation, and (b) timber for lumber.

HANDICRAFT

A systematic program of improving the quality and quantity of handicrafts is being carried on by the administration. There seems to be an adequate market for properly made merchandise, although transportation and customs costs are high

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on many items. However, the Micronesians need to learn the necessity to produce goods of consistent quality and in addition be able to adjust to a small margin of profit when such items are competing with handicrafts from other areas. Furthermore, regularity of supply is not easy to accomplish since it requires somewhat factory-type work rhythms—things quite out of character with the Micronesians. New production incentives are being sought. Handicraft comprises the chief source of income on several islands and atolls, where the large populations consume nearly all the coconuts. The receipts of Micronesians for their handicraft products in 1953 were \$20,388. By good management this can be increased.

AGAIN - CHANGE AT WHAT RATE?

We are constantly torn between the desire to speed up production by modern plantation methods on the one hand, and on the other hand, the contrasting policy of encouraging the people themselves to observe the modern way of agriculture and thereupon to undergo the routine and regimentation required to make a success of improved agriculture. We, therefore, show the chiefs and the people and the school students ways of improving coconut strains and better ways of planting the seed coconuts. We are demonstrating cacao as a new cash crop. We are making new strains of pigs and chickens available to those who wish to purchase them. We are showing the effect of new grasses and legumes. We are showing that coconuts can be grown through large, deep holes in former concrete air fields. We are going ahead with the control of the rhinoceros beetle and showing the people the part they have to play in this serious undertaking. We are trying the same methods in introducing and conditioning the people to democratic processes of government and to the method of free elections by secret ballot.

In all of these agricultural and political improvements, we are trying to avoid waste of energy and money and discouragements through recommendations and experiments that may meet with failure in the long run. In this program, we solicit the suggestions and counsel of members of this Trusteeship Council who have had years of experience in similar situations.

TAX STRUCTURE AND PRACTICES

A third problem deals with the establishment of a suitable tax structure to enable governmental organizations to function. The Micronesian chiefs are accustomed to levying certain forms of taxes amongst members of their own municipalities. There were some cases where the levies extended over nearby island groups, sometimes in the form of what might be called tribute. A more modern system of taxation is now becoming understood by many of the Micronesians who are asking for guidance in setting up suitable tax systems. The question is to what extent are they able to tax themselves to provide the modern conditions they ask for.

During the past year, increased attention has been paid to the collection of local taxes with the end in view of paying all elementary school teachers' salaries from locally collected taxes. For this purpose the Districts of Truk and Ponape have recently promulgated, with the concurrence of the Council of Chiefs, and the Island Congress, respectively, a simple tax on all imports except food intended for human and animal consumption. The Marshall Islands District, in accordance with a Resolution of the Marshallese Congress, has a tax on all copra processed for export, for the exclusive purpose of paying the salaries of all elementary school teachers. It is my intention to encourage this healthy sign of local responsibility by fostering additional taxes to the point where not only will all elementary school teachers, but also local health aides, will receive their salaries from local revenues.

AMERICAN EMPLOYEE STANDARDS VS. MICRONESIAN STANDARDS

As the American employees carry on their family homes and normal life as residents of the Trust Territory, they require conditions not too different from those to which they have been accustomed before entering the Trust Territory service. For their children they wish adequate medical service, suitable education, and for their families they wish the advantages of some of the modern conveniences that have become necessities to these families while they lived in America. Provision of these things for the Americans sets an example before the Micronesians who gain desires for similar benefits and advantages. The question is how and to what extent shall the Micronesians attain any such modern facilities as their economy can support. Certain features of health service are regarded as suitable continuing expenditures for the Administering Authority. The same applies to teacher training and certain trade and technical instruction to enable the Micronesians to do work existing in the Trust Territory Government and in which the Micronesians may attain competence. Imports have become necessities in certain cases. This applies to clothing and certain drugs. Is it sound administration to see the Micronesians becoming accustomed to the enjoyment and use of imports and western services for which they themselves are able to pay in one way or another? Usually the ability to pay can be gauged by the amount of money or labor they reasonably can advance through a system of taxes or through barter. The administration is assisting the Micronesians to acquire funds through copra processing taxes, import taxes, and income taxes. The sums that are available through taxes are not large in comparison with the costs of services the Micronesians are receiving under the existing administration. The question is how to aid the Micronesians best in an adjustment to services and facilities which they themselves are able to pay for through a tax structure that is practicable for them, rather than have the Administering Authority subsidize such items and thereby reduce Micronesian incentive toward self-reliance.

HEALTH IMPROVEMENT

One of the features of "change" that all apparently concur in is health improvement. Basically we are trying to eliminate serious diseases most of which have been brought in by outsiders, although yaws was a bad and extensive disease that had existed from time immemorial.

We are making considerable progress. In fact, control of disease through modern drugs and practices is resulting in a very impressive and, one must admit, startling increase of population.

Our health personnel are rapidly being augmented and in many cases replaced by Micronesians, as the following figures indicate. Students in the technical training program of the Public Health Department:

1. Formal Training:

Enrolled in the Suva School for Native Medical and Dental Practitioners:

To complete a 4-year course in December 1954	25
To complete a 4-year course in December 1955	3
To complete a 4-year course in December 1956	2

Native practitioners serving medical internship -- Hawaii	3
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Native graduate nurses in formal training -- Hawaii	2
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Graduates of the Trust Territory Pacific Islands Central School enrolled in the Trust Territory School of Nursing	16
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Trust Territory course for training of native sanitarians	15
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2. Informal Apprenticeship Training Continuous in Trust Territory Hospitals

Native medical and dental interns and practitioners	13
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Nurse Aids, Outer-Island Health Aids, Laboratory Technicians, etc. Average number	35
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Another item may be of interest, to wit: A NEW APPROACH TO ISOLATION FACILITIES FOR LEPROSY.

Under current arrangements, contagious cases of leprosy are carried to the Trust Territory leprosarium on the Island of Tinian now administered by U.S. Navy. This island is strange to most Micronesians, and involves serious cost and transportation problems.

Concepts concerning isolation for leprosy are changing. Knowledge of communicability is increasing. More exact classification of the disease is possible. Treatment of early cases is more effective.

It is believed that two smaller isolation units within the civilian administered Territory, one at Yap and one at Ponape, would be preferable to one large one.

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Based on the foregoing, the following plan is being developed:

- (a) Selection of a tract of land suitable for subsistence agriculture and food gathering accessible to an established hospital and to the sea for fishing.
- (b) Cooperation of the native people (especially members of a family in which there is a case of leprosy), in constructing a well-planned native isolation village with central infirmary for treatment and the care of non-ambulatory cases.
- (c) Staff with trained native attendant under regular supervision of a physician from the hospital.
- (d) Temporary transfer of surgical cases to the hospital as need arises.

Plans are under way for selection of two suitable sites and arrangements with native leaders for implementing the project as a native undertaking with whatever supervision and imported materials found necessary.

This program is considered practicable, reasonably adequate, and within the resources of the Administration and the people.

PROBLEMS TOO NUMEROUS TO MENTION

Members of the Trusteeship Council who have had experience in administering colonies and trusteeships are aware that the enumeration of a few problems by no means indicates that this present list requiring solution and constant attention is a complete one.

EMPLOYMENT OF MICRONESIANS

With this understanding, I turn to a fifth problem or cluster of problems arising out of the policy to use Micronesians insofar as is possible in filling positions in government. At the present time, we are able to provide employment to Micronesians in many normal and continuing phases of government work, and in excess of normal administration needs when we have public works construction, stevedoring, maintenance or repair going on. Such employment is on a temporary basis. The cash income thus made available in the Micronesian economy is appreciated.

The main consideration, however, is to get Micronesians into the permanent government positions now held by Americans insofar as such positions are necessary, and on essential operations at appropriate levels. At the same time, we are to provide training on the job for Micronesians, bringing them along to a point where their services are adequate for general administrative needs.

At the present time there are 1,262 Micronesians in this permanent employment category, distributed as follows (Note: These figures do not include employees of the Micronesians by themselves in their municipalities):

Health Services 237; Education Services 61; Security and Public Safety 106; Public Works 549; Agriculture and other Economic Projects 149; other categories 160.

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There has been

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There has been a decrease of 26 Micronesians occupying these public positions and replacing Americans during the past year. However, there has been a decrease of 48 American employees also during the past year. In other words, we are cutting government posts down to a size which the economy largely can support. The problem confronting us is how to carry on the essential operations at an adequate level and at the same time provide training on the job for Micronesians, bringing them along to a point where their services are adequate for general administrative needs. Our methods include on-the-job training by our own American personnel together with the use of training materials provided by the Headquarters. The competence of certain Micronesians, if interested in the particular work and adequately trained, is gratefully recognized. Their language limitations constitute, in many ways, serious impediments to their service, but these obstacles are being overcome. In other fields of service, they are really doing an outstanding job. One illustration may suffice. Dr. Isaac Lanwi is a native medical practitioner, who because of his interest in his patients and his profession, was given an extra year of training in the Hilo Hospital in Hawaii. He specialized in eye surgery. His year's training resulted in what our physicians and the staff at the Hilo Hospital regard as unusual skills. He was accompanied back to Micronesia by the head of the Hilo Hospital who assisted him in preparing patients and then retired while Dr. Lanwi performed cataract operations throughout the Trust Territory, all of which have turned out successfully so far. Similar illustrations could be given to indicate the competence of many other native medical practitioners and Micronesians in other lines of work, and their capacity to profit by additional specialized training.

We shall appreciate receiving suggestions from the Trusteeship Council members as to the best methods of developing competence in the Micronesians to carry on the important functions of government and other essential services throughout this vast area.

We are affording an opportunity in the field of government for the Micronesians to learn the parliamentary process and for them to practice the use of the secret ballot in elections. In this field we are aware of the problem of providing for the customary and well established conservative or council type of Micronesian government with all of its necessary contributions and benefits and as noted earlier in this statement at the same time encouraging the progressive elements to cooperate with the conservatives in sound and constructive development.

SETTLEMENT OF LAND CLAIMS

Our sixth problem may be called land claim settlements or resettlement on lands. As it has been reported heretofore, we have a definite policy prohibiting alienation of Micronesian lands. Any lands being used for government purposes or by anyone except Micronesians themselves are regarded merely as being leased. The title remains with the original owners.

Now it is not clear in many cases who the original owners were and who would constitute the rightful successors in title according to Micronesian customs. This is due to takings by the Spanish, the Germans, and the Japanese. In many cases, as, for example, when the land was taken by the Germans, compensation was made, and an assumption has to be made that the transaction was between free agents and that the compensation was fair. The Germans proceeded to develop copra plantations and to set up small settlements for their administrative uses and residences of their agents. Apparently the Micronesians adjusted themselves to this taking during a period of years and recognized the necessities of the situation without continuing claim or complaint.

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When the Japanese

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When the Japanese entered the picture, they announced themselves as heirs to all lands held by the Germans and declared these to be a part of the "public domain." They also saw that there was a considerable part of communally held land that apparently was not being actively used by the Micronesians and this they added to "public domain." Unfortunately, although this land was not continuously used by the Micronesians in all cases, it nevertheless had a value, and title to it was complete according to Micronesian custom. An illustration of this would be the high lands not regarded as comfortable for residences but necessary for forest reserve and watersheds. Nevertheless, the Micronesians from earliest times used these areas as a source of trees and lumber as well as a source of other mountain-growing products, herbs, fibre, stones for their implements, etc. The Japanese operated under the League of Nations Mandate and their acquisition of lands for their use and for their "public domain" has been regarded as having been carried out in proper form. In other words, it is assumed that the Japanese paid for the land at prices satisfactory to the sellers up until about 1937 or the time when the Japanese excluded other nations from entering the area, and discontinued reporting on the League of Nations. Our administration and our land claims officials have been assembling information and testimony and completing a cadastral survey, thus trying to arrive at an over-all understanding of the whole land claims problem.

We have had difficulty in arriving at a "fair value" determination for many types of claims. We have felt it necessary to complete the survey and studies and find out to what extent people have been injured before adopting any fixed policy or rates of compensation. We have held that it is desirable to act in a manner that is fairly uniform but with allowances for some gradations of value dependent upon former use of the land, location, etc.

Meanwhile, we have been able to provide every Micronesian who has desired land, an area to live on and work. In some cases, these have been necessarily on a revocable lease basis depending on definite determination of fact. We have made much progress during the past year in this analysis, although it must be admitted that there are many former owners who are anxious to have settlements completed and inevitably are impatient with our inability to conclude their cases before this date.

However, it is a pleasure to record the conscientious and painstaking work done, and that will very soon enable us to close many more claims.

In many cases, the reason Micronesians do not have title to the land they are occupying, or their alleged titles in some cases are in doubt, is due to an almost complete loss of German and Japanese land records and by population shifts due to both Japanese and American military occupation and construction and subsequent permanent military and civil administration requirements.

The chaotic land condition originally facing the present administration is being reduced to one of order pursuant to the broad outline contained in Chapter 15, Real Property, Trust Territory Code and Land and Claims Regulation No. 1. The principal steps being employed are as follows:

(1) Surveying and marking with concrete posts the areas of all private holdings. This has been an expensive and time consuming task, but it has been a required starting point in nearly every land case.

(2) Hearing and evaluating damage or rental claims arising out of use of private lands by the United States and its agencies.

(3) Determining the perimeters of all former Japanese owned land both public and private.

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(4) Determining

(4) Determining the areas which will be needed on a permanent basis for civil administration and negotiating with the owners in the case of privately owned land for a reasonable rental.

(5) Establishing areas of public lands, commonly referred to as "public domain," including lands formerly owned by Japanese individuals and corporations.

(6) Establishing the basis for acquiring homesteads.

(7) Negotiating with the Armed Forces for adequate compensation for those lands being retained on a permanent basis for military purposes, including AEC lands.

We are continuing our studies of atolls and of land use.

FUTURE OVERPOPULATION PROBLEMS

In addition to the settlement of claims due to taking by government, we now are beginning to have land problems due to overpopulation on some of our low islands. This requires a new form of resettlement, and we are approaching the solution in two ways: (a) By studying atolls to see to what extent we may have atolls or islands on atolls available for use of people that necessarily must be removed from their present or former atoll locations; (b) By study of the hinterlands of the high islands to see how to adapt them for residential and agricultural uses of additional Micronesians.

In centuries gone by, disease, wars, and infanticide placed strict limitations upon the growth of the population. Now, however, disease is being conquered, infant mortality is comparatively low, and inter-island wars and infanticide no longer exist. The number of children is very striking throughout Micronesia today. The birth rate is high and survival also is high due to our health services. The population is increasing quite rapidly. This poses a basic problem for the administration where land areas are so severely limited and where necessarily a very large percentage of the high islands are steep slopes and unsuited for habitation but are required for watersheds and forest reserves.

CLOSING OF ISLAND TRADING COMPANY

The seventh problem that we have had to deal with during the past year is the termination of the Island Trading Company. This organization has operated since the close of World War II and has served to purchase and market copra and thereupon distribute trade goods throughout the area. It has been operating entirely not for private gain. It has paid all its own expenses, has served without a government subsidy, and has laid up a reserve to be used for the benefit of the Micronesians. It is organized as a stock corporation with but one share of stock, and dividends are never paid, but any possible net surplus has been held for economic betterment of the Micronesians. By Act of Congress, this organization must be terminated as of December 31, 1954. The corporation, therefore, has been developing successors to itself. It has assisted at least one capable and promising Micronesian private enterprise trading company in each district and in the short time given for the close of its business, it has endeavored to make sure that the flourishing independent firms, which ITC was carrying as "agents" in each district, can be preserved for the benefit of the Micronesians themselves and can be carried on as totally Micronesian-owned stock companies throughout each district. It is a pleasure to assure the Trusteeship Council that the Island Trading Company now feels quite satisfied with its efforts to establish these successors. At least one Micronesian company in each

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district

district has an experienced salaried American manager, and each, with supervision until the end of this calendar year by the Island Trading Company personnel, will be able to assume to copra purchasing and trade goods merchandising responsibilities satisfactorily. In fact, some of the trading companies already are engaging in additional enterprises such as soap manufacturing, collection of coir fiber for market, surface transportation, etc.

DISTANCES AND SURFACE TRANSPORTATION COSTS

A further set of serious problems evolves from providing adequate surface transportation throughout this vast area. The resources of the area are so limited that it is not good business nor economical for commercial vessels to provide regular surface transportation for the entire area.

The two CI-MA-VI 4800 ton (AK) ships that ply between Japan, Guam, and our district centers, and carry copra and scrap to Japan, returning some trade goods therefrom, and picking up other manufactured trade goods at Guam are now operating at a slight profit. These, of course, are government-owned ships and no charges are made against Micronesians for the capital investment and amortization. For atolls lying near to the district centers, the Micronesians themselves provide a considerable amount of their own transportation in small sailing craft with auxiliary engines and we have been stimulating and encouraging this growth; but for the more distant atolls and for the purpose of transporting our administrative personnel and their effects and supplies, we find it necessary to have somewhat larger ships that can carry a more nearly adequate pay load for the longer trips, and that can make these longer trips on a fairly regular schedule. These trips are unprofitable. They have to be subsidized. Surface transportation is one of our biggest net expenditures each year. We now have a committee of experienced shipping men advising us in ways to reduce these costs and provide better surface transportation service.

The construction of wharves is in itself a problem because privately-operated ships must charge demurrage due to delays, if they cannot expeditiously effect turn-arounds. By the same token these delays are expensive to government-operated craft. However, to build wharves that are adequate to withstand the storms of Micronesia and provide berthing that will permit rapid dispatch of cargo in almost any kind of weather, including during rains, is so expensive that our limited tonnage cannot amortize the capital investment for proper wharf improvements. This again would require large capital expenditures which manifestly will be difficult to come by unless it clearly is established that adequate service cannot be rendered otherwise and without such great expense.

How to improve the surface transportation without increased subsidies is a problem that cannot be solved quickly. We are trying to increase copra production. This again means increased and regular and reliable surface transportation because the Micronesians have no way to store the copra for long periods and they will make it only during a short period before the expected arrival of a ship.

We are trying to increase our fisheries and provide refrigerated fish tonnage to attract private shipping and assist in carrying on our own government shipping.

We are looking about for a less expensive type of craft to replace our very expensive AKIS, the 250-ton inter-district station vessels we now operate. Already we have purchased two motor schooners for this purpose but we still are having to rebuild and alter them to suit our needs.

At the present time, however, it appears to us that if adequate surface transportation is to be provided to insure the administrative inspections required of us as good administrators, there always will have to be somewhat substantial subsidies.

YEN AND OTHER CLAIMS

A vexatious set of problems has to do with the payment of yen, land rental, postal savings, Japanese war bonds, and war damage claims.

We have not been in the position simply to go ahead and pay these claims as they have been received. We are sure that there are many additional and as yet unlisted claims that will be made as soon as some settlements are made, and we are aware of the danger of precedents in this matter. It is hoped that we soon will be able to deal fairly in connection with many of the claims. In the Saipan District we already have begun to settle the claims for unredeemed yen. We hope to resolve the accrued land rental problem in part at least very soon. Various things have delayed the full settlement, but we believe that we have made progress toward closing out these two categories of claims. This will be a welcomed situation for all hands.

CONCLUSION

There have been some advances and improvements made during the period of our report and during the past year:

Definite efforts are under way and improved plantings have been made in coconuts.

The cacao germination and planting out have gone ahead. Possibly somewhat over 35,000 plants are out and being cared for by chiefs, family, producers, and two government propagation centers.

Clean-up of rhinoceros beetle areas has gone ahead and new coconuts are now beginning to be set out on an island nursery near Peleliu in the Palaus.

We have been able to erect the following permanent structures: Power plant at Koror, Reefer at Ponape, Power plant (half done) at Ponape, two concrete--transite warehouses at Majuro, Tuberculosis ward at Koror, Ponape warehouse (partly done).

Many old surgical cases have been cleared; some advances have been made in the field of community sanitation.

Improved breeding stock has been distributed and more is on the way (cattle and pigs).

Several new and promising grasses and legumes have been started and are being spread.

Some progress has been made in fishing and fish industry.

There have been evident advances in self government according to the elective representative pattern.

Other economic improvement projects have been set up.

We have affected many land resettlement cases and are laboring toward agreements and payments for land rentals and yen redemptions.

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We have practically

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We have practically eliminated the need for the government-operated Island Trading Company by turning the function over to the operation of the Micronesian people themselves.

We have reduced American personnel and have replaced many Americans with Micronesian employees. We have gone ahead with special training programs for Micronesians to enable them to qualify. We are making progress toward a level of economy that the Micronesians themselves can sustain, but that also is above the mere subsistence level.

We have made progress in aiding the Micronesians to set up tax systems whereby they can pay for education of their children. We have made progress in getting them to pay their native medical practitioners.

Transfer of collection of copra on district-wide basis has been placed in the hands of locally-owned trading companies (except for Ponape where plans are going forward for such transfer).

Government-operated commissaries have been transferred to local trading companies in every district except Yap.

The Trust Territory transferred its title in an abandoned Japanese fishing vessel to the people of Kapingamarangi Island in satisfaction of their lien for salvage. This vessel is now operating regularly in Ponape district carrying freight and passengers.

A Tropical Agricultural Specialist was installed as a resident on the Island of Rota to assist in developing the economy, principally by increasing vegetable products for export to the ready market of Guam.

The Rota harbor development work is in progress.

An economic rehabilitation and community development program was begun at Kili for the solution of the economic and social problems of the displaced Bikinian people resident there, under the direction of a Marshallese Project Manager.

A Self-Government Conference was held at Truk. Delegates from all parts of the Territory assembled and discussed political and social problems of mutual interest.

Arrangements were made to terminate phosphate mining operations on the Island of Angaur during the summer or fall of 1954, in order to preserve the remaining agricultural lands for use of the inhabitants.

The South Pacific Commission's support of the Community Center project at Koror terminated, and it is expected that the Center will continue under local auspices.

Cacao nursery planting at Ponape and Palau were extended, using seed materials obtained from Yap district.

A program to reduce conditions of over-population at Ebeye was begun.

Other things might be listed as gains. Probably in some ways, time may show that we have not done so well. We have a long list of things we hope to do and that we are working to accomplish.

At any rate, we have noticed an increased effort on the part of the Micronesians to run their own show, and we have tried to take advantage of this awakened interest.

There is one device that we are employing and that is proving helpful to us in planning improvements in our administration of the Pacific Islands; I refer to our various advisory committees.

These advisory committees exist both in Honolulu and in the several districts. In Honolulu the committees are composed of American leaders in respective fields, including health, education, agriculture, anthropology, surface transportation, handicraft, fisheries and copra stabilization. Hawaii men who are familiar with the islands of the Pacific and their peoples, resources and problems, as well as with the Orient, the antipodes and America, voluntarily gather and consider problems we lay before them, providing us wise counsel drawn from a vast reservoir of their experience and knowledge.

In the districts, the Micronesian advisory committees quite formally are set up and are dignified with not only the name "committees", but in many cases the designation "council" or "congress." Only one who is quite familiar with the wisdom of island chiefs, chiefesses, elected representatives and other local leaders can appreciate the care and sound judgment such organizations can provide the district administrators. Indeed, it is these very local islanders' advisory committees or councils or congresses that are evolving into bonafide legislative, judicial and executive entities. The same applies to local economic and business enterprises. Under competent guidance and as they are endowed with increasing responsibility, it is very encouraging to witness the growth of the islanders in capability in all fields. They gradually and systematically are more and more running the show--and we do intend that they will run their show.

During the past year also, we have availed ourselves of the advisory services of the Pacific Science Board, a division of the National Research Council. This excellent organization has afforded advice and definite cooperation in all phases of applied science, adding the outstanding scientists of the entire nation to our advisory system. During the past year systematic atoll studies and other investigations have been carried on under the guidance of this Board.

At all times we are aided by the South Pacific Commission, which provides the relative newcomers in administration north of the equator in the Pacific Islands a wealth of long experience in dependent peoples and Trust Territory administration.

We endeavor to implement and apply the recommendations we receive from these bodies, since it is well known that their objectives are entirely in keeping with the provisions of the Trusteeship Council.

Centuries ago, the Micronesians made the long voyages over the ocean in their outrigger canoes. They discovered and settled in the little islands of the Pacific. They planted coconuts, yams, taro, breadfruit, bananas, and they learned how to manage and harvest their lagoons. They developed their very interesting and well-ordered societies culminating the councils of elders or chiefs and in influential matriarchs. They devised ways for the

control and vital uses of their limited land and limited resources. They evolved traditions and an oral literature often very rich in figures of speech, not dissimilar from the literature of the ancient Greeks and the Hebrews. Their lives are active and well ordered, attuned through centuries of necessity to their environment.

In later years they have observed the accomplishments of the Germans in scientific agriculture and commerce. Then they saw how the industrious and westernized Japanese developed resources. They now are studying the accomplishments and ways of the Americans.

Like their seafaring and voyaging ancestors of old, many of them have been abroad and have studied ways of people in Japan, Manila, Honolulu, America.

They have a deep desire to increase their own capabilities, to do things that they see modern men doing, and to establish in their own communities some new standards of living.

In working with the Micronesians, few of us would attempt to impose upon them the doctrine that ignorance is bliss or that the best life is inactivity. Rather, we believe that the good life is the active life, and we stand ready to assist them toward expanding, and yet suitably founded and supported, undertakings. We work to aid them in their efforts to rid themselves of yaws, tuberculosis, leprosy, and other serious limitations upon living. We wish to aid them in ability to apply modern science to their coconut and other agriculture, to their fishing, and their navigation and communication. We wish to aid them in acquiring knowledge and benefit from written language. And our design in all this is that they may live in peace in their islands and may improve their surroundings and attain greater enjoyment and true benefits from human associations.

In short, we wish to aid them in sound and proper development of their communities and of their own individual lives. We wish them to keep their lands and the status such ownership gives them. We wish them to develop themselves in stature insofar as this is based on sound economy, and we desire that they may achieve a place among men that will be increasingly beneficial to themselves and to others who may observe their peaceful and well ordered adjustment to the world we live in.

Those are our basic objectives. We are building our program to fit those objectives. We move slowly along the road and possibly to some our attitude toward abrupt change may seem inexcusable; it may appear that in some ways the progress has been backward. If so, we hope it is only realistic adjustment to existing factors and to conditions that inescapably must be determined by environment and available basic resources. We try to avoid false and unsustainable standards, but always to aid the Micronesians in their own desires and efforts soundly to improve their communities.

I have imposed upon the patience of the members of the Trusteeship Council in stating our objectives so that out of the assembled experience here, we may receive aid and direction toward improving both our objectives and our methods.

Short of having an opportunity actually to visit our sister trusteeships, we look forward at this Council Meeting to sharing the comment and advice of others experienced in these fields.

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