

PALAU

COUNTRY READER TABLE OF CONTENTS

Edward W. Mulcahey	1954-1956	Advisor, US Delegation on the U.N. Trusteeship Council; State Department, Washington, DC
Curtis C. Cutter	1959-1962	United Nations Affairs; State Department, Washington, DC
Arthur W. Hummel, Jr.	1971-1972	Micronesian Status Negotiations; State Department, Washington, DC
Harmon E. Kirby	1973-1974	Micronesian Status Negotiations; State Department, Washington, DC
William Bodde	1977-1980	East Asia Bureau, Auckland, New Zealand and Pacific Islands; State Department, Washington, DC
Evelyn Colbert	1978-1980	Deputy Assistant Secretary, East Asia; State Department, Washington, DC
Richard W. Teare	1980-1983	Acting Director, Micronesian Negotiations; State Department, Washington, DC
John H. Holdridge	1981-1983	Assistant Secretary for East Asian Affairs; State Department, Washington, DC
Stephen Solarz	1981-1992	Chairman, House Subcommittee on Asia & Pacific Affairs, Washington, DC
William Andreas Brown	1983-1985	Principal Deputy Assistant Secretary, East Asia and Pacific Affairs, State Department, Washington, DC
Richard J. Dols	1983-1986	Pacific Island Affairs; State Department, Washington, DC
Michael G. Wygant	1983-1987	Oceans, Environment and Science Bureau, State Department, Washington, DC

Samuel B. Thomsen	1983-1987	Micronesian Status Negotiations, State Department, Washington, DC
	1987-1990	Ambassador, Republic of the Marshall Islands
Ellen Boneparth	1990-1992	Political Officer, U.S. Mission to the United Nations, New York
Lynne Lambert	1992-1994	Director, Office of Pacific Island Affairs, State Department, Washington, DC
Joan M. Plaisted	1996-2000	Ambassador, Republic of the Marshall Islands and Kiribati
Greta N. Morris	2003-2006	Ambassador, Republic of the Marshall Islands

EDWARD C. MULCAHEY
Advisor, US Delegation on the U.N. Trusteeship Council
State Department, Washington, DC (1952-1954)

Ambassador Edward W. Mulcahy received a degree from the Fletcher School of Law and Diplomacy at Tufts University in 1943. Within eight weeks of the bombing of Pearl Harbor, he enlisted in the U.S. Marine Corps Reserve. At the end of World War II, Ambassador Mulcahy joined the Foreign Service. In addition to serving in Germany, he served in Kenya, Ethiopia, Southern Rhodesia, Tunisia, Nigeria, and Chad. Ambassador Mulcahy was interviewed by Charles Stuart Kennedy on March 23, 1989.

Q: We're talking about the period 1954 to 1956.

MULCAHY: That's right; it was a period when we had 15 territories under the United Nations Trusteeship System, plus what came to be called Namibia, southwest Africa, which I had visited on my way out of Mombasa. Our policy was really quite conservative. We had our position papers which had to be cleared all over the Department and we were limited to making rather tame positions. But we could occasionally, when key issues came up, differ with the other administering authorities. You see, we were an administering power. We had the Trust Territory of the Pacific Islands, all those islands that mostly we Marines captured for the United States. We were inhibited by our standing instructions from going into open splits with the French and the British, for example. The Australians were more conservative than we were and the New Zealanders were also conservative about their little trust territories in the Pacific islands.

But when we left the other administering authorities, when we voted with the non-administering authorities, we could move things forward. We would look for opportunities when we could do

that by our vote on a matter of principle [and] we could move the whole thing forward. A group of us, Mason Sears, myself, Curt Strong, Ben Gerig, conceived the idea of "target dates." The non-administering powers in the Trusteeship Council wanted timetables for independence. This was a no-no to anybody who knew the real conditions of most of the people in most of the territories under the trusteeship system or the colonial system. To set a timetable, a short timetable, of course, is what they wanted. It was playing with fire.

CURTIS C. CUTTER
United Nations Affairs
State Department, Washington, DC (1959-1962)

Curtis C. Cutter was born in Sacramento, California on October 27, 1928. He attended the University of California at Berkeley and then entered the U.S. Army. Mr. Cutter joined the Foreign Service in 1958 and served in Cambodia, Peru, Brazil, and Spain. He Cutter was interviewed by Charles Stuart Kennedy in 1992.

Q: I was just going to ask about the Pacific, because, really, nothing moved on that until the 1980's.

CUTTER: We took a very paternalistic attitude, and of course defense considerations were uppermost in our minds when we talked about the Trust Territory of the Pacific Islands. It was very difficult to get the Defense Department to move. They considered that the Trust Territory was a wonderful bastion for them out in the Pacific, as the island groups were fairly disparate and didn't have a unified approach to this whole question of what their future should be. They had never seriously considered independence, I think, on most of the island groupings. They were still fairly satisfied with the American administration. They didn't have the pressures that you had in Africa and elsewhere. You didn't have that kind of volatile situation. And we were doing a reasonably good job of training people, bringing people on, into Hawaii for advanced training, sending people back, and incorporating Micronesians into the administration. So that we didn't have the same kinds of pressures, I think, but they were there--they were incipient, even at that time. In traveling through the islands you could get a feeling that this was a problem that had to be solved fairly soon. Which we didn't do, by the way. We kept fooling around with various formulae but never did come up with one that held the area together.

Q: Well, in dealing with this, did Puerto Rico get thrown in your face all day?

CUTTER: All the time. This was the time when the Cubans were very active in trying to get Puerto Rico on the agenda of the United Nations. One of our biggest activities was to fend this off. We spent an enormous amount of energy, almost as much time as we did on the China question, keeping Puerto Rico off the agenda, claiming, basically, that Puerto Rico had already had its basic act of self-determination. In fact, I think that was true. I think that was a legitimate defense.

Q: Was there ever the feeling on the Puerto Rican affair, "OKAY, fellows, you want to talk about this, go to Puerto Rico, do what you want.?"

CUTTER: No. There was never that feeling. The feeling was that travel was open to Puerto Rico. Anybody that wanted to get on the airplane and fly down there could do so, and we said that. But to allow a visiting mission from the UN, an official visiting mission, to go to Puerto Rico, would be in some way to admit that the United Nations still had some say-so over our administration of Puerto Rico. We weren't prepared in any way to admit that.

Q: You say that you had pressure from Lodge, who had very tight control over things. Wadsworth was there for a relatively short period?

CUTTER: A very short period, and then Adlai Stevenson came.

ARTHUR W. HUMMEL, JR.
Micronesian Status Negotiations, East Asian Affairs
State Department, Washington, DC (1971-1972)

Ambassador Arthur W. Hummel, Jr. was born to American parents in China in 1920. He received his master's degree from the University of Chicago. His career with USIS included assignments in Hong Kong, Japan, Burma, and Taiwan. He served as the ambassador to Burma, Ethiopia, and Pakistan. Ambassador Hummel was interviewed by Dorothy Robins-Mowry on July 13, 1989.

Q: You left Burma in 1971 and came back to Washington. You came back to...

HUMMEL: I came back to an unsatisfactory situation from my point of view. I forget the exact year, but meanwhile I had become a full-fledged, Foreign Service Officer, FSO. I had sort of slipped out of USIA--I forget the year. Marshall Green was the Assistant Secretary of the Bureau of East Asian Affairs. I heard later that Marshall didn't realize that I was an FSO and thought that I was still one of those outsiders which USIA had foisted upon him. At the beginning, this was sort of true.

Anyway, I wound up as the head of an office for negotiating their future status with the Trust Territory of the Pacific Islands--the TTPI. I was rushed back from Burma. I came back briefly for an interview with the ambassadorial level negotiator, a man named Hayden Williams, who was the head of the Asia Foundation in San Francisco. He decided that he wanted me to be in charge of this office, so I was rushed back to Washington. Betty Lou had to pack up in Rangoon and leave. We had two, half-grown tiger cubs that we had raised in the house. We sent them over to the Rangoon Zoo. Having the tiger cubs was a great experience.

When our sons left Burma to come back to prep school, we latched onto a couple of tiger cubs that were being sold. We had already had two tiger cubs before, during my previous tour in Rangoon. They are great playmates, and we really enjoyed them.

Anyway, I left Burma quickly and immediately discovered that the Trust Territory operation had no money. It was Congressman Wayne Hayes, for some reason that I cannot recall, who prohibited the State Department from spending any money on this office. So we had to get money from the Defense Department, which was intimately involved in this matter because it wanted to maintain base and territorial rights, and the Department of the Interior, which had been involved in the administration of the TTPI for many years.

I had no people assigned to the office, so I had to recruit everybody and find office space. The deadline was that we had a brand new set of instructions, which was why this office had been set up, and a negotiating meeting in three months. This was the first, sensible set of instructions for trying to negotiate what eventually turned out to be a kind of "free association" between these islands and the United States, meaning that we had control over their foreign affairs and defense. Otherwise, they were internally self-governing, except that our huge subsidies would still continue. This continues to be the case. Our subsidies have completely spoiled the culture of many of these islands. I don't know if you've ever been there.

Q: Yes. In May, 1994, I visited Ponape. They are lovely people, but there is a great deal of alcoholism.

HUMMEL: They are paid too much. They are paid on an American scale.

Q: You know that this situation isn't going to last. It's going to fall apart.

HUMMEL: Nearly everybody, or at least half of the population, has a U. S. Government subsidy. It's not welfare, either. It's being part of the government--employed as bureaucrats.

Q: Obviously, at a certain point the money will run out. How long did you deal with this negotiation?

HUMMEL: I managed to escape toward the end of February, 1972. I started in on this new job in State in July, 1971, just about the time that President Nixon was already in China on his famous trip. I managed to get back into the State Department as a Deputy Assistant Secretary of the Bureau of East Asian Affairs.

Once again, this was just plain luck. James C. Wilson, a very good Foreign Service Officer, had a heart attack and couldn't handle the job any longer. The Department was looking for a replacement. So his bad luck was my good luck.

Q: I'd like to go back to the TTPI negotiations first. How did you find working with the Pentagon on this matter? I'm told that when it's a question of negotiating between the Department of State and the Department of Defense on giving up base rights (Okinawa is the major example.), dealing with the Soviet Union or the People's Republic of China is much simpler. You understand that you have to make some concessions. Did you find this...?

HUMMEL: Absolutely. You've got it exactly right. As an illustration, when I was recruiting staff for this office, I had in mind a Foreign Service Officer to be my deputy. Mel Laird, then Secretary of Defense, summoned me and Hayden Williams to his office. Williams was in Washington only occasionally. He was based in San Francisco but was in charge of our operation and was the ambassadorial negotiator. Secretary Laird looked me in the eye and said, I understand that you want to have a Foreign Service Officer as your deputy. You're not going to have that. I'm going to insist that you have a military officer. Well, I was starting to say a few words in rebuttal. He cut me off and said, "If necessary, I'm going to the President over this. You can't do this." So Hayden and I backed off, although this was an empty threat. Laird would never have gone to the President over a small matter like who was going to be my deputy. I had the distinction then of resisting having in my office, as my deputy, then Navy Captain William Crowe later Admiral Crowe who was absolutely top quality. He was later the best Chairman of the Joint Chiefs of Staff that we ever had.

Q: I served with him in Naples. I was Consul General, and he was commander of the Sixth Fleet and probably the one person in the military with whom you could have worked and who would have understood the situation.

HUMMEL: He was really a gem--and still is. Furthermore, it turned out that the State guy I had in mind was a secret alcoholic. So Mel Laird was right, and the Pentagon was right, too, as a matter of fact. I should never have attempted to have a non military deputy because there was this suspicion among the military that you were talking about. The Pentagon was always afraid that we in the State Department would not negotiate hard enough for what they felt were--and I agreed with them--major needs on our part. We had to build a relationship with the TTPI while we had the leverage as the trustees of the Trust Territory. We had to build and negotiate a relationship with the TTPI so that we could preclude the Soviets from moving in.

Q: This is the policy of "deniability"--not so much to establish bases, since we had several [in the TTPI]. We needed to make sure that the Soviets didn't come "fishing in these troubled waters" and obtain bases [of their own] in the area.

HUMMEL: As you recall, they very nearly did persuade Tonga to open up a huge port for Soviet intelligence. We managed to prevent that. Anyway, the Soviet objectives were quite clearly expansionist in this sense. So the Pentagon really had a very strong and legitimate interest in the whole matter.

Q: Had this office gone very far during this period from July, 1971, to early 1972? Was your job mainly to "set things up"?

HUMMEL: As I said, we had a three-months' deadline before we had to meet for the first time with the Micronesian delegation. The meeting was held in Hawaii at a very nice hotel on the island of Maui--sort of half way between Washington and the Trust Territory. We began the lengthy process which just culminated a year or so ago.

Q: I understand from an interview with Peter Rosenblatt and other people involved with this matter later on that you weren't negotiating with the Micronesians so much as with Washington lawyers.

HUMMEL: Yes, that was true. When Paul Warnke and his staff became Counsel for the TTPI delegation and their so-called Parliament, this added a new dimension. There were also well-meaning but, I think, rather extreme Peace Corps lawyers who went out to the Trust Territory under a Peace Corps flag, as well as a domestic program which provided lawyers for poor people. I forget the name of that program, but some of those lawyers also wound up in the TTPI. They were incensed that we did not wish to let these people become totally independent, whereas we were trying to push for residual control by the United States over defense and foreign affairs.

Q: Of course, we're talking about a time when [views like these] were all coming out of the anti-Vietnam War movement anyway. People who would display such attitudes were usually what you might call "peace activists."

HUMMEL: To do them justice, the loyalty of these lawyers had to be to their clients. In that sense they should have, and did, supported what they thought was best for their clients and also what their clients wanted them to do.

Q: Were their clients, in other words, the people of the TTPI, looking for full independence or were they trying to get as much money as they could out of the United States?

HUMMEL: Both. They wanted independence and continued subsidies from the United States. One of our points of leverage was to say, "You can't have both. It won't work. Our Congress won't permit it."

**HARMON E. KIRBY,
Micronesia Status Negotiations
State Department , Washington, DC (1973-1974)**

Ambassador Harmon E. Kirby was born in Ohio on January 27, 1934. He received a bachelor's degree from Harvard University in international relations and served in the U.S. Army overseas for two years. His Foreign Service career included positions in Geneva, Madras, New Delhi, Brussels, Khartoum, Rabat, Lome, and Washington, DC. Ambassador Kirby retired on September 29, 1995. He was interviewed by Charles Stuart Kennedy on August 31, 1995.

Q: Well, you left there in the fall of 1972. Where did you go?

KIRBY: Washington. At the very end of 1972.

Q: To do what?

KIRBY: During calendar year 1973, I was assigned to the interagency group which was conducting the Micronesian Status Negotiations in the western Pacific. We had two separate negotiations going simultaneously. One with the Mariana Islands--Saipan, Tinian, and that group of islands. The second set was with the rest of Micronesia, i.e., the Marshall Islands and the Carolines. During that year of 1973 when I was involved, we successfully concluded the negotiations with the Marianas. We signed an agreement in December, 1973, which was approved by the White House and the Congress, I think the following year. That brought the Marianas into the American political family as a Commonwealth, which is of course, the status they have today. So those negotiations, tricky and difficult at times, went very well in that they produced a successful result. The other negotiations were more difficult because there were more island groups involved and the islands themselves were not of one mind regarding what future status they wanted. For the rest of Micronesia, those questions would not be decided until well into the 1980's. But it was a fascinating experience. Some of the negotiating was done here in Washington, and all the preparations were done here, of course. We spent long weeks negotiating, sometimes in Honolulu but most often in Saipan, the capital of the Marianas. And we spent a fair amount of time in Guam as well. It was a fascinating time, a new experience for me, but a very interesting and useful one.

Q: Who was negotiating on the other side?

KIRBY: I'll tell you who was negotiating on the other side and then I'll tell you who was on our side, if you're interested in that, too. Originally, there had been just one negotiation. After World War II the U.S. administered Micronesia under a UN trusteeship. The area administered was known as the Trust Territory of the Pacific Islands. Originally, when the negotiations started in the 1970's there was one Micronesian team negotiating with the United States. Then the Mariana Islands decided to break off and negotiate their own deal. The Marianas had a legislature under the trusteeship arrangement. And the legislature appointed a negotiating team. I think there may have been popular elections to choose some members of the negotiating team, as well. Most of their team came from the Mariana legislature, which was the legislature of the Northern Marianas. The leader in the legislature, Eddie Pangassiman, was their chief negotiator. They did a very good job. They were assisted throughout the negotiations by some pretty impressive legal talent from well-known Washington law firms, which they retained to help them in the negotiations. On the U.S. Government side, the negotiating team was headed by Hayden Williams, President of the Asia Foundation in San Francisco. He had Ambassadorial rank as the President's Personal Representative for the negotiations. He was aided by a team that had as permanent party, two officers from the State Department, some people from Interior, representatives from the Joint Chiefs of Staff also from DOD/ISA. During part of my time there, the senior man from the Joint Chiefs was then naval Captain Bill Crowe, who later became Admiral Crowe and Chairman of the Joint Chiefs of Staff.

Q: Did our military have certain things that we just had to have? I mean what was our policy?

KIRBY: Strategic and security considerations tended to drive the negotiations. There was also a feeling of obligation to the islanders to be sure, but security concerns were very important in the negotiations. The U.S. wanted three things: denial of the Marianas to any outside power...in a military sense; U.S. control of defense and foreign policy, and U.S. military access to the islands

should the need arise. I don't know that the U.S. will ever use it, but we negotiated at that time access to a large piece of land for an air facility should we ever need it. I don't think that to date we've ever done anything about exercising that option, which we negotiated over twenty years ago.

Q: After this time, where to? This was the beginning of 1974?

KIRBY: Yes. I worked on the Micronesian negotiations in 1973. From the beginning of January 1974 till the middle of 1976, I was Officer-in-Charge of Turkish Affairs in the State Department. When I was recruited for that job, Greece, Turkey and Cyprus were still operating out of the Bureau of Near East and South Asian Affairs, as they always had. Sometime around April of 1974, those offices got caught up in then Secretary of State Kissinger's decision to rearrange the State Department's world administratively. And Greece, Turkey and Cyprus were brought over into the European Bureau in April, 1974.

Q: A very interesting thing. It came just at the wrong time.

KIRBY: As then Assistant Secretary for European Affairs and good friend Art Hartman told me and my counterpart on Greece, John Day, with a rueful chuckle, the change came at a very bad time for the European Bureau. Greece and Turkey were feuding seriously over Aegean Sea issues in the spring of 1974, and the European Bureau had had little experience dealing with these antagonists except in a benign way in a multi-lateral NATO setting. The world had seen the two Cyprus crises of 1964 and 1967, which seemed to bring Greece and Turkey to the brink of war; the Department's Near Eastern Bureau had handled those crises as usual. But suddenly, in April of 1974, just as tensions were obviously building visibly between Greece and Turkey, suddenly the European Bureau inherited the Greeks and Turks. But from the standpoint of those of us who had come over to EUR from NEA to do the work, it was, in a way, not only a great challenge, but also a professional God-send, because the European Bureau very nicely relied on us to such an extent that we had a much bigger piece of the action as Officers-in-Charge and greater access to the top people in the Department and the White House during the crisis that unfolded during 1974 than might have been the case had the action still been NEA. (In NEA, of course, we would have been in the thick of the bureaucratic action, as well.) I think we acquitted ourselves well. Assistant Secretary Hartman and others said we did, so we were very satisfied to be involved.

WILLIAM BODDE JR.
East Asia Bureau – Auckland, New Zealand and Pacific Islands
State Department, Washington, DC (1977-1980)

William Bodde was born in Brooklyn and raised in Long Island. He served in the US Army in Korea and attended Hofstra College. He entered the Foreign Service in 1962 and served in Austria, Sweden, and German. He was also ambassador to Fiji, Tuvalu, Tonga and the Marshall Islands and served as EE/MP to Kiribati.

Q: What was your range of-

BODDE: Australia, New Zealand, and the Pacific islands, basically. Oh, and one other thing the office did was act as the focal point in the Department for the Micronesian Political Status Negotiations. Dick Williams was deputy director before me. I don't know if you know Dick. He was consul general in Canton. He was ambassador to Mongolia but resident in Washington - and a fine officer. Well, he was doing the deputy job and devoted most of his time to the Micronesian negotiations. When I came on board he moved over to the inter-agency staffed Office of Micronesian Status Negotiations. Ambassador Peter Rosenblatt, a political appointee, was in charge and Dick became his deputy. I decided to carve out my niche in the East Asia Bureau working on the negotiations. The negotiations were extremely frustrating but very interesting. They helped make my career, because working on those issues brought me to the attention of the assistant secretary and the seventh floor. The Department paid attention to the status negotiations and we waged an ongoing battle to make sure the State Department had a paramount role in the negotiations.

Q: You had Navy, Interior-

BODDE: The three departments that were the most involved were State, Interior and Defense but many departments and agencies had an interest in the outcome of the negotiations. Each of the parties had a different and often conflicting interest. The counselor of the Department, Matt Nimitz, was the senior person in the government overseeing the negotiations. As luck would have it, I happened to have met him years earlier when he was clerking at the Supreme Court.

Q: Well, talk about that a second. You were doing this from '77. . . . the job was deputy office director to this part of East Asia - from when to when?

BODDE: I was in the East Asian Bureau from '77 to '80. For the first year I was Ed's deputy and concentrated almost entirely on the Micronesian negotiations. Most of the negotiating rounds took place in the Hawaiian Islands or Saipan in the Northern Marianas I was the senior State Department representative to the negotiations from 1977-80. In those years Ambassador Rosenblatt and the team put the agreement together but it took about ten more years to bring it to fruition. Yet the period 1977-80 were the crucial years in negotiating the agreements.

Q: What were the issues at your time?

BODDE: Micronesia consists of over 10,000 islands spread over an area about the size of the continental United States. It runs from the Marianas in the west through the Caroline Islands to the Marshall Islands in the east. They had been a Japanese mandate under the League of Nations. After Japan pulled out of the League the Japanese militarized the islands and used them as the breadbasket to feed the Japanese army during the Pacific campaign in WWII. We fought some important battles in Micronesia during the war, such as Kwajalein and Palau. After the war, the future of Micronesia was a political and strategic issue for the U.S. and in some quarters it was a very emotional issue. We had liberated the islands at great costs in

blood and treasure. At the end of the war we occupied Micronesia and repatriated thousands of Japanese settlers back to Japan. At that time there was a big argument within the U.S. Government about what to do with Micronesia. The conservatives argued we should incorporate it as an American territory, and the State Department and others argued that it should be put under UN control. The ultimate compromise was that it was made a United Nations strategic trust with the U.S. the trustee. As a strategic trust it came under the authority of the Trusteeship Council where we had a veto and not the General Assembly where we did not. The issue was important enough that when Roosevelt died, Truman was briefed about it on his first day in office. In 1948 it was declared a United Nations Trust Territory (TTPI) and the U.S. was designated the trustee.

By the way, the flights that carried the atomic bombs dropped on Japan left from Tinian Island in the Northern Marianas. As trustee we, by and large, left most of the islands alone. For a long time it was administered by the U.S. Navy and was off limits to visitors. The CIA used parts of it to train Taiwanese guerrillas and other spooky stuff. We tested nuclear weapons for over a decade in the Marshall Islands But in the rest of Micronesia the Micronesians for the most part were untouched by the administration. In 1950s the Interior Department took over the administration of the TTPI from the U.S. Navy, but Interior also did very little in the islands. This changed in the 1960s when there was growing pressure in the UN and in the islands for greater self-rule and eventual independence

Every year couple of years the UN Trusteeship Council would send a team out to report on conditions in the Trust Territory. Early in the '60's the UN report was very critical about conditions under the U.S. administration. President Kennedy sent out an economist, Tony Solomon, who later was Assistant Secretary for Economic Affairs in the State Department, to assess the situation and make recommendations. The Solomon Report confirmed that things were really bad and recommended that the U.S. do something more for the Micronesians in order to protect the U.S. strategic interest in Micronesia. He also made the point that as a matter of conscience we had a moral obligation to help the Micronesians. Kennedy was assassinated shortly after the report reached his desk, so it became the Johnson Administration's task to respond to the report. The Johnson Administration did so with a vengeance. The U.S. immediately expanded education and health programs. Then in line with the philosophy of the Great Society that the way to solve problems was to throw money at them, the U.S. Government began to pour money and programs into the place. For example, Congress passed a Great Society bill to grant federal subsidies to build hospitals in poor areas. The bill, like many such bills, applied to the 50 states plus the U.S. territories and the Trust Territories of the Pacific islands. Consequently, we would build a hospital in the islands without an infrastructure to support it, such as adequate electrical power. The programs were often inappropriate and always expensive. We weaned the Micronesians off their traditional and healthy traditional food to Spam and junk food.

Well, over time, with pressure for decolonization around the world, the people of Micronesia - at least the political leadership - started to lobby for more autonomy and eventually for full sovereignty. Full independence was not in the cards so they were prepared to settle for some sort of arrangement that was as close to independence as possible. Now probably the average Micronesian didn't want independence at all; he was happy to be tied to the United States.

But the leadership wanted the maximum degree of autonomy, and they pushed for it. Negotiations broke off for a while. At the same time Micronesia was breaking up into mini-states. We settled with one group of islands called the Northern Marianas. That was before my time. We signed a commonwealth agreement with the Northern Marianas, which in effect made them a U.S. territory with special unique powers. Even today, some of these unique powers are causing problems.

The negotiations I was involved with concerned the rest of Micronesia. The negotiations had been broken off for a while because of charges that the U.S. was using the CIA to spy on the Micronesian negotiators. I haven't seen this story proven, but everybody in Micronesia accepts it as conventional wisdom. The story is - it's a wonderful story, and it sounds possible to me, knowing the islands - that the CIA put a bug in a lamp in the room where the Micronesian delegation met. Then in good island fashion, one of the guys saw this lamp and thought, well, this would be nice to have at home. So he borrowed it. "Borrowed it" is often an euphemism for "taking" in the islands. People are always borrowing things from you. So he took it and put it in his bedroom. Reportedly, when the Agency recovered the bug they got some very titillating erotic noises, and no clues to the Micronesians' negotiating strategy. If true it was stupid because we could have found out what they wanted by developing an atmosphere of trust in the negotiations.

Q: Well, actually, most of the negotiating was done, really, wasn't it, by American lawyers?

BODDE: Well, at first the Peace Corps volunteers or U.S. Legal Services advised the Micronesians. We had one of the biggest Peace Corps programs in the world in Micronesia. Early on, some of them organized a legal assistance program to teach the Micronesians their rights concerning the U.S. Government. This was during the Vietnam War period, so a lot of the kids in the Peace Corps were critics of the government. Many volunteers were there because they didn't want to go to Vietnam, and so sticking it to the FBI (Federal Bureau of Investigation) and Washington was right up their alley. In a more productive vein the volunteers advised the Micronesians on drawing up their constitutions and so on. Some of the young Peace Corps lawyers were very skilled.

It didn't take the Micronesian leaders long to figure out how Washington works. They concluded that high-powered Washington lawyers were most likely to get them the best deal. In fact, the Micronesians tried to get the U.S. Government to directly pay for their lawyers but we refused. However, in reality ninety percent of the Micronesian government's income came from USG grants. So in reality we were paying the lawyers. They hired such top Washington law firms as Covington and Burling and Clifford and Warnke. The United States, in fact, was negotiating against itself. The lawyers turned it into a very confrontational negotiation, and they created an adversarial relationship. I felt it would have been better to have a negotiation where you sit down and ask, "What do you want? What do I want? What do we have to do to give us both what we need?" That wasn't what we did. It was a lawyer-driven negotiation. The focus was on contingencies. If you do this in the future, we'll do that; if you don't do this, we'll do this. I once said in frustration, "I thought we came here to arrange a marriage, and it sounds like we're drawing up a divorce agreement." Well, now

prenuptial agreements are more common. The Micronesian negotiations were more like a prenuptial agreement. The thrust was, “Boy, if you do that, we’re going to sock it to you!”

The State Department, and I blame myself as much as anyone else, was probably too hung up on the legal questions of political status. We worried too much about what their precise legal international status would be. Why free association with the U.S. rather than independence? Well, when anyone new joined the delegation and saw how complex the free association relationship was going to be they would ask, “Why don’t we just let them become independent and do a treaty for base rights or strategic denial. The answer they got was that independence was not an option because we would never be able to sell independence to Congress. Congress and the Defense Department allegedly were concerned that independence would put strategic denial and our missile target range in the Marshall Islands at risk. The maximum they would agree to would be free association. Originally we maintained that free association would essentially be an arrangement where the U.S. would be in charge of Micronesia’s foreign policy, and Micronesians would be fully in charge of their internal affairs. Well, they kept pushing the envelope until we agreed that under free association the Micronesians were responsible for both foreign policy and domestic policy, but we had veto power if they did something in foreign relations that affected our responsibilities for their security. In those days that meant permitting the Soviets or the Chinese to do something in Micronesia that negatively impacted upon our security interests.

Q: Well, I think, wasn’t the key thing, from our point of view, called “strategic denial”? Could you explain what that is?

BODDE: I’m glad you mentioned that. Yes, the Pentagon was still hung up about strategic denial. Strategic denial meant that we had the right under the Compacts of Free Association to deny use of the area to any possible adversary. I think the value of strategic denial was overrated. We didn’t have strategic denial in most places in the world, and we could have survived without it in Micronesia. For the U.S. the strategic jewel in the crown was the U.S. Army missile range on Kwajalein Atoll in the Marshall Islands. Right after the war ended we used Kwajalein as a staging area for the nuclear bomb tests in Bikini. Later we used Kwajalein for missile tracking and finally as a target area for testing intercontinental ballistic missiles (ICBM). We fire the ICBMs from California and they land in Kwajalein lagoon, which is the largest lagoon in the world. We surrounded the lagoon with state-of-the-art radar and all kinds of measuring instruments. Not only could you measure the accuracy of the missiles but also you could actually recover some of the pieces of the warhead. It was then and remains an invaluable asset in developing missiles and missile defense.

Q: ICBM is Intercontinental Ballistic Missile.

BODDE: We had to have Kwajalein and we had to have Kwajalein locked up in the agreement in a such a way that the Marshall Islanders couldn’t sell it, give it away or somehow force us out of it, at least for many years beyond the duration of the compact. In addition to Kwajalein and strategic denial there were some other options on land use for training areas or even U.S. bases at some time in the future. Under the Compacts of Free Association the U.S. is responsible for the Freely Associated States’ defense. During the

course of the negotiations Micronesia broke up into three separate nations. The final price tag was over two billion dollars over 15 years for the three countries. The three had a total population of about 150,000!

We had wanted them to stay together because it would have been easier to deal with one government rather than three. There would also have been some economies of scale for them as well. But it wasn't to be because two of the three island groupings felt they would get more money and be better off if they were separate. For example, the Republic of the Marshall Islands was unwilling to share the Kwajalein bargaining chip with the rest of Micronesia. The Palau Islands thought they could do better on their own because in those days it was believed that Palau might be a fallback if the U.S. pulled its bases out of the Philippines. So they broke up into three countries. The third group which became The Federated States of Micronesia had no strategic bargaining chip except "strategic denial" but contained about three-fourths of the Micronesian population.

In fact, the Palauans didn't settle until some years after the other two because when the Palauans drew up their constitution, they put in an anti-nuclear clause. The U.S. couldn't accept the ban because we wanted the right to move nuclear weapons and nuclear ships through the area. So before we would agree to free association with Palau, they had to change this clause in the constitution. They finally did so, but it took many years. To amend their constitution took a two-thirds vote. When they did get a two-thirds vote in favor of dropping the ban, the opponents went to court and tied it up.

One thing we did create in Micronesia was a litigious culture. In the past, the Palauan tribes frequently fought with each other, and they killed each other with clubs, spears, or whatever. The Palauan chiefs were masters in manipulating whatever foreigner who happened to show up. The chief would convince the visiting warship captain that his tribe had always been the true friends of the visiting power. Whatever dastardly deeds were done in the past was the work of their enemies. Therefore the visitor should help them defeat the other tribe. The next time a war ship from a different county showed up, the tribe that had been defeated would often convince the new visitors that they had been wronged and needed their help to redress the injustice. The Pacific islanders manipulated foreign powers then and they manipulate foreign powers now. It has become a game among some of the Pacific island mini-states to play China off against Taiwan. For a while they will recognize one and then later make a deal to switch to the other when the price is right.

From the very beginning I was impressed with the Pacific islanders' political and negotiating skills. They were as good as any negotiators I saw in Europe or Asia. Representatives from these tiny islands were able to negotiate with the United States or any other country and get a pretty good deal. My theory is that if you live on an island, you either find ways to work out disputes through negotiations, or you fight. You do not have the luxury of space so that you can avoid your enemies. In the old days they either negotiated a settlement or they fought and the victor killed or banished the loser. They don't engage in physical combat anymore, instead they use their well developed political and negotiating skills, not to mention their legal knowledge.

Anyhow, Micronesia broke up into three nations. We settled first with The Federated States of Micronesia and The Republic of the Marshall Islands and later with Palau on a 15-year contract, essentially. Collectively they are called The Freely Associated States. Some parts of the compacts are automatically extended after 15 years, and the money continues at the old rate. Some parts are renegotiable after 15 years, and that process began in 1999. The Freely Associated States are second only to Israel and Egypt in *per capita* financial assistance from the United States.

I never thought at the time that one day I was going to live with the consequences of our negotiations as U.S. Ambassador to the Marshall Islands. What I found out after I became ambassador was that the U.S. didn't enforce its oversight responsibilities. The U.S. simply did not audit the money. We basically gave them the money and walked away. Over the 15 years they managed to squander most of the money and perhaps even made the place worse off than it was before the compacts. I testified in Congress, after I'd left the Service, that we did more harm to the Marshall Islands with the money than we did with the bombs that we tested there. Of course we did harm with the bombs, but the harm was limited to a few islands and a small percentage of the inhabitants who were forced to relocate to other islands. The health effects of the radiation are still the subject of debate and negotiations.

However, the negative effects of this huge sum of the money are clear. It created a fraudulent economic base for these countries and set back real economic development. It engendered tremendous corruption and further fed the culture of dependency. Now we didn't create the dependency mentality among the islanders, which goes way back. Throughout their colonial history the islanders waited for outside powers to bail them out when they suffered natural disasters. But we've made it much worse. And we changed the assistance from providing rice or other basic foodstuffs or to help them rebuild after a hurricane to welfare payments. We provided money in *big* amounts - I mean there are now millionaires in Micronesia. Of course, only a tiny proportion of the landowners are millionaires and most people have very little. Micronesia faces terrible health and social conditions. They have diabetes and sexually transmitted diseases at epidemic levels as well as widespread malnutrition among the children. Given the amount of money we have given them it should look like Beverly Hills; instead, much of Micronesia looks like an economically depressed area.

EVELYN COLBERT
Deputy Assistant Secretary, East Asia
State Department, Washington, DC (1978-1980)

Mrs. Colbert was born in 1918; raised in New York City and graduated from Columbia University's Barnard College. After serving with the OSS in WWII, she joined the State Department as Japan Research Analyst. For most of her career, Mrs. Colbert held senior positions dealing with Far East Intelligence issues. In the course of her distinguished career she worked with the Brookings Institute and with the Central Intelligence Agency before becoming Deputy Assistant

Secretary of State for East Asia, Australia and New Zealand. Dr. Colbert was interviewed by Charles Stuart Kennedy in 2004.

Q: And the Pacific Islands – what kinds of problems arose there?

COLBERT: Probably the first problem was that this was an area about which I knew absolutely nothing. In Australia and New Zealand many of the people I was to deal with in my new job, I already knew from my years in the intelligence business. I had traveled in both countries and was reasonably well acquainted with their history, politics, and their relations with each other. On the Pacific Islands it was difficult even to educate myself. Before independence, as dependencies of France, Britain, Australia, and New Zealand subject to some degree of UN oversight, State Department responsibility such as it was had rested largely with the International Organization bureau. So there were few records of earlier dealings on which to draw. There was also little in the way of outside literature; most of what was then available having been the work of anthropologists. It wasn't until well after my retirement when I was asked to do a small book by the Asia Society, that I learned many things it would have been useful to know in 1978.

That said, however, it is also fair to say that the problems that arose in my day in our dealings with the Pacific Islands were largely of post-independence origin or had to do with negotiations with our own Trust Territory of which there was already a long and painful history. We were, of course, anxious to demonstrate a constructive interest in all these newly-independent islands, to show them that we were their friends. However, there were two obstacles in our path – one relating to fisheries the other to territorial claims. Neither of these problems was resolved during my tenure. Nor were we able to conclude our negotiations over the future status of the Trust Territory. On all three problems, I came in the middle and left in the middle.

The territorial problem arose from formal U.S. claims, dating from a much earlier period, to sovereignty over a number of small islands that were now within the boundaries of four newly-independent states. These claims were not easily renounced since to do so required congressional approval. Defense considerations also complicated the negotiations.

Q: Was this the strategic denial doctrine intended to keep the Soviets from establishing bases there?

COLBERT: Yes. And, since concern with this possibility was deeply rooted in Defense Department and congressional thinking, nothing was to be gained by arguing its unlikelihood. To satisfy these concerns, we needed to obtain from the island states commitments that foreign countries would not be permitted to bring warships into their territorial waters or harbors without U.S. consent. From the point of view of the countries concerned and their island neighbors this was an infringement on their sovereignty. From the point of view of New Zealand, which regarded itself as part of the island world, the United States was introducing the Cold War into an area where, hitherto, it had been absent. Once we succeeded in negotiating a treaty, congressional action did not follow quickly. The first of the four was not signed until 1991, a year after I retired.

The tuna issue was much more important and of much wider concern to the island countries. For most of them, tuna was their one commercially important resource and now, under the Law of the Sea Treaty, they had their first chances to profit from it. Under the treaty in their economic zone (200 miles from shore) they could now regulate the fishery – monopolized by distant water fishers – licensing, setting fees, quotas and other conditions. This, however, was unacceptable to the United States because under American legislation we could not recognize coastal state sovereignty over highly migratory species and tuna was nothing if not highly migratory. Not only were we precluded from recognizing the right of coastal states to regulate the tuna fishery, but also, if any American vessel were confiscated or fined for violating coastal state regulations, the U.S. government was required both to compensate the owner and boycott fish exports from the offending state. However, the legislation also seemed to offer a solution. It also provided that we could recognize the regulatory rights of the island states if they and we were part of a regional organization that issued licenses and otherwise regulated the catch. Indeed such an organization was already in being for the eastern Pacific tuna fishery. Now we sought to persuade the Pacific island countries, already organized in the Pacific Forum, to engage in a regional fishing organization of which the United States would be a member. But we were not successful. The island states resented our policy as an affront to their sovereignty and regarded American tuna fishers as little better than pirates. They were concerned that we would dominate to our own interest any organization of which the United States was a member. And finally not all of the island countries really wanted a regulatory agency that would assign quotas; some countries, like Papua New Guinea, were very rich in tuna, well aware that in the waters of some of the Polynesian countries there were no tuna at all, and not enthusiastic about sharing with less endowed neighbors. So, when the Forum Fisheries Agency was organized in 1978, the outcome from Washington's point of view, was totally non-productive. Membership was confined to the Pacific Forum itself of which only Australia and New Zealand were non-island members. It had no regulatory functions being limited to research-type activities. U.S. efforts to alter the situation were not successful until 1988, long after I had disappeared from the scene.

The other major problem in which I was involved had to do with the future status of the Trust Territory of the Pacific Islands (TTPI) former Japanese colonies placed under U.S. administration at the end of World War II. When I came on the scene, negotiations, under way since the Nixon administration, had made it evident that, if the various island groups making up the territory were united in anything, it was in the desire that future relations with the United States should involve semi-sovereignty but continued economic support. The principal issues at the time revolved around the extent of such support, the degree to which its utilization would be subject to federal government review, and the extent and modalities of U.S. military use of Micronesian territory.

The negotiating process, agonizingly slow and cumbersome, had beaten any number of people into the ground by the time I came along. We were no longer negotiating with a single Micronesian team but with three separate ones representing three regions, each with somewhat different interests and each represented by highly-paid American lawyers from big U.S. law firms. On the U.S. side, the actors were even more numerous. In State, the overall responsibility was vested in the Counselor, then Rozanne Ridgway, negotiating responsibility in EA, but IO was also involved because any agreements would have to be approved by the Security Council and, in the expectation of a Soviet veto, this was going to be difficult. And, while the Counselor

was our leader, she wasn't anybody else's leader. There was the equally involved and very possessive Department of the Interior, the administering authority. And, of course, the Defense Department, not to mention other cabinet departments with programs of one kind or another in the islands. Hoping to provide leadership and cohesion, the Carter administration had established the Office of Micronesian States Negotiations headed by a special representative of the President with ambassadorial rank. I may have contributed something useful to the process but, if I did, I certainly don't remember what it was.

RICHARD W. TEARE
Acting Director, Micronesian Negotiations
State Department, Washington, DC (1980-1983)

Richard W. Teare was born in Ohio in 1937. He received his bachelor's degree from Harvard University in 1948. His career includes positions in Barbados, Philippines, Vietnam, Laos, New Zealand, and Australia. Mr. Teare was interviewed by Charles Stuart Kennedy in July 1998

Q: Then in 1980 you were...?

TEARE: In 1980 I was ready to go overseas. I had bid on a number of jobs but nothing came through and so I talked to people about it, including Evelyn Colbert, whom I mentioned in a previous interview. She was the Deputy Director of the East-Asia Office in INR when I was there earlier. She by this time had come to the East Asia and Pacific Affairs Bureau as Deputy Assistant Secretary for Australia, New Zealand and the Islands. Or maybe she had moved on by that point to be national intelligence officer for East Asia. I've forgotten the timing precisely. But anyway I think she talked to Holbrooke about it and they decided that I would be a logical person to go to the Micronesian Status Negotiations.

The job over there had been vacant for about a year. It was the senior career position in the office, beneath the Political Appointee who was the head of it. So I agreed to do that when I couldn't find anything that looked good overseas. That was to be another two-year assignment, which would have given me six years in Washington. But it was only during this time that the five-year rule was instituted.

I am hazy on the timing because about the time I went there or even earlier there was a new Deputy Assistant Secretary for Australia-New Zealand and the Islands and that was Ginger Liu. She had been hired by Holbrooke after an advertising campaign. They wanted a woman to follow Evelyn and they wanted an Asian American, if they could find one. So they got Ginger Liu who was 32 years old and had been a regional counsel for the Department of Energy on the West Coast. She was Chinese-American, born and educated in California. Ginger turned out to be a breath of fresh air, a very unconventional type. She got interested in the Micronesian Negotiations and I wound up doing quite a lot of work with her.

She was notable among other things for her interest in weight training and exercise and so forth. She used to go to the Pentagon Gym and she said that was one of the best places for her to do business with Rich Armitage who was then, I guess, Deputy Assistant Secretary for International Security Affairs-East Asia at the Pentagon. So they used to meet and talk business in the Pentagon Gym!

Ginger was unconventional. She was a good lawyer, I believe, and she gave quite good support to negotiations. Negotiations had been going on since the late 1960s or very beginning of the '70s, at a time when we began to see that the UN Trusteeship for the Trust Territory of the Pacific Islands could not go on forever. That we would have to do something about it, something to bring the Trusteeship to an end and to get them launched in some fashion. We had encouraged the formation of something called the Congress of Micronesia. That was 1969 as I recall. The Congress in turn had appointed some negotiators and they had been meeting with people from Washington ever since, by this time fully 10 years.

The Nixon Administration had appointed a negotiator named Franklin Hayden Williams who was, or soon after became, concurrently President of the Asia Foundation based in San Francisco. So Williams had the two jobs and obviously couldn't give full time to either one of them. A staff was put together for him in Washington, part State, part Defense, but quartered at Interior. I think this was largely because Interior was still administering the Islands, having taken them over from the Navy sometime back in the '60s I guess. So the relevant office of the Interior which was called Territorial and International Affairs was on one floor and we had the little part of one wing of Interior on the floor below.

Perhaps an interesting footnote is that one of the earliest, maybe the earliest, senior career people there was a Navy Captain named Bill Crowe who went on to be CINCPAC and Ambassador to the UK, Chairman of the Joint Chiefs in between and then Ambassador to the UK. And then at some later point the senior job had shifted to civilians so I was technically a lineal descendant of Bill Crowe in this position.

The Carter Administration had appointed its own chief negotiator, full time, and that was Peter Rosenblatt, a Washington lawyer and a member of the Scoop Jackson wing of the Democratic Party. So I joined that staff in June or July of 1980, just before another presidential election. Just after I got that job I read an article somewhere, I think in the *New Republic*, about the upcoming Democratic convention which was going to re-nominate Carter, of course. The article said that the Jackson wing of the Party was rather disaffected because Carter had given very few jobs to its members.

The punch line of that story is that another Jackson Democrat was quoted as saying, "Yup, they wouldn't give us Polynesia, they wouldn't give us the Marshalls. All they would give us was Micronesia."

But, anyway, Peter Rosenblatt was and is quite an intense character who was fully capable of having a 10 minute conversation with one of the Micronesian leaders and then spending twenty minutes giving a read-out on that conversation to those of us on his staff. And Peter desperately hoped to wrap up the negotiations. Indeed they were pretty close to resolution with both the

Marshall Islands and the Federated States of Micronesia by the time I joined the process and it was perhaps hoped that they would be concluded. If Carter had been re-elected they might have been concluded quite early in his new term. But, in the event of course, he was not.

So right after the elections I was dispatched to Guam to meet with leaders from the Micronesia amities, the third one was Palau. I was to assure them the best I could up to that point that despite the change in political party back in the United States we of the negotiating staff were going to make every effort to keep the offer as it stood. That there would no doubt have to be a hiatus while the new Administration reviewed policy on the subject but that they should be patient and steadfast and we would be back to them as soon as we could. So I did that. I did that entire trip out to Guam and back in 96 hours. It was grueling.

I typed the letter to them on a borrowed typewriter at the Guam Hilton on the basis of the draft I had taken out and improvements I suggested back and further changes that were telephoned to me from Washington. That was the way we operated.

Rosenblatt could have resigned to Carter, the outgoing President and the one who had appointed him. But he chose to resign instead to the incoming President, Ronald Reagan. He rather had hopes of being continued in the job through the conclusion of negotiations and then of moving on to something else, I'm quite sure, something bigger in the Administration. Even though he was a Democrat some of his philosophical allies, Democrats such as Jeane Kirkpatrick and Eugene Rostow, were being appointed to posts in the Reagan Administration. But that didn't happen. Rosenblatt had made some enemies on the Hill and on St. Patrick's Day, 1979, he got a telephone call about 4 o'clock in the afternoon saying, "Is this Ambassador Rosenblatt?" He said yes and the caller said this is so and so in the White House Personnel Office. "You remember that resignation that you submitted to President Reagan a couple of months ago?" He said yes, of course. The caller said he just wanted to let him know his resignation was accepted and they would like him out of the office by close of business that day. So there went Rosenblatt's hopes.

At that point I became the Acting Director of the office and we conducted a policy review which took months and wound up essentially affirming the policy of the Carter Administration, adopting it for the Reagan people. This was no surprise. It was entirely predictable. The whole direction of policy had been pretty well ordained.

Our interest at that time mainly was making sure that what had happened before and during World War II never happened again. That is that no hostile power could ever get into those Islands and use them against us.

Q: What is the term? Something denial....

TEARE: Strategic denial. That was perhaps our biggest single objective and also into the evolving compact of free association. We had negotiated it up to that point. We had worked in the defense veto which says in essence that if the United States objects to a proposed action by one of the freely associated States on the ground that it compromises our ability to defend said State, then said State must cease and desist. It cannot take that action. So it was a veto over their

defense and foreign policy behavior if you will. And a third principle of ours was that free association was something less than full sovereignty.

In our view, for example, the freely associated States resulting from the compact would not be able to join the United Nations because they would not be fully sovereign. There was an entailment of their sovereignty in that we were responsible for providing their defense and we had this veto over their acts in the defense and national security realm.

But that didn't last very long, that last of the three and all of them are now members of the United Nations, even Palau which took a much longer time to negotiate.

As a little more history, originally there was one single Trust Territory divided into six Districts. One of those Districts, the Northern Marianas opted for a different form and they became a Commonwealth of the United States by an agreement, the Commonwealth Covenant, negotiated in the '70s and enacted into law. The other five Districts, one of which later subdivided which is how we got six, all wanted something different which became known as Free Association. And so those Districts reading from East to West were the Marshall Islands, Kosrae (Kusaie), Ponape, Truk or Turk as its called now, Yap and Palau.

One of the principles of the negotiations because we had to report to the UN Trusteeship Council and through it to the Security Council on the conduct of our administration of these Territories, was that any negotiations with them had to be at arms length, clean as a whistle. So although we ultimately paid the legal bills they were free to shop for the best legal counsel in town. And when they did their original shopping in the early '60s they went to see Clifford and Warnke. They met with Paul Warnke who had served in the Pacific in World War II and at least knew where the Islands were, which is more than a lot of other people did. So they engaged Clifford and Warnke as Counsel for the Congress of Micronesia and its negotiating team.

Later when the Districts started going their separate ways, two of them, they got their own legal counsel. So when the Marshall Islands, the Eastern most District split off on its own, they engaged Covington and Burling.

Q: All top grade firms.

TEARE: Then when Palau split off it took yet another firm, this one not so well known and so old line, Van Ness, Feldman and Sutcliff. The distinguishing thing about those guys, the three named partners, was that they had all worked on the Hill. Two of them, I think, had been staffers of the Senate Energy Committee, formerly insular and natural resources, that had jurisdiction. So Feldman and Sutcliff at least knew the Congressional lay of the land which was very important in negotiations. That was always a factor.

So by 1980, when I joined it, we were negotiating with the three law firms. There were other people floating around the periphery. People of Bikini, people of Rongelap and Enewetak, people affected by the nuclear tests in the Marshall Islands in the 1940s and '50s. They had their own litigation against the United States.

One of the purposes of the Compact was to subsume all of their claims, have their claims assumed by the Government of the Marshall Islands. The Marshall Islands in turn would receive a large sum from the United States, part of it in trust, as compensation for the losses that some of its peoples had experienced as a result of the testing. So all of this was going on. The Compact kept getting bigger and bigger with more subsidiary agreements hung upon it. The most important of those in monetary and political terms was the settlement with those islanders affected by the nuclear and thermonuclear testing program.

Anyway, the arrangement was also that the Office of Micronesian Status Negotiations was theoretically a dependency of the National Security Council. Now obviously the National Security Advisors were not terribly interested in hearing about Micronesia very often so things were funneled to them through the Counselor of the Department of State. When I first started that was Roz Ridgway. I remember one or two meetings that she chaired. It was under the Carter Administration.

Then when the Reagan Administration came in that duty passed to Jim Buckley who was Counselor of the Department. Bill Buckley's brother. A true gentleman and very easy to work with. The only problem was that he once referred, lightheartedly, to the script that he was following or was not following that we had prepared for him. We scripted him for every meeting because the meetings were relatively infrequent but they were often necessary to get an agreed policy recommendation, often involving more money, and to get up the line to the NSC. And along the way we had to fight off Interior, which kept trying in our view to turn the clock back and even to turn the Islanders against the concept of Free Association.

By this time Interior had upgraded its territorial and the insular operation to an Assistant Secretary. They brought one on board, Pedro San Juan, who was a character in his own right. He was a Chief of Protocol at State, I guess in the Nixon Administration. He was one of the strangest characters that I have encountered anywhere, any time. But we managed to use the inter-agency process to override even Pedro and we had things humming along pretty well.

Meanwhile the Reagan Administration had come forward with a candidate to replace Rosenblatt finally and this was a man named Fred Zeider, who had been a big fundraiser for George Bush in Texas.

Q: Was this the Bush Administration?

TEARE: No, Bush was Vice President.

Q: This was a sort of Bush wing?

TEARE: Yes and Zeider was a Bush protégé and Zeider was put forward for this job. He had worked in Interior briefly in the Ford Administration. In fact he had what essentially was San Juan's job earlier on. So he knew a little bit about the Islands. Zeider had been in the automobile industry. I think his father had invented the air brake or an air brake or something. There was even a proposal at one time right after the War to manufacture a car called the Zeider but it didn't work, they were absorbed by Chrysler or something. So Zeider had sold out, had a lot of

money, lived in Texas for awhile and then came to Washington. He kept an apartment in a building across Virginia Avenue from the Watergate. But he had sat out the Carter years in Hawaii, where he also had a place on Diamond Head Road, I think.

Anyway Zeider came back to Washington with his friend George Bush and played golf with Bush frequently. He was sort of almost a court jester to Bush, sort of like George Allen to Eisenhower, I think, in an earlier era. And Zeider allowed himself to be persuaded that he wanted this job as head of the Micronesian negotiations. He later claimed that he had been told it would take eighteen months at the most and he wound up spending five years at it.

Q: That brings up a question. This thing started in the late '60s?

TEARE: Correct.

Q: It sounds like, if nothing else, a hell of a lot of lawyer time was logged on this.

TEARE: Well it was.

Q: It's not that complicated.

TEARE: I think what was going on was first of all a lot of guilt on the part of the United States. We had kept the Islands in a state of nature from the end of World War II through the early Kennedy Administration. They were pretty backward. They weren't going very far very fast in terms of education or public health or anything else.

Then in the early '60s there was a new look at the situation and a determination that we had to do something for these Islands fast. And so they got massive federal programs. Virtually everything instituted for the Great Society applied to them out there. And we were throwing money at the place without any strong administrative structure through which to channel it.

This in turn raised the Micronesians expectations and also they themselves became very insistent on having the best of everything you might say with as little cost to themselves as they could possibly arrange. So the Postal Service and the Federal Aviation Administration and food stamps and aids to navigation and everything that we had ever provided we were supposed to provide in perpetuity or explain why not. So we would have long, dragged out discussions with the lawyers and often with the Micronesians themselves over each and every one of these provisions. We would have to get the blessing of every federal agency involved. So we would have big inter-agency meetings with 30, 40, 50 people there overflowing our offices. Sometimes we would borrow rooms elsewhere.

Everybody seemed to want to have a say. This was perhaps understandable because almost everybody was going to have to do something for the Islands for at least fifteen years thereafter. They wanted to know what and how much. They wanted to estimate the costs. That sort of thing. I'm not saying it couldn't have moved a lot faster but it did drag on and on and on over all these details. And then there were the slowdowns I suppose when the Republicans went out in the end

of '76. Certainly the period I was there the policy to do with the Democrats went out and the Reagan Administration came in. So it just seemed to be endless.

I was on it for three years. I wound up extending for a third year. Again because I couldn't get a good job overseas. It just seemed to go on. Indeed it went on for a couple of years more after I left before they finally signed.

Q: Wasn't there a Congressman on the House Interior Committee who really didn't want this thing to move away because for one thing it cut out an annual trip for them?

TEARE: Yes, although the Islands themselves are not such great destinations. Their greatest protector was Congressman Phil Burton, Democrat of San Francisco, who had died shortly before I got there. But his tradition was carried on by his brother who was also a Congressman, by his widow who took his seat and by a number of others who were interested in the fate of the Islanders and would do almost everything for them. Whether it was for the trips per se or out of some larger sense that these are our wards and that we need to take care of them I don't know.

Q: I have to say I spent a week on Ponape. It is the sort of place where first prize is one day on Ponape, third prize is a week on Ponape.

TEARE: I don't know I think it probably was that they liked having a bit of empire. And we were spending tens of millions of dollars a year on the Islands. The Congressmen who got interested in it stayed interested and both the House Interior Committee and the Senate Energy Committee kept a tight grasp on the issue. The House Foreign Affairs Committee particularly, and in the days of Steve Solarz as the Sub Committee Chairman for East Asia and Pacific wanted to get into the act. Occasionally House Interior would have to relent to the extent of holding a joint hearing. But they jealously guarded this turf, both the House people and the Senate people.

I don't know. It was a proprietary thing so far as I could tell.

Q: How much did you feel from your perspective that the citizens of these Islands called the shots and how much was the lawyers sort of just doing their thing?

TEARE: I think the governments of the Islands were setting the general outlines. That is they wanted a lot because they thought they were owed a lot. And I expect that any instructions to their American lawyers were probably pretty general. But the lawyers being bloodhounds themselves and I don't mean that in a pejorative sense particularly. You just go out and get what you can for the client. That is the way you do it whether it is a merger or a divorce case or whatever. They applied the same principles. Although we were dealing in the tens of millions of dollars they knew that this was not large in relation to the overall U.S. budget and they always thought there was more that could be squeezed out. And I must say also some of the agencies were pretty recalcitrant.

We did sometimes get very annoyed at them ourselves and if I had been a lawyer on the other side of the table I would have gone after them and exploited inter-agency differences. We even had problems or differences of opinion between the CAB and the FAA, for example, because

they were separate at that time. The Navy wouldn't necessarily agree with the civilians from Defense and so forth. So we were, I always thought, rather vulnerable whereas although sometimes the different Island entities disagreed with one another they usually stood together when it came to getting more. And also their lawyers were pretty good and ours were not always the best. So I think they were pretty effective.

Anyway the process went on and on and on. Meanwhile we had to report on it annually at least to the UN Trusteeship Council so I went to four consecutive Trusteeship Council regular meetings '80 through '83. It was held in May in New York for about a week. And then I went to special meetings of the Council on two or three occasions. I made a trip to London and Paris with Buckley in 1982, I think it was. We were trying to persuade the British and the French that it would be okay to terminate the Trusteeship in part, that is spin the Marshall Islands and the Federate States off leaving only Palau. Palau which was stuck way behind in terms of negotiations mainly because it had established a so-called Anti Nuclear Constitution that contradicted the defense provisions of the Contract. They kept putting that up to referendums of their population, six or seven of them. So the train was moving however slowly but Palau was not on the train.

The British and the French had both said to please deal with the termination of the Trusteeship just once for everybody. That had originally been the position of the United States too. That was the logical way to deal with it. But by the time we began to think that we were within striking distance on the Marshalls and FSM, we wanted to get that launched without waiting for Palau. So we had to try to persuade the British and the French to go along with us and ultimately they did. But they weren't happy about it.

The Trusteeship Council has rules for....

Q: It was the UN?

TEARE: Yes, it is the UN body. It had complicated rules of membership. I think all of the permanent members of the Security Council were automatically members of the Trusteeship Council. Plus there had to be other countries as well so that the number of administering authorities was balanced by an equal number of other countries. Of course, Australia had been an administering authority for New Guinea and New Zealand for Samoa and Britain itself I think for some African territories and so forth. But by the time we are talking about in the beginning of the 1980s this was the only Trusteeship left in all the world of the original eleven and it was the only strategic Trusteeship that ever had been. The other ten Trusteeships were the responsibility ultimately of the General Assembly and the Trusteeship Council reported to the General Assembly on those.

But on the Trust Territory of the Pacific Islands uniquely the Trusteeship Council reported to the Security Council. We had arranged that ourselves because in the Security Council we would have a veto. We had already back in '47 begun using part of the Trust Territory for nuclear testing and we wanted to keep it that way and to preserve strategic denial and keep for ourselves the possibility, never exercised, of establishing military bases in the Trust Territory. Again we were sort of looking backwards to World War II and its conduct.

So by this time there was no need for other members of the Trusteeship Council because we were the only administering authority. We were balanced by Britain, France and the Soviet Union. China, although in the UN by then, declined on principle to take any part in the workings of the Trusteeship Council. So it was just the four countries. The Presidency alternated between Britain and France because we couldn't as an administering authority be President and nobody wanted the Soviets to be President of the Council. So that all worked very smoothly except for one year when the Soviet voted for the British representative when he was supposed to vote for the French or vice versa. He got his signals confused. So it was three to one, with the Soviet voting the wrong way.

The whole thing was pretty ritualized by the time I got there. We would make our report as the administering authority then the governments of the elements of the Trust Territory would make reports and then individual petitioners would come forward with specific complaints, requests for redress, and so forth. And then the British and the French would get together and write a short report that would be sent on to the Security Council. The Russians would object to some portions of it and we would vote for it and it would all be wrapped up again for another year.

Q: I would have thought that within the General Assembly or something this would be one of those places where not necessarily the Soviets but the neutral block would beat up on the United States. They would do it on Puerto Rico all the time.

TEARE: You are quite right. But there was another mechanism for that. They had been frozen out of the Trusteeship Council, Security Council channel by our foresighted arrangements back in the '40s. But what had been developed was something called the Committee of 24, a body of the General Assembly, which took upon itself to evaluate all non self governing territories, including places like St. Helena, Ascension Island and the Falklands and American Samoa, Puerto Rico, Guam and so forth. We have always taken the position, and take that position down to the present day, that they have no right to talk about Puerto Rico or Guam because those places have freely chosen their status with the United States and it is all settled. We have refused to recognize the jurisdiction of the Committee of 24 in this matter. But certain people on the Committee of 24 have kept after us nevertheless over the years. That has always been another circus and a half!

But in the Trusteeship Council, Security Council chain on the Pacific Islands, we were essentially invulnerable. Oh, we could be embarrassed and sometimes the British and French joint report would say something mildly critical... educational standards in Ponape have not advanced in a degree commensurate with others...but it was all very gentle and civilized.

We did have occasional special meetings of the Council, too, when we were trying to get something done.

So anyway I had labored on that for three years. It was always interesting. I never had the sense that I was spinning my wheels precisely but at the same time I cannot point to a lot of progress during that period.

Q: What was your feeling when you left in 1983 about the future? You know you could almost see pretty much where the negotiations were going to end up and that we'd be paying out a certain amount of money for a certain period of time. You had been out to see these places hadn't you?

TEARE: Yes I had made two or three extensive trips there.

Q: So what did you see whither these countries?

TEARE: Well very murky futures because the Islands have very little in the way of natural resources and indeed some of the indigenous skills they had such as fishing have pretty well atrophied in the last couple of generations as they have been able to get imported food. It is a lot easier to open a can and get mackerel out even if it was caught in your waters and then up to Japan for processing and it comes back to you than it is to go out and catch one yourself. Or tuna.

Furthermore I had real questions and I think my worst fears have been borne out about the ability of the Islands to manage the money they would be getting. Would they invest it productively or would they spend it all as soon as it reached them? Would they train their people? Would they send people offshore to acquire skills, would they get them back? Would they come up with a better crop of administrators and teachers than they had in the early '80s? All those things. Would they develop tourism, for example? Would they work hard enough? The story is that the Palauans wouldn't work even for the Japanese so the Japanese sort of shunted them aside and brought in conscript labor from Korea and Taiwan to run the sugar plantations which existed on Palau in the 1930s.

The work ethic is not high there and so you had to fear for their future and I did. Some very bad investments and shady practices also compounded it. The Palauans about the time I was leaving got into a contract for a power plant with a British company which people said they didn't need, couldn't afford, and so forth. They somehow managed to borrow money to enter the power plant deal on the strength of the payments they were later to receive in future years from the United States! So they were mortgaging the compact money in advance. That did not augur well. And indeed Palau had a lot of political troubles internally, apart from this question of the anti nuclear Constitution which tied everything up for a long time.

The first President, Haruo Remeliik was murdered two or three years into his term of office. And the next President, Lazarus Salii killed himself. So this is not a very stable political life for a brand new country of 60,000 people...ridiculously small, too. Can any place of that size be viable? In the Marshall Islands the highest point of land, I think, is six feet above sea level. They are subject to storms and tsunamis. Ponape you've seen for yourself. It has got a bit of scenery. It is a volcanic island with...

Q: No real beaches.

TEARE: No. True. There is said to be great diving however in the wrecks of World War II warships in Truk Lagoon. But there is not much there. To the extent that there are hotels, or at least there were as of 1980, it was the result of one man, Bob Six of Continental Airlines who

had developed a subsidiary that became known as Continental Air Micronesia. It established resorts in I think Ponape and Palau and tried to get a little tourist industry going but I don't think it has really prospered since.

The one exception perhaps is tourists from Japan who were already going to Guam in considerable numbers to get married or on their honeymoon. Palau managed to get quite a few Japanese tourists at least for awhile and they still have them coming in.

But other than that there didn't seem to be much in the way of an industrial base. Agriculture was not even subsistence...a lot of taro but not too much else grown.

Furthermore the health of the population was a worrisome factor because a lot of the Islanders I think are predisposed to obesity. Here they were drinking soft drinks and beer from the United States and eating pretzels and potato chips and not fishing or getting any other physical exercise. There was a lot of obesity, diabetes, and early death from heart attack and stroke. That sort of thing.

It was a grim picture and I don't know that it is significantly better today.

Q: Well in '83 you left?

TEARE: I did.

JOHN H. HOLDRIDGE
Assistant Secretary for East Asian Affairs
State Department, Washington, DC (1981-1983)

Ambassador John H. Holdridge was born in New York in 1924. He graduated from the US Military Academy in 1945 and served as a 1st lieutenant overseas until 1948. He joined the Foreign Service in 1948. His overseas posts include Bangkok, Beijing, Hong Kong, Peking, and Singapore. He was the ambassador to Singapore from 1975 to 1978 and to Indonesia from 1982 to 1986. Ambassador Holdridge was interviewed by Marshall Green and Charles Stuart Kennedy in 1989 and by Charles Stuart Kennedy in 1995.

Q: During the time that you were dealing with the Philippines as Assistant Secretary, what was the feeling of longevity with the Marcos regime?

HOLDRIDGE: There were concerns. We didn't see anybody coming along the pike at the time that would be a replacement. Laurel, who was the sort of the leader of the opposition, he was sort of a dilettantish person as I perceived him, and who would succeed Marcos? We had no idea. Eddie Ramos had not really appeared on the scene except in his capacity as the Commander of the Philippine Constabulary, and so there was concern, after Marcos what?

Q: At this time was the retention of our bases there, particularly Subic Bay and Clark Field our policy or not?

HOLDRIDGE: It was certainly a very important element in it, yes, because Clark and Subic we regarded as the "crown jewels" in our defensive posture in East Asia. Subic more so than Clark because of the naval refitting facilities which were available there, but Clark in itself was also extremely important to us and we indeed accepted a lot from the Philippines in terms of what we might have objected to otherwise for the sake of not jeopardizing the status of the bases.

Q: Was there ever a question raised by you or anyone about "If not Subic or not Clark, whither or not?" Were studies done and what was the thinking?

HOLDRIDGE: We looked around and there were two places that could have figured in as replacements, one was Guam which would have been happy to receive the kind of attention which Subic was getting from the Navy, and the other one was Palau, and this figured into our relationship with the TTPI, the Trust Territory of the Pacific Islands. The Palauans were very reluctant to grant the United States military access. The way it works, and this is one of the things that I was involved with, is that in gaining self determination the Trust Territories, those that chose to become independent or quasi independent, there was one area in which the United States continues to exercise veto power, and that is on defense matters. So if the Marshall Islands should make some kind of a military pact with the Japan for example, we can overrule that. Otherwise, they function as independent countries although they still get subsidies from the U.S. government.

Q: Were these negotiations going on during your time?

HOLDRIDGE: Oh gosh, they started way back when I was in the NSC and I think they finally were consummated, maybe while I was in Singapore, about 1978.

Q: Our policy with those islands was essentially one that at that time was called strategic denial, which was to really keep the Soviets out.

HOLDRIDGE: To keep them out of the Southwest Pacific. Of course one of the things that we did want in Palau was maneuver space for Marines. There is more land area there that has been undeveloped, and we couldn't do it in Saipan. We were rather pleased when Tinian decided to propose "The Confederation of the Northern Marianas" and then join the club along with Guam, because that gives us a little additional air space. That is, landing rights and all the rest without having to ask for it, if we ever have any money and if we ever have an absolute need.

STEPHEN SOLARZ
Chairman, House Subcommittee on Asia & Pacific Affairs
Washington, DC (1981-1992)

Congressman Solarz was born and raised in New York and educated at Brandeis and Columbia Universities. After serving in the New York Assembly, he was elected to Congress in 1975 where he served until 1992. A writer and lecturer on foreign affairs, Mr. Solarz contributed articles to several national publications and served on the faculty of City University of New York. In Congress he served on the Foreign Affairs Committee and was Chairman of the Subcommittees on Africa and on Asia & Pacific Affairs. Congressman Solarz was interviewed by Charles Stuart Kennedy in 1996.

Q: Today is May 27, 2000. Steve, we've been doing a tour of the horizon of most of Southeast Asia. This was a time of dealing with Asia and Pacific affairs. We haven't covered the islands, Korea, and India. I thought what we would do is do that and then talk a bit about what happened afterwards and then send this off to be transcribed.

The Pacific islands. You were dealing with the Pacific and Asian affairs from when to when?

SOLARZ: I chaired the subcommittee from 1981 through the end of 1992.

Q: Could you talk about the status of the Pacific islands? We're talking mainly about the former Japanese and then our trust territories.

SOLARZ: The Marshalls, the Federated States of Micronesia, and Palau. I got involved in that issue because the negotiations with the trust territories for a compact of free association in which their status as trust territories in which the United States was totally responsible for the conduct of their affairs was to be transformed into a relationship in which they would be totally autonomous with respect to their internal affairs but where the United States would be given the responsibility for their defense and security and in which we would be given the right, if we deemed it necessary, to establish military facilities there in the future while no other country would be permitted to do so. The compact also had provisions for various payments and the establishment of a trust fund for these territories. Part of the understanding in the compact was also that the trust territories could be represented at the United Nations on their own. To the extent that the compact of free association needed to be ratified by the Congress, and also because money had to be appropriated pursuant to the compact, it was referred to the Foreign Affairs Committee and also to the Interior Committee. Within the framework of the Foreign Affairs Committee, there were at least three subcommittees that had jurisdiction over the compact, but I was asked by Dante Fascell, the chairman of the full committee, to take the lead, as it were, in handling this for the Foreign Affairs Committee, which I agreed to do. I must say, as I got into it, I found that the issues that were involved were exceedingly complex. I ended up devoting a considerable amount of time to this but since I had been asked to do it and obviously it was a matter of some importance even if it didn't attract much public attention, I felt a responsibility to do it as well as possible.

What interested me the most about the compact and its consideration by the Congress was the extent to which it in effect constituted an exercise in self-determination and a kind of process of

decolonization on the part of the United States. The compact under the rules of the House was also simultaneously referred to the Interior Committee, which had jurisdiction over the trust territories because they fell under the supervision of the Department of the Interior. What happened was that the Foreign Affairs Committee reported out a rather different version of the legislation to implement the compact than the version reported out by the Interior Committee. So what we decided to do - and this was something which was almost unprecedented in the history of the House, at least so far as I know - was to establish a kind of informal conference committee between the Foreign Affairs Committee and the Interior Committee to see if we could resolve our differences and present the full House with an agreed upon version of the legislation.

What was really interesting about this was that virtually all of the differences in the two bills, the one that came out of the Foreign Affairs Committee and the one that came out of the Interior Committee, were a reflection of a fundamentally different view of the process which informed the deliberations of each committee. From the perspective of the Foreign Affairs Committee, this was essentially an exercise in self-determination. We had negotiated an agreement with the leaders of the trust territories and we felt an obligation to respect the conclusions which they had reached on the theory that they were the best judge of how to protect and promote their own interests.

The view of the Interior Committee, on the other hand, was that our primary obligation was to the people of the trust territories and the Interior Committee had a very dim view of the integrity and judgement of the leaders of the trust territories. So, they wanted in effect to rewrite a number of the key provisions in such a way as to restrict the ability of the elected leaders of the trust territories to work their will, out of a genuine concern that, left to their own devices, the leaders would act in ways that were not in the best interests of their own people.

Of course, our view was, as I indicated, that this was an exercise in self-determination and it was inappropriate therefore to insist on restrictions on what the governments of the trust territories could do when the whole purpose of the compact was to free them from the rule of Washington. So, it was a very legitimate philosophical and political difference between the two committees, but at the end of the day, we were able to come up with language which I think was actually closer to the position of the Foreign Affairs Committee. We also argued that many of the changes the Interior Committee wanted to make would have resulted in the undoing of the compact because it wouldn't have been acceptable to the leaders of the trust territories. But in any case, the legislation to implement the compact for the Federated States of Micronesia and the Marshalls both passed. In the case of Palau, they had a peculiar constitutional provision which required that any provisions of the compact relating to nuclear weapons had to be approved by a 75% vote, which of course was almost impossible to obtain. But eventually, the Palauans succeeded in changing that constitutional provision and that then facilitated the adoption of a compact and a referendum in Palau and it was ultimately approved by the Congress.

Q: The way I gather, the Department of the Interior had acted really as a colonial office for some time after we took over these places from the Navy. It was the normal reluctance of a colonial bureaucrat's to let go.

SOLARZ: In this case, it wasn't so much the reluctance of the bureaucrats to let go because the Executive Branch had in fact negotiated a compact in which the Executive Branch would let go. The problem came from the reluctance of the Interior Committee to let go. By virtue of the fact that the trust territories were, in effect, a colonial dependency and by virtue of the fact that the department which administered the trust territories had to go to the Interior Committee for funding, the Interior Committee of the House and of the Senate exerted enormous influence over what happened in the islands. I have to say here that when I went to the trust territories to see what conditions were like there for myself, to meet with their leaders, and to get a better understanding of some of the issues involved in the compact, I was struck by the extent to which these trust territories seemed to me to be a classic example of the negative consequences of a welfare state without limits. We had been so generous in providing assistance to these people, particularly under the leadership of Phil Burton, a good friend of mine for whom I otherwise have enormous respect, but he chaired the subcommittee, bore responsibility here, that in the richest fishing grounds in the world, these people had forgotten how to fish and depended on canned tuna fish imported from God knows where in order to make tuna fish sandwiches for us for lunch when we were there. I don't remember what the exact percentages were, but an inordinate percentage earned their livelihood from working for the government rather than engaging in any productive enterprises themselves.

Q: I spent a week on Pohnpei, for example. You really could see it. Too many pickups, too much beer, and no productive work.

SOLARZ: Exactly. It resulted from the best of good intentions, but we had sort of sapped the initiative and determination of these people by giving them everything for free.

Q: Did you find any reluctance on the part of the Interior Committee or the staff of the Interior Committee (This had always been an interesting trip once a year to go out and all that.) A reluctance to let go of this?

I'm a little bit reluctant to psychoanalyze the staff and members of the Committee. But my impression was that it might not have been so much the fact that it gave them an opportunity to make the trips. Perhaps that was a motivation. I honestly don't know how often they went out. I think it was rather a combination of two things. First, I think there was a kind of natural reluctance which most people have to relinquish power or authority over a subject upon which they can exercise considerable power and authority. Secondly, I think that in their own minds, they were convinced that they - the staff and members of the Committee - had the best interests of the people of the trust territories at heart and that the leaders of the trust territories were only interested in lining their own pockets and that to the extent that the compact of free association gave the trust territories total autonomy with respect to the conduct of their own affairs, it simply meant that these corrupt and self-serving leaders would be unconstrained in their efforts to milk the territories for all they were worth to the disadvantage of their own people. So, they wanted to get provisions in the implementing legislation which, in effect, would have rewritten the compact in such a way as to deprive the territories of the autonomy they had been granted by the compact and that of course would never have been acceptable to the trust territories, as a consequence of which the status quo would have been maintained.

Q: In a way, these negotiations were carried on between Washington lawyers representing the trust territories working for the various islands, but these basically were Washington lawyers working on their behalf, so much of the action was a Washington-centered thing. Did you run across that?

SOLARZ: I wasn't involved in the actual negotiations. I didn't get involved in this until the negotiations had been concluded. Until they were concluded, there were no real questions for our committee. There were questions for the Interior Committee. The Interior Committee had oversight and the authorization responsibilities for the monies to administer the trust territories. So, they were deeply involved, but we weren't involved. I had a hundred other issues to deal with. From a political perspective, this matter was of zero interest to my own constituents, so I only got involved in it at the point at which the compact had been negotiated, implementing legislation was required, our committee received jurisdiction over the bill, and within the framework of our committee, my subcommittee was one of three that had a jurisdictional claim. It wasn't my style to walk away from responsibilities. So, when the chairman asked me to handle it, I told him I would. If he had asked one of the other subcommittee chairmen to take the lead in handling it, I don't think I would have mounted a vigorous campaign to reverse the decision.

The other thing that interested me about this was, I came to realize that almost anything if you really get into it can be intellectually absorbing. As I said, there were a host of subsidiary issues, each one of which required a considerable amount of time to master the history, the intricacies, the consequences, the actual issues that were posed, in order to be able to make some kind of a rational judgement about how to proceed. But it was an intellectually challenging experience. In fact, I remember making very much this point to Les Gelb, who is now the president of the Council on Foreign Relations but at the time was a correspondent for the New York Times. He ended up writing a very, very long article on the whole question of the compact and how it was being handled in the Congress as a result.

WILLIAM ANDREAS BROWN
Principal Deputy Assistant Secretary, East Asian and Pacific Affairs
State Department, Washington, DC (1983-1985)

Ambassador William Andreas Brown was born in Winchester, Massachusetts in 1930. He joined the "Holloway Program" which was part of the Naval Reserve Officers Training Program and went to Harvard University, graduating with a Magna cum Laude degree. In 1950 he went to Marine Corps basic training in Virginia and later served in Korea. His Foreign Service career took him to a multitude of places including Honk Kong, Taiwan, Singapore, Malaysia, USSR, India, the UK, and Israel. His career includes an ambassadorship to Israel as well as several positions in the State Department, Environmental Protection Agency. He was interviewed by Charles Stuart Kennedy in November of 1998.

BROWN: Well, since Prime Minister Kenilorea (of the Solomon Islands) was an ordained, Protestant minister, we worked it out that he attended the National Prayer Breakfast. He gave the

benediction at lunch, if not at breakfast, because it turned out that there was a lunch following the breakfast. We slipped Kenilorea into the White House during this event and had a photograph of him taken with President Reagan. I gave Kanalorea a farewell dinner, and he was able to go back to the Solomon Islands with a portrait of himself with President Reagan. We worked out this problem in that way.

These are matters which are very important, because many Pacific islanders feel terribly forgotten. In my days in EAP we still had some money available for AID [Agency for International Development] programs, Peace Corps volunteers, and so forth. Nowadays we have far less money available. After I retired from the Foreign Service, I gave a presentation on South Pacific problems, as seen through U.S. eyes, at a meeting of South Pacific leaders in Kauai [Hawaii] in 1995 or 1996. Before doing so, I received a State Department briefing. It was apparent that our budget outlays for the Pacific islands had plummeted drastically. The South Pacific leaders were very resentful about this. By the 1990s, the Pacific islands had little, if any, strategic interest in current U.S. thinking. This produced a very bitter attitude on the part of many of these leaders. They had been forgotten in the U.S. budgetary process.

Now, in all of this, looking back to the period of my service in EAP, there was another phenomenon going on at the same time. That was the negotiations for what was known as the "Compact of Free Association." This has to do with those islands previously in the "Trust Territory of the Pacific Islands," which had been assigned to U.S. tutelage by the United Nations during the period following World War II. They included the Marshall, Caroline, and Palau Islands. These had all been taken by the Japanese from the Germans during World War I and were then heavily fortified by the Japanese. Terrific land and naval battles were fought in some of these island groups during World War II, in which we lost an awful lot of people. We took over these islands after World War II under a UN Strategic Trusteeship arrangement. Now they were looking at the goodies which Guam, an Unincorporated U.S. Territory ceded to the U.S. by Spain in 1898, had obtained from us. In short, they were looking for an even better deal.

Negotiations toward a new arrangement of their status with the U.S. had been going on for some years and various referenda had been held. They didn't want full independence from the U.S., because then they would be responsible for their own budget and they were poorly endowed with resources. However, they didn't want to remain as they had been. Now they saw the opportunity to get a good, hefty increase in U.S. federal funding.

Jurisdictionally within the United States Government, it was a fascinating picture, because they came under the Department of the Interior. That meant that they came under the Committees on the Interior of both the Senate and the House of Representatives. So, they were the special wards of these two committees, members of which would make periodic visits and receive magnificent receptions, day and night, whenever they visited the islands.

There were always requests for larger handouts. Scandals would erupt, mismanagement would be discovered, and often there was no more money. There would be a Congressional investigation, a line that one often heard from the locals was: "Oh, we're so sorry. You see, we are not sufficiently trained and educated in these complicated, budgetary procedures. However, if you'll give us another handout, the situation will be put back in order," and so it went.

Well, already before my time status negotiations had started and were dragging on. The price of a new status was rising all the time. Under the Reagan administration, a gentleman who had served in President Bush's air unit during World War II was assigned as the negotiator. This gentleman was based in Hawaii. He had a commercial background, including some interests in the Pacific islands.

Q: Who was the negotiator?

BROWN: You can look it up. I've forgotten his last name. I think it was Fred Zeder. People from the State Department were assigned to help him negotiate or renegotiate. The price of the new arrangement was rising all the time.

As I visited these islands, I found that great changes had taken place in their societies. They had been so exposed to U.S. federal funding and the dole that they had lost much of their old culture. They were now eating tuna fish out of cans, as well as Spam and other American foods. The old, venturesome fishing mentality had long since disappeared. There was a little, private fishing, but not much.

There was another issue that came up in this connection. That is, our use of such places for nuclear weapons testing during the post World War II era. These places included Kwajalein, Bikini, and other island groups. They had claims for the destruction of these areas and were now playing that issue for all that it was worth. In some cases the people of some of these island groups, such as Bikini, had already been resettled elsewhere and were claiming increased compensation as part of the overall settlement. This was very important because, with our anti-Soviet missile programs, we were now launching test missiles over great distances from California, including such places as Point Mugu, North of Los Angeles, with the splashdown in Kwajalein. Of course, that involved further payoffs to the various island groups to deal with the anxieties of the local residents.

Soviet spy ships were in the area, monitoring the splashdowns of our missiles. Initially, when we were dealing with these various island groups, we tended to think of them as being the same. However, they were very different among themselves. They would band together up to a certain point, then try to work side deals with us. (End of tape)

The Marshall Islands and the Caroline Islands were further along in these negotiations. However, at a critical point the Palau Islands chose to stay out of the negotiations. It seemed to me that every time we were approaching a real conclusion of the negotiations, there would be another election, another poll, and another referendum. Against the background of the negotiations which I have given you, Palau in particular would throw in an anti-nuclear clause. They wanted assurances that we would not use these islands for visits by nuclear-powered and nuclear-armed vessels.

As it turned out, this was a magnificent tactic against us, because we wanted to be able to go there with nuclear-powered and nuclear-armed vessels. There were some people in the U.S.

nuclear establishment who also looked at Palau as a possible fallback if we ever lost our bases in the Philippines, which seemed very important to us at that time, from the strategic point of view.

The indigenous leadership in Palau, through all of its political changes, knew how to play this issue to a fare-thee-well.

Q: You might also explain that there was another element to this whole situation. That is, the lawyer establishment in Washington, DC.

BROWN: Oh, yes. This made for healthy fees and consultation charges, as these islanders hired American lawyers to represent their interests. Again, speaking in jurisdictional terms, we had a big problem with the Department of the Interior at the deputy assistant secretary or assistant secretary level in the Department of the Interior. They kept in mind the sensitivities of the respective Congressional committees dealing with the Department of the Interior.

We would often find that these officials would talk to us in the Department of State one way, signifying their approval. Then we would find that arrangements would go off the tracks because there was a bureaucracy in the Department of the Interior which wanted to hang on to these islands by one means or another, in jurisdictional terms. They hated the idea of these territories developing to the point where they were no longer within the jurisdiction of the Department of the Interior and those two committees of the Senate and House of Representatives.

So the net result of all of this was that when we achieved negotiated settlements, it required tremendous amounts of money. In my view never was so much money expended for so few people for such questionable causes. This negotiating effort was to extend over many years. These island groups were to get their own flags and their own constitutions. Their leaders were already traveling abroad and representing themselves to be independent countries. These new arrangements had to be negotiated through the Trusteeship Council of the UN, where the Soviets were always prone to give us a hard time. The island territories insisted that we fulfill our trusteeship responsibilities, and that we satisfy the aspirations of these individual island groups, bearing in mind that they had their own differences among them.

Then there was another aspect. There were a couple of South Pacific organizations which had initially been set up and funded by ourselves, the British, the French, the Australians, and the New Zealanders in the good old days after World War II. Over time these organizations had acquired a more independent status. However, the budgetary inputs of the French and the British, in particular, were declining dramatically, as were the budgetary contributions of the Australians and New Zealanders, to some degree. So the Pacific Island countries tended to look to us more and more, even as our own budgetary contributions were going down.

One of these organizations, the South Pacific Commission [SPC], had its headquarters in Noumea, New Caledonia. This was an organization with an international secretariat and its own well-paid, elected Secretary General. A significant amount of U.S. funds was being channeled into this organization. All of the island groups which I have already mentioned attended meetings of the SPC, plus Tonga, Western Samoa, Fiji, Vanuatu [formerly the Anglo-French Condominium of the New Hebrides], the Solomon Islands, Papua New Guinea, and Nauru.

Nauru is an island with a circumference of maybe nine or 10 miles. The soil of Nauru is composed of “guano,” or bird droppings which are used as fertilizer. Nauru was independent, had two jet passenger aircraft, and its own airline [Air Nauru], as well as a population of 142,630 [as of 1989]. These people were so well-fed on beer and carbohydrates that the average life expectancy of males was about 45 years, given the prevailing obesity and the sedentary life style they enjoyed. I visited Nauru on a trip to the South Pacific.

These independent territories, plus the indigenous representative of French Polynesia, the indigenous representative of New Caledonia, which was a French overseas territory, made a strange combination. There was another group of members within the SPC, which consisted of representatives of the Marshall Islands, American Samoa, the Caroline Islands, and the Palau Islands.

This group of islands and territories would gather annually. I led the U.S. Delegation in 1984 or 1985. It was really quite a show. I watched them negotiate among themselves, as to who would be the new Secretary General, because this was a well-paid tax-free plum. Governor Coleman was sort of the elder statesman of the American territories, as they negotiated among themselves. We, who were footing the bill, or a very significant portion of the bill, were working to try to keep the Australians and New Zealanders in line. Of course, we were meeting in a French overseas territory.

The billboards on the 20-mile drive in from the international airport to the center of Noumea had graffiti on them such as I had never seen before. In great letters were the words, “Yankee, Come Back!” This was harking back to World War II when we had forces in New Caledonia. Those who put up these graffiti hoped that we would, somehow, come back and manage to kick the French out. The representative of the indigenous people of New Caledonia, a well-educated man, who addressed us, was a moderate but he was later assassinated in the course of the inner conflicts there. I would add that, whether they were present or not, the Vanuatans [from the ex-New Hebrides] were a mixed batch. They had been co-administered by the French and the British, with the result that there was a bicultural, mutually antagonistic stream of Anglophones [English speakers] and Francophones [French speakers], which still has an impact on their internal, societal makeup and politics. This was quite a display.

From New Caledonia I flew back via Nauru, where I was exposed to something like “Les Enfants du Paradis.” It was really amazing to see very large cranes digging up the guano and dumping it into huge dump trucks. These trucks then took the guano down to the port and filled large ships transporting this material to international markets. The movement of the guano was such that it was estimated that by the year 2000, or very soon, in any case, there would be nothing commercial left of the island of Nauru as we knew it. With the income the Nauruans were earning from the exports of guano, they were buying property in Australia and elsewhere. What they would do with the rest of the money they had made and with their society was a fascinating subject.

Q: Bill, we are now talking about the situation in 1984 or 1985. When you attended meetings of this kind, and the Soviet Union was still a real menace...

BROWN: That is, we perceived it as a menace.

Q: What were American goals in Nauru?

BROWN: They were mainly to avoid commitments and stay the hell out of there. Of course, American goals and objectives were to maintain peace, tranquility, and security. A great portion of this had to do with the United States Navy and Air Force deployment in the Pacific Ocean, bearing in mind that military technology had advanced and our “reach” was greater. Still, there was the question of keeping the network open to our forward bases in Japan, South Korea, Okinawa, and the Philippines. What if we lost access to these territories? It didn't seem very likely at the time, but what if we lost access to the Philippines? What would this mean, in strategic terms? Or what if we lost our base arrangements on Okinawa, to say nothing of our facilities in the Japanese Home Islands, South Korea, and so forth?

So these places were still important from the viewpoint of a very important player in this situation, CINCPAC [Commander in Chief, Pacific, in Hawaii], and, behind him, the security establishment of the United States. We strove to maintain peace and tranquility in the area, and to manage the relationship in such a way that we kept the Australians and, if we could, the New Zealanders on board, even as there were these anti-nuclear stirrings to which I have alluded. At the same time, we maintained the strategic rationale for our presence in the area.

Well, during my watch as deputy assistant secretary of State we still had money. We still had the perception that the Soviet Union was a serious threat to our security. However, to an increasing extent several countries in the Pacific Ocean area no longer saw the Soviet Union in this way. They could play on our fears and on our concerns but they themselves felt that there was no longer a real threat from the Soviet Union. What did these Pacific islanders and, indeed, New Zealand, perceive in terms of a Soviet threat? What did they care about an occasional visit to the area of a Soviet tanker, or a fishing vessel on its way down to the Antarctic? Meanwhile, the Soviets had their own propaganda apparatus, which was steadily at work.

Then there was the so-called Chinese threat. To the locals it seemed like a fairly distant possibility. By the way, Taiwan was putting money and influence into all of these Pacific islands, in the course of its own struggle to recapture its international “presence,” in the wake of our break with Taiwan and its expulsion from the United Nations in 1978.

This situation was to change even more drastically after I left EAP. As I said, the Soviet threat perception disappeared. What, then, became the basis of our relationship with all of these islands, particularly the smaller ones? They had a gnawing concern about “global warming.” Some of them entertained a “doomsday scenario” that a couple of degrees of higher, average temperatures would cause the icecaps to melt, and that they would then be inundated by the Pacific Ocean, whose level, it would appear, is slowly rising. They were obsessed with these considerations. We have an East-West Center in Honolulu, to which many of them have repaired, and where many of them have studied. Despite the East-West Center and attention from CINCPAC, some of these islands feel forgotten. So this was a challenge.

Q: You didn't mention Saipan. Where did it fit in with all of that?

BROWN: Well, Saipan is located in the Northern Marianas Islands. Guam already had a very special relationship with the U.S. Remember that we had Anderson Air Force Base on Guam which, in my day, housed B-52 bombers. Now they have left Guam.

From Guam, by the way, the U.S. Air Force did a magnificent job of flying C-130 aircraft out into the typhoons of the area. Then we would send typhoon warnings all the way over to the southern Chinese coast, as well as to Hong Kong, Vietnam, and Manila in the Philippines. This was very important. A lot of that weather support service is now gone.

Guam was not part of the "Compact of Free Association." It had an even better deal as an "Unincorporated Territory of the United States," but it was always complaining and asking for more federal funds. The Marianas Islands, apart from Guam, is a special case as the "Commonwealth of the Northern Marianas Islands." It was very interesting.

Q: Did you have any "Mr. or Mrs. Pacific Islands" in Congress who were particularly important to you? We've had some Senators and Congressmen who love to travel and become really "major players," because they become quite an irritant unless they are "kept happy."

BROWN: Well, without going into names, I alluded earlier to the fact that, jurisdictionally speaking, the American Trust Territory of the Pacific Islands was under the Department of the Interior. So we always had to bear in mind the stance of powerful members of the Interior Affairs Committees of both the Senate and the House of Representatives.

Q: And also the staffs of these committees.

BROWN: Oh, yes. This was a goody which gave them a sense of responsibility, a commitment, and so forth.

The aircraft situation was such that, even for the President of the United States, to get out to such places as Indonesia, Hong Kong, and so forth, you had to land some place, because until the 1980s travel was usually accomplished on Boeing 707 aircraft. So you would normally travel, let us say, from San Francisco or Los Angeles, land in Honolulu, overnight there, then go to Guam and spend the night there, in some cases, with the Governor and his entourage. They would land at Anderson Air Force Base, re-load with fuel and perhaps spend the night. Then fly from there to East Asian airfields.

Coming back from East Asia, with my portfolio, I was always urging people: "Why don't you land, not just in American Samoa, but some place else?" However, it was very difficult to persuade them to land elsewhere. At Pago-Pago in American Samoa, they were guaranteed a welcome, day or night with dancers, and torchlights. However, it was much more difficult to persuade people to land, say, in Fiji, let alone at Honiara, the Solomon Islands, or places like that.

Among "old timers" I found later on that, when Casper Weinberger was Secretary of Defense and visited Thailand, I could focus his attention then to Papua New Guinea, because he had been

a soldier and served in that malaria and other tropical disease infested area during World War II. He could relate to that area. For the younger group of congressmen and senators, it was very difficult.

Now, with travel by Boeing 747 aircraft, bigshots can fly all the way out to East Asia non-stop, completely bypassing so many of these places. This probably lowered even further their very low profile on the American radar scope.

Q: How about the fish? Was there justification in the claims that these American planes were evacuating of emptying out the area?

BROWN: Well, what you were dealing with was a migratory fish phenomenon. Tuna fish migrate over enormous distances in the Pacific. On a worldwide basis, various fishing fleets have come into service, including Russian, Japanese, and others. They have increased their ability to fish, or to “vacuum” seafood, if I can use that expression. The other great fisheries of the world have largely been fished out. Look at our own crisis with the Canadians off Georges Bank [South of Newfoundland]. Periodically the fishing scene deteriorates even further under the influence of the El Nino effect in the Pacific.

The Pacific Ocean area was one of the last, major fisheries which was still rich in fish, particularly the migratory tuna. From the fishing lobby's viewpoint, tuna, as a migratory fish, should not be treated as a fish that is native to this or that territory. In other words, our fishing lobby argued: “We can go and fish for tuna anywhere, from three miles off the coast, or wherever the international border is.”

With the Australian, New Zealand, and, to a degree, our own fishing industry, we were working toward a new system to regulate fisheries, which would require revision of the Magnuson Act. We needed to work out a system which would protect this great fishery in the South Pacific. Such a system would have to include monitoring, so that the area wouldn't be over fished, as well as a system of payment. This raised the question how we could arrange to pay out the use of this fishing grounds. For example, what would be the share of Papua New Guinea, versus that of a tiny entity like Nauru Island, or Tonga, which was so much more dependent on fishing, in the absence of any other resources? Such a system would need to include monitoring to make sure that the area wasn't over fished.

The monitoring system would have to have teeth, because into the picture were coming new fishing fleets. These would include not only the Japanese but Taiwan and now, even the People's Republic of China. They were coming in with that typical Asian approach, which is based on dynamiting fish, that is, an approach involving a low level of technology. You get within range of the fish, you drop explosives, you put your anchor down on coral, and to hell with whatever other kind of damage you do. You fish the area out as best you can, using whatever means you can, including explosives, and then move on. This is absolutely devastating for the fishery.

How can you organize such a disparate group of fishermen? How can you come up with a new fishing system, with monitoring, penalties, and payoffs for the individual islands and island groups, as they struggle with each other for access to the fish. This was quite a challenge I was

involved in, and the situation has continued to deteriorate since then. Then we also got into the whole question of cheating, and newcomers in this fishing area.

Now, even the Thai are into it, coming all the way from Thailand to the South Pacific fisheries. The Thai have completely fished out the Gulf of Siam. They have acquired the range to get all the way into the South Pacific. Everyone smiles and promises to be good, but real life practice is something else. For example, take Korean, Japanese, or Taiwanese fishermen. They would far rather deal bilaterally, which means payoffs for this or that island entity, as opposed to investing money in a regional fishery system and wondering whether you're really getting your money's worth. Altogether, a fascinating subject.

Q: Who handles fisheries within the Department of State? Was that separate, or was it...

BROWN: That was handled in OES [Bureau of Oceanographic and Environmental Affairs].

Q: Did you find yourself dealing with OES very often?

BROWN: Oh, yes, and extensively. OES was very important, both on a bilateral as well as a regional basis. They were important as we looked at our "Compact of Free Association" with the islands formerly included in the Trust Territory of the Pacific Islands. They were important, and remain important, on a global basis. I alluded to this great, fisheries challenge in the Pacific Ocean area. However, OES has to think of what's going on in the Caribbean, the Atlantic and elsewhere, and off both coasts of South America, the Antarctic, and so forth. It's a fascinating subject with very interesting ramifications, both economically and politically.

RICHARD J. DOLS
Pacific Island Affairs
State Department, Washington, DC (1983-1986)

Richard J. Dols was born in Minnesota in 1932. In 1954 he received his bachelor's degree from St. Thomas College and his law degree at University of Minnesota. He served in the US Air Force from 1955-1958. During his career he held positions in France, Vietnam, Canada, Swaziland, and New Zealand. Mr. Dols was interviewed by Charles Stewart Kennedy in 1992.

Q: What were you doing in Pacific Island Affairs, and what was the situation at that time?

DOLS: We were trying to clear away those island treaty situations that we talked about before. We were trying to deal with the fishery problem. We had seizures and so on. The seizures were a major problem because the Fishermen's Protective Act which gave the fishermen compensation for lost fishing time, damage to gear, tackle, ship, etc. The bottom had dropped out of the tuna market. The fishermen had bought these expensive boats with all kinds of fancy gear in the early '70s. They bought designs that were fuel hogs. Fuel was still relatively cheap. Then you get two

oil shocks, the bottom drops out of the tuna market. Many of them went into bankruptcy, or at least the boats were tied up. It became advantageous to go out and get seized if you could.

We had a perfect example of that in the seizure of the Janet Diana by the Solomon Islands...actually it was picked up by an Australian PT boat operating to the Solomons. We paid out two sets of \$800,000 for lost fishing time. Other amounts for damaged gear, for loss of fish that were aboard at the time, etc. By the time we were finished we had paid out maybe \$8 million before we got the boat back...for a boat which had depreciated in market value to \$400,000. So we gave the owners in effect a real windfall all because of the Fishermen's Protective Act.

When you called Congressmen's attention to this, how it really worked out in practice, they were appalled. It was born back in the 1960s with the Ecuadorian and Chilean, Peruvian seizures. There we were, paying, paying, paying. So we had to deal with a lot of that.

The other big problem was the whole Micronesian status negotiation thing.

Q: These status negotiation things were done by special negotiators weren't they?

DOLS: What had been done organizationally was that a special negotiating office had been set up called the Office of Micronesian Status Negotiations. It was an interagency office to be staffed by State, Interior, and Defense with a person with ambassadorial title as the head of the outfit. What happened is they located the office over in the Department of Interior building. Interior didn't actually contribute people to the staff since they provided the office space, etc. and felt they were in immediate liaison with them anyway and didn't need anyone else on the staff. So it was a State/Defense office located in Interior. These people were supposed to get their marching orders from an interagency group back here on the subject. So that is where the Asian Pacific Bureau got into the act.

We had Ambassador Zeder as the head of it at the time. I was Island director. Zeder was very much like so many non-professional negotiators going to get an agreement. Anything for the agreement. Or at least that is the way it appeared to us. So our problem was like it is with so many negotiating groups to keep them from giving away the farm in the process. He was very close to the current President, who was then Vice President.

Q: George Bush.

DOLS: He would invoke that kind of authority whenever he needed a little bit of political clout. Usually he would have his way because the Assistant Secretary for Asian and Pacific Affairs didn't want to tangle with the political ramifications of that. So we would have long battles in the interagency group and Zeder would go off and do what he pleased even though he was counter to direct instructions which he was supposed to take. He did it anyway and knew he could get away with it.

He would come to the Asian Bureau staff meeting and would report that we had really tough negotiations this week. It was a knock down, drag out fight, and of course it appeared that this was all with the Micronesians. At the end he would drop the word that it was the Department

people. We didn't win on any of that stuff. He simply used his political capital to run away with it.

Q: In American interests from your point of view while you were there, what did you feel came out of these negotiations that was to our detriment?

DOLS: Mainly, he totally misjudged how to get an agreement with Palau and we never have gotten an agreement with Palau. There were ways, but it would have taken some real toughness and he wasn't going to do that. The other thing is that it cost us far more than it should have. We could have settled this a lot earlier with the other two, the Federated States of Micronesia and the Marshall Islands. We could have settled it much more cheaply if we had settled earlier on a number of issues.

The third problem was that Interior really wanted to maintain the colonial relationship somehow. They for instance wanted to continue to house the US Government's operation vis-a-vis these two countries in Interior. They wanted in effect to carve a piece off the Asian and Pacific Bureau's jurisdiction and they wanted whomever ran the office to have an ambassadorial title even though he was strangely floating around...just like this OAS head with a kind of interagency mandate and an ambassadorial title.

Well, the Soviets at the time were saying this was nothing but a sham annexation and we are not going to let it get through the Security Council. We, on the other hand, were plotting how to deal with a veto in the Security Council. We kept telling Interior, "Look, guys, the colonial era is over and you certainly don't want to do things that reinforce the Soviet argument."

Q: And, of course, the Secretary of Interior sounds like the Ministry of Interior which is the police force in most totalitarian countries.

DOLS: Even a closer comparable organization would be the Colonial Office in the British System. They wanted to staff our Embassies partly with Interior people, etc. We didn't mind that provided it didn't become an Interior labeled organization that we put out there as an Embassy. We did not want to shore up Soviet claims.

Q: Has that been resolved?

DOLS: That was eventually resolved and eventually jurisdiction over the relationship was kept within the Asian and Pacific Bureau. So we won out on that. We won organizationally, we lost on about every other issue. Not that the solutions that were arrived at were wrong, they just cost too much.

Q: Looking at it bureaucratically, did Interior have enough clout to really get away with this politically within the Reagan Administration?

DOLS: They had some because the Secretary of Interior at the time had been involved early with Micronesia and knew and took an interest in it. They had several very active Assistant Secretaries who were politically appointed and who were interested in this particular problem

and they allied with Defense all the time against State, because in the heart of hearts they really wanted to annex. This was about third choice down the line...this free association thing. They wanted to make free association not really an association between sovereign states but some lesser dependency situation.

Q: What about Congress? Was it in on this too?

DOLS: We had fights there too. We had two committees at loggerheads. The House Foreign Affairs vs House Interior committees. The Foreign Affairs people obviously didn't want kind of a strange domestic jurisdiction to be carved out of a portion of the world and housed elsewhere, especially when that organization would not be answerable to them. So they were our allies. The Interior committee people had for so many years had a really, lovely relationship with the islands. They doled out the money and played Great White Father on visits, etc. and they didn't want to give it up. Those Congressmen who played that game...one notable one from San Francisco particularly... loved it. They were lionized. The islanders knew how to squeeze money out. So they didn't want to give up jurisdiction.

Q: Was the Soviet card something that could be played...if we don't do this they will move in?

DOLS: Claims were made but nobody ever took that stuff seriously. Besides that we had the outcome so much within our own hands. There was a very important strategic decision made in how we finally configured our proposals. If you look at Micronesia and the islands going northward...Guam, Saipan, etc....it is kind of like an inverted T with the base of the T pointing up to Japan. The top of the T is really at the bottom and has got on the west Palau, in the middle the Federated States and on the east the Marshall Islands.

The strategic conclusion was that we had to above all learn the lesson of World War II when our line of communications to the Philippines and elsewhere was cut off on the first day of the war. In other words you had to make sure that you didn't have an adversary in place. The way we could do that is by maintaining some sort of defense rights in all of these places, but especially the Pentagon wanted the bottom of the T pointing up toward Japan in our secure hands. So that is why we offered commonwealth status to the Marianas. So we have now the Commonwealth of Northern Marianas which is an integral part of the United States. It can't get out. Whereas with the people on the bottom of the inverted T we have security rights which prevents them from allowing third country military forces into their territory without our permission. That was considered enough.

But we did want to keep our lines of communication to Korea, Japan and Formosa, Taiwan open in that sort of permanent way and that is why we wanted this closer relationship with the Commonwealth of the Northern Marianas.

MICHAEL G. WYGANT
Oceans, Environment and Science Bureau
State Department, Washington, DC (1983-1987)

Michael G. Wygant was born in Newburgh, New York in 1936 and was raised in Montclair, New Jersey. He received a bachelor's degree from Dartmouth College, where he passed the Foreign Service exam during his junior year. He served briefly in the U.S. Army before entering the Foreign Service in 1959. Mr. Wygant's career included positions in Zimbabwe, Togo, Vietnam, and Gambia. He was interviewed by Charles Stuart Kennedy on August 14, 1990.

Q: I'd like to turn to where you spent, really, the last five years of the time you were in the Foreign Service, and that is, in the Pacific. I wonder, how'd you get into this? And then let's start with what you were doing.

WYGANT: I had begun to learn about the Pacific Islands when I was in Australia, because while working in Embassy Canberra the Pacific Islands were also part of my responsibility. The Australians are very active in the Pacific and I learned a lot about the South Pacific Islands during my Canberra sojourn.

That was also at a time when the Carter administration was heavily involved in negotiations to end the Trust Territory of the Pacific Islands and bring about the relationship called "free association" with various entities of the Trust Territory. In fact the chief U.S. negotiator, Peter Rosenblatt, had come to Canberra about 1979, I think it was, or 1980, to explain the situation to the Australian Government. At the time, it appeared that the whole business would be wrapped up and we would have the new relationship by the end of the Carter administration. There was some slippage, and the loose ends were not wrapped up by the end of the Carter administration.

When the Reagan administration came to power, it wanted to take a good look at what had gone on previously before committing the new leadership one way or the other on any issue. However, by the end of 1981 the Reagan administration had determined that the negotiations which had been virtually concluded by Carter's negotiator had been on the right track and could be supported by the new administration.

A new negotiator was appointed, Fred Zeder, and we began a process of final negotiation of the Compacts of Free Association. The agreements were signed in 1983 with three countries that were going to be in free association. All had formerly been part of the Trust Territory: the Marshall Islands, the Federated States of Micronesia (FSM), and Palau.

The fourth part of the equation, the fourth entity within the old Trust Territory, was the Commonwealth of the Northern Mariana Islands. They had determined at an earlier time, in the mid-Seventies, that they wanted to become a commonwealth of the United States, with a status rather similar to Puerto Rico. The Northern Marianas would have U.S. citizenship and the U.S. would have sovereignty over the island group, but they would have a very large degree of internal autonomy. We concluded a covenant with the Northern Marianas in the mid-Seventies, and so that part of the relationship had been pretty much solidified long before I went to Saipan. It only remained to end the trusteeship agreement for the covenant to come fully into effect.

Once the agreements were signed in 1983 with the three entities that were to become freely associated, it became necessary for the legislatures of those countries as well as the U.S. Congress to approve, and also to approve implementing legislation. This was a very long and involved process. The U.S. Congress didn't finally take up discussion of the compacts until the spring of 1985, two years after the agreements were signed. But throughout the calendar year '85 (and I should mention that I was sent out to Saipan in February of 1985) the Congressional process was at work.

Congressman Solarz, the chairman of the House Subcommittee for East Asia and the Pacific, and two other congressmen came to the Federated States of Micronesia, Palau, and the Marshalls, in the spring of 1985 to hold hearings and have a look at the situation. They went back; they did their work. Parallel efforts were going on in the Senate.

Then Vice President Bush came out to Saipan in October 1985 to talk to the leaders of Micronesia and to assure them that the process was moving and that the Congress seemed to be on the verge of passing the implementation legislation and passing the compacts. Finally, at the very end of 1985, Congress did pass the legislation, and President Reagan signed it into law on January 14, 1986. Then it was a question of when the legislation would be implemented and free association would actually take place.

During this whole period I was in the field. I was based on Saipan talking to the leadership, particularly in the FSM, although I had under me two junior officers, one who was dealing with Palau and one who was dealing with the Marshall Islands. There was a great deal of frustration on the part of the islanders because they felt that the whole process had taken such a long time and they were anxious to move into free association. In any event, things did begin to move pretty smartly in 1986.

The question of Palau is exceedingly complicated and probably wouldn't be worth going into in great detail. I would have to go back to my notes even to respond authoritatively about the Palau situation.

Essentially Palau has a constitution which has nuclear-free provisions, which are not compatible with the compact. While the Palauans, by significant majorities, have always voted in favor of the compact and evidently would like to have a compact of free association with the United States, it has not been possible to make this compatible with their constitution because it requires a seventy-five percent vote of the electorate in order to bring the compact into compatibility with the constitution. Although a succession of compact-related votes have always ranged between sixty percent up to as high as seventy-three percent in favor, Palau has never gotten the required seventy-five percent vote on a compact referendum, so therefore Palau remains even today part of the Trust Territory of the Pacific Islands. In fact it alone is the Trust Territory of the Pacific Islands.

When it became obvious in 1986 that Palau was not going to be able to bring its status into compatibility with the compact, it was decided that we would go ahead to implement the compacts with the Marshalls and the FSM, as well as the covenant with the Northern Marianas, anyway. There had been a meeting of the Trusteeship Council in May of 1986 in which the

Trusteeship Council told the United States to bring about implementation and to do it by September 30. We weren't quite able to make the September 30 deadline, but in October the Compact of Free Association came into effect in the Marshalls, and on November 3, 1986 the compact with the Federated States of Micronesia and the covenant with the Northern Marianas were put fully into force by joint presidential proclamations-- President Reagan and the presidents of the Marshalls and the Federated States of Micronesia. So since November of '86, now almost four years ago, we have had a brand new relationship with the Marshall Islands and the FSM.

I won't go into the relationship with the Marshalls. That has been the responsibility of my colleague Sam Thomsen, and I think you would want to talk to Sam for this purpose. I think Sam would have a lot to offer to this oral history project.

However, in the FSM I was, to borrow a phrase from Dean Acheson, "present at the creation" and have watched the relationship develop from dependence in 1985 through full recognition of sovereignty in 1986 and now to 1990 when the FSM is fully on its feet as a new nation in the Pacific. It is recognized by eighteen foreign countries, including China, Japan, Australia, New Zealand, the Pacific Island States, Israel, Chile, and of course the United States. Presently there are four resident foreign embassies in Kolonia, Pohnpei.

Q: While speaking of this, you weren't mentioning any of the European powers. Is there any reason for this?

WYGANT: Yes, this is one of the problems that has developed since the compact was implemented. The British and the French are of the opinion that the trusteeship agreement, concluded back in 1947, by which the United States gained administrative control over the Trust Territory of the Pacific Islands, had not been properly terminated as far as these three entities-- the FSM, Marshalls, and Northern Marianas--are concerned.

We did it by notifying the secretary-general of what we had done, and then asked the secretary-general to circularize this among the members of the Security Council. I should mention that the Trust Territory of the Pacific Islands was the only trust territory resulting from the Second World War that was considered to be a strategic trust. And it was the Security Council that was to have overall responsibility for that trust territory rather than the Trusteeship Council. In fact several years after trusteeship began, the Security Council turned its powers over to the Trusteeship Council to be the supervisory body that would monitor the actions of the administrators and also listen to the concerns of the people affected in the trust territory. But the ultimate responsibility of the Security Council for the trust territory has never been disputed by anyone.

We did not want to go for what would have amounted to a partial termination of the agreement (Palau not being on board) because we were quite certain that the Soviet Union would take a hostile attitude and would probably veto such a measure, and therefore we would end up with a result that was worse than a situation where we had basically declared the trusteeship at an end. But this is still an issue. The British and the French are still of the opinion that the trusteeship has not been properly terminated.

Q: It sounds like being a little bit precious.

WYGANT: Yes, it is.

Q: There must be something behind it.

WYGANT: I think what has happened is that they are taking a highly legalistic interpretation because people with that mindset in New York have taken that position. Moreover, the issue has not been perceived to be important enough politically to require a pragmatic solution. That's the way I'd look at it.

Q: What were you doing?

WYGANT: To start with, I was the head of the field office, if you will, for the status negotiations. That was in 1985 and 1986. I was based in Saipan, but I was traveling almost every month to the FSM, which was the area for which I had particular responsibility.

Q: How'd you travel there?

WYGANT: All by air. The old trust territory is about the same size as the 48 states in air miles and dimensions. It is less than half the land area of Rhode Island, but when you include the two-hundred-mile EEZs [exclusive economic zones], you have an area as big as the lower 48 states. So there was a lot of long and rather arduous air travel getting around to the different parts. But that's the way it is in the Pacific when you're working in the islands.

I had a deputy who was based in Saipan and followed the Palau situation, so he was traveling to Palau as often as I was traveling to the FSM. The third member of our operation--all Foreign Service officers--was based in the Marshall Islands. He actually lived and worked in Majuro. It had been the intention of the State Department that I would only be in Saipan for a few months and then I would move to Pohnpei and operate out of the FSM rather than Saipan.

Q: How about relations with the American military? Often when we sort of pull out of places, there's an awful lot of heel- dragging and all this. How was this at the time?

WYGANT: I think that was very well-handled. Back in the early days, when the negotiations were started in the Seventies, the Pentagon took a good look at Micronesia and decided what they felt they might eventually want or not want. They decided that in the Marshall Islands they would want to keep the Kwajalein missile range, which of course has been around since the Sixties. In Palau, the Pentagon decided that there were certain areas that might be to useful on a contingency basis, depending on what our requirements might be sometime into the unforeseeable future. Defense also had interest in certain facilities in the Northern Marianas. They had no interest in anything in the Federated States of Micronesia. This was all made clear from the beginning and therefore became part of the negotiations of the covenant with the Northern Marianas and the compacts with Palau and the Marshalls. Thus our military had an opportunity from the very beginning to indicate what it wanted and what it felt it could use or not use.

The transition went very well. The Commander in Chief Naval Forces Marianas is responsible for the entire area minus the Marshall Islands and plus Guam; he is also the Commander in Chief Pacific's Representative. We were lucky to have had an extremely capable and very well-rounded individual as admiral on Guam over the past three years, who was able to shape the new relationship extremely well

Q: Then you moved from your traveling office on Saipan to become the equivalent to the first ambassador to the FSM.

WYGANT: Yes, I closed the office in Saipan in February of 1987. This was because we had now instituted the new relationships with everybody except Palau. So the only reason even to have a Trust Territory government was to have some kind of administration for Palau. The TT government had drawn down tremendously by 1987 to just a few dozen people, and there wasn't any need to have a State Department office in Saipan after that point.

I came back to the U.S. for several months, and during that time I was going through the process of awaiting the presidential appointment: having my Senate hearings, confirmation eventually by the Senate, swearing in and so forth. The position was that of a chief of mission, and, except for the title, I went through the entire process that any ambassador would go through. My pay was also that of an ambassador.

SAMUEL B. THOMSEN
Micronesian Status Negotiations
State Department, Washington, DC (1983-1987)

Ambassador
Republic of the Marshall Islands (1987-1990)

Samuel B. Thomsen was born in Minnesota in 1931. After serving in the US Army from 1952-1954 he received his bachelor's degree at University of California Los Angeles in 1956. During his career he had positions in Vietnam, Laos, Washington D.C., Botswana, Nigeria, and an ambassadorship to the Marshall Islands. Mr. Thomsen was interviewed by Charles Stuart Kennedy in August 1996.

Q: Let's start with the first part. Can you give some background about this whole Micronesian business, and then go into what you were doing?

THOMSEN: During the Second World War we captured from the Japanese what is known geographically as Micronesia, that's the area west of Hawaii and north of Australia, east of the Philippines, south of Japan, an area about the size of the United States comprising dozens of island communities with minor ethnic differences. At the end of the war, under the aegis of the United Nations, the United States took responsibility for the area under what was called a

Strategic Trust. It was the only strategic trusteeship in the United Nations. It gave certain privileges that other governments in their trustee relationships did not have, and so the Trust Territory of the Pacific was an United States responsibility after the war.

Q: In the first place, the dates you were doing this initial assignment was from when to when?

THOMSEN: '83 to '87.

Q: What was going on? What was the situation, and what were you doing, and some of the people?

THOMSEN: The relationship with the Trust Territory had been evolving since we took responsibility, first under Navy, and then under the Department of Interior. And just as an aside, it was probably a terrible mistake to put it under the Department of Interior but because the area was identified as a territory, I guess the folks who made those decisions put it with Interior because of its territorial responsibilities. It should probably have gone to the State Department. Eventually, because of circumstances in the islands, we began the process of establishing a different relationship with them. Under the United Nations charter, Trust Territories have the option of going three different ways. One is full independence. One is total integration into what is called the metropola or parent country. And the third was called "free association," and "free association" was not defined. From the early '70s we were negotiating with the leaders of these little entities to establish a new relationship. And fairly soon they became enamored of the idea of what they were trying to define as free association. On our side there were those who wanted us to integrate them entirely, and there were others who were prepared to let them become fully independent. But the idea of an intermediate relationship was kind of foreign to us. By the time I arrived in 1983, we had essentially completed the major negotiations, and in the process of having UN observed plebiscites to validate the new relationship, free association. In the summer of '83 I took my maiden trip out and observed the plebiscite in the Marshall Islands. The entities were called "the Commonwealth of Northern Marianas," which is the major island of Saipan and the island of Tinian where we launched our atomic strikes against Japan. The Northern Marianas voted to become a commonwealth of the United States. In other words to become integrated into the United States. The other three entities which we were dealing with were the "Republic of Palua," which is in the far west, not too far from the Philippines, and directly south of Guam; what was called the Federated States of Micronesia, which was a number of different linguistic and ethnic groupings in the middle of the Pacific. The island of Truk where we had sunk most of the Japanese navy, Ponape, Yap and Kossae comprised of four states of the Federated States. And in the east was the "Republic of the Marshall Islands" which is a homogeneous cultural grouping in two chains of atolls, with a population of about 40,000. So those three entities, the Republic of the Marshall Islands, the Federated States of Micronesia, and the Republic of Palua had decided they wanted to be freely associated. When I arrived on the scene just as they had begun voting to validate that relationship, and they all three did. And upon my arrival we were focusing on getting the United States congress to ratify the agreements and then to implement the compacts.

Q: How did the assignment come about?

THOMSEN: I was an old EA/P hand. I'd done my GLOP to Africa and then bounced around a little bit through the science bureau, and trying to find my way back home to EA/P. So I simply let it be known I wanted an EA/P assignment. It was as easy as that. My record included a lot of interagency activity, a lot of varied activity, and it seemed from the point of view of the decision makers that I had the kind of background that could deal with the very unusual circumstances of the Office for Micronesian Status Negotiations (OMSN).

Q: What did the group that was dealing with...I'm talking about the American group, can you describe your office, and maybe some of the personalities and different currents within that?

THOMSEN: Sure. When I arrived the President's Representative for Micronesian Status Negotiations was a man named Fred Zeder. Zeder was a close friend of the then Vice President Bush. He'd been his campaign manager in his only losing congressional campaign. He was a very wealthy man in his own right. He had been the head of the Office of Territorial Affairs in Interior in times past, so he had some experience with the area. He'd been a fighter pilot in the Second World War, an interesting guy. I was the deputy, my title was Deputy President's Representative. My predecessors had included Dick Tease and Phil Manhard. The Defense Department was represented by Al Short, an Army colonel who managed the office administration, with the title of office director. His most illustrious predecessor was Admiral Bill Crowe who became the chairman of the Chief of Staff, and now is our ambassador to London. We had a Navy commander Howard Hills as our legal counsel. A Navy chief petty officer, Denny Dolan was the administrative assistant who ran what must have been one of the earliest local networks for computers. We had a superb executive secretary, Colleen Greer, her title was secretary to the President's Representative. She's currently secretary to the principal DAS in IO. This was a super team. The linchpin of the office, Jim Berg, a GS-13 when I arrived, had the title of political adviser. He had been a Peace Corps volunteer in years past. Today he is the executive vice president for Europe for one of the major paper firms. He left government after this all was finished. It was a tightly knit office. We had our computer set up so we could interact with each other constantly. We had fax machines before anyone else had faxes. We had an office on Saipan, I shouldn't neglect that. Two FSOs on Saipan, who were kind of our leg men out in the area, and we used faxes to them. That's how we communicated long before anyone else thought of long distance fax. We were interacting mainly with Defense, with Interior, within the State Department the legal advisor's office, EA/P, Consular Affairs, with congress, with two principal committees, not Foreign Affairs, but Interior committee in the House, and Natural Resources on the Senate side. Both had oversight because the islands were under the oversight of the Department of Interior. Even though we were negotiating international agreements, the committees on the Hill were the ones who had a parochial interest in Interior matters we dealt. With the White House itself and OMB almost constantly. Our overseer was the counselor of the Department, and our line of authority went through the IG system to the White House.

Q: IG?

THOMSEN: The Interagency Group system which coordinated foreign policy and national security matters among the several interested agencies. The Counselor of the Department of State was the chairman of the senior IG for the Trust Territory. I was the Executive Secretary of the Interagency Working Group. We did most of our interagency work through that mechanism. But

when we had to we could convene a senior IG and the Counselor would chair it, and Under Secretary level people from all over government would convene to deal with the issues.

Q: I wonder if you could talk about some of the currents? I think of the Department of Interior...one always thinks of the Bureau of Indian Affairs which since the Civil War has been a mess. I mean its always been very controversial. I think of the Navy...they don't want to give up anything that has water around it. And then you get into old congressional people who'd maybe like to fly out to places, or something like that. And State which I would assume would just want to get rid of the whole damn thing. I may be wrong. I don't the current. We'll talk about dealing with the Micronesians later, but let's talk about dealing with Washington, Congress, State, Interior, maybe Treasury.

THOMSEN: Treasury had an interest and we'll get into that. But you quite well characterized the range of interests. I think the State Department...I would give us more credit than simply wanting to get rid of it although that has tended to become our attitude subsequently. But at the time we were looking at the national interest, and we were paired with Defense. The critical concerns we had were that we not create a situation where we would lose the ability to prevent third country military forces from having access to that area, having won it in bloody battles. The main concern, not just the Navy, but of the Defense Department and joined with the State Department, and supported by the White House, was that we should create a situation where we could prevent any third military force from having access to the area.

Q: We're really talking about the Soviets.

THOMSEN: We were certainly talking about the Soviets.

Q: And maybe in the future the Chinese Communists.

THOMSEN: Well, today when you look at the region you're looking at Japan and at the Chinese. The second concern was the Kwajalein Atoll in the Marshall Islands. The Kwajalein missile range, which is a DOD facility managed by the Army interestingly enough, is the splash down site for our intercontinental ballistic missiles. And that meant not only the experimental stuff, but operational testing of ICBMs. They'd take an ICBM from North Dakota...

Q: ICBM?

THOMSEN: Intercontinental Ballistic Missile, which was our main defense in the strategic, MAD, mutually assured deterrents. The heart of our defense was the ICBM with the nuclear warhead, or multiple nuclear warheads. Operationally they'd moved them from South Dakota by train to Vandenberg Air Force Base north of Santa Barbara on the coast in California. And that same crew would go into the hole and go through a real launch. I can tell you today, I couldn't have told you several years ago, that those warheads would splash down within 50 yards of the target in the middle of Kwajalein lagoon. The Soviets had a very sophisticated electronics gathering vessel in sight of Kwajalein, and although we would protest, we didn't hassle them, but we made it clear we weren't delighted to have them there. We really weren't all that unhappy to allow them watch the efficiency of our operational testing. But in addition to that we did a lot of

very sophisticated testing. An estimated nine billion dollars of the most sophisticated radar and electronics equipment was located on Kwajalein. The population of Kwajalein was 5,000 Americans, including dependents. Only about 25 were in military uniform but Massachusetts of Technology, GE, our most sophisticated electronics and weapons people were on Kwajalein dealing with these critical national defense issues. Those were the two critical issues from a security point of view. More broadly we obviously wanted to leave Micronesia with a good taste in their mouths. We wanted to be able to show that we'd exercised our responsibilities for the area responsibly. That we weren't leaving them as an economic basket cases. That we had given them the economic and political and social development that we committed ourselves to when we took over the Trusteeship in 1945. That was the underlying framework.

The Department of Interior and the House Congressional Committee, Subcommittee for Interior Affairs, was opposed to anything other than total integration into the United States. The idea that we would release these islands was an anathema to them.

Q: Why?

THOMSEN: Well, I think it mainly was bureaucratic. These were areas under their authority, and under their control, and if they were no longer in territorial status, they would no longer be under their control. I think a secondary issue was a kind of condescending - we know how to do it better than anybody else- approach.

Q: I think we'll treat each one of these separately. With Interior, what was your impression of the competence, and from what you were beginning to gather, the administration of Interior?

THOMSEN: Interior was pretty much...I don't know the right word to use exactly, but mediocre in its accurate sense of just average competence. They weren't incompetent. One of the interesting things though, in regard to this, and I mentioned it earlier on in regard to where responsibility should have rested. But if you look at the constitution of the United States, and we as retired Foreign Service officers recognize the Constitutional authority of the President in the work of the State Department, as being unquestioned, direct, and clear. And that's true. The constitution gives the authority for foreign affairs to the President. But the constitution gives the authority for territorial affairs to Congress. So the Department of Interior in administering its territorial responsibilities was torn between its table of organization responsibilities through the hierarchy of the executive side, and its relationship to Congress which had the constitutional authority for oversight over territories. Now that's why I say this "territory" should never have been placed in that context. But it was.

So the committees in Congress who had responsibility for territorial affairs oversight put the Trust Territory of the Pacific islands in the same category as its responsibilities for Indian tribes, and for the territories as they had once been constituted. It was a terrible place to put a situation where we really had international responsibilities. The Senate committee was very even handed, and very broad minded, and very understanding, objective about it. But the House committee, particularly the chairman of the subcommittee, John Seiberling, really saw the Trust Territory of the Pacific islands as its bailiwick, and really resented the idea that anybody would try to take it away from them. From the time I arrived there were 22 hearings in the House on the "Compact

of Free Association," the document embodying the agreement. The purpose of the hearings were to undermine the concept of free association which had been negotiated, and had been passed by plebiscite. Ultimately it was Steve Solarz, who was the chairman of the East Asia subcommittee on the House Foreign Affairs Committee who caused the compacts to be approved. Steve Solarz' threatened to call for concurrent jurisdiction over the matter, which brought it to a head, and finally caused Seiberling to report the document out from his committee. In the 22 hearings they couldn't break the rationale for the agreement on free association. And Stan Roth, Steve's Chief of Staff, was personally responsible for getting that action done.

Q: How did you feel about Seiberling? I mean, what was your appraisal of him?

THOMSEN: He was a courtly and dignified individual, from the Seiberling tire family, obviously well off. I think he had a very strong sense of being a patron of the islands, that he was their hero, and provider, their benefactor through his committee largess, and that there should have been some reciprocity, that there should have been some recognition of this, and that therefore they should not have voted to be freely associated, but should have wanted to become a commonwealth so they could remain under his generous oversight very paternalistic.

Q: Did he go out there much?

Thomsen: Not a lot. His staff was out there frequently, and of course, they were the ones who were prodding and egging on. On the Republican side, Congressman Lagomarsino of California was a champion for free association. But even in his case, one of his principal staffers was in the same mold as Seiberling, and would try to subvert even the Republican support. It was a fascinating Machiavellian exercise to get this through the Seiberling committee. In some cases we'd have more than twenty executive branch agencies sitting at a table in front of Seiberling, saying that this was the best solution for our relationship. And he would try to find ways to disapprove that, but he never could. In fact I think there was also when the full committee chairman threatened to take it on himself and take it away from Seiberling and that helped to kind of move it forward.

Q: What about the Department of Defense? Obviously we're concerned, was it strategic denial...which means basically keep the Soviets from taking advantage of one of these small countries and buying their way into a port.

Thomsen: What the compact itself said is that the Micronesian authorities, the three separate authorities, each agreed that they would allow no third party military forces into their territorial waters, or into their region without United States approval. In other words, they would seek our approval before inviting anyone in, even an Australian patrol boat. This did happen in practice subsequently. But, of course, by the time it came into practice the tremendous Soviet threat was already diminishing.

Q: This meant that you had basically the Navy on your side.

THOMSEN: Well, the whole Defense Department. This was a Defense Department issue, and we had active play, not only the office, International Strategic Affairs, which is their little State

Department. The Department of Defense Legal Advisor's office had one of their lawyers as a constant participant in everything that we did. The Army, because of its strategic defense interests in Kwajalein, (and there was a separate Army Strategic Defense Command, separate from the Defense Department's Strategic Defense). The Army's Strategic Defense Command headquarters in Crystal City, also had people sitting with us constantly.

In one case there was a labor dispute on Kwajalein. The Marshallese workmen were threatening to close down Kwajalein. That helped advance the process of turning the islands to Marshallese government because that would create a new relationship involving the government of Marshall Islands taking responsibility for the issue rather than having it be a U.S. military responsibility. We would be working several layers down within the Defense Department. They were on board with this approach. Although you might expect that some of them would rather have a territorial relationship, have them integrated into the United States. But there seemed to be a good deal of understanding that this was the optimum relationship from our strategies point of view.

Treasury's interest was complex. The compact had several provisions which were intended to provide mechanisms to bring the freely associated states much closer to the United States than they might have been otherwise, or in fact, they became. And those were tax provisions; specifically, one in particular would mean that an American citizen, who resided in Micronesia, in any of three freely associated states for 181 days would have no tax liability to the United States. His only tax liability would be to that freely associated state. Now, the intention here was to encourage wealthy individuals to create a residence in the islands. If they were to spend over half the year in one of those island states, then that island state would be the recipient of their only tax liability. And the hope was that there would be some wealthy people who would decide to make their homes out here for that purpose.

This, and a couple of other similar provisions fell afoul of the Reagan tax reform. The Secretary of the Treasury, who later became Chief of Staff and Secretary of State, .Jim Baker, as the Secretary of the Treasury, and Dan Rostenkowski as head of the House Ways and Means Committee, were very much opposed to these provisions. Congress took these negotiated compacts, which had been approved by the Micronesians and United Nations observed plebiscites, and rewrote some of the provisions. And they rewrote them in this way. They would add an article on, and that article would say article so and so, the tax provision, shall read as follows. So it wasn't a substitute. It wasn't incorporated. It was an add-on as a part of the United States law. But the same article gave them ten million dollars each to provide a development fund, which was intended as an offset to the tax loss. This action then forced the island governments to revisit the United States law, and decide whether they would accept these provisions or not, and they ultimately did. It was a fascinating thing to watch because the House Ways and Means Committee, under Rostenkowski, was an absolute juggernaut. There was no dealing with him except on nuance, and I say that, because we were successful in making some changes; we would spend the night next to the floor of the House writing on backs of envelopes substitute language which would be sent on to the floor and be submitted to be an amendment. They were willing to listen to us. But the essential principles they absolutely refused to modify, and Treasury was really on their side. They felt that these were exceptions that could destroy the sense of the unity of the tax law.

Q: Your Secretary of State was George Shultz, who had fought and been wounded in Palau, which meant that he knew the place, and you had George Bush as Vice President...

THOMSEN: ...a close friend of Zeder.

Q: And also had been a Navy pilot in that area. We're still talking about World War II generation that had intimate experiences and strong feelings about this whole area.

THOMSEN: Strong sympathies. And both Secretary Shultz and the Vice President were very sympathetic to what we were doing. And Baker was too, it was just that this...if you recall the days of the tax reform the intent was so absolute to exclude any tax breaks, that they saw these as being too much precedent making, which would allow other similar precedents.

Q: ...and they're probably right. Once you open it up, why be nice to these islanders, why can't we be nice to our people in Puerto Rico, or Arizona.

THOMSEN: It was inevitable that that would happen.

Q: We've touched on it, but how did things proceed?

THOMSEN: Well, when I arrived, we were thinking for U.S. congressional approval. Congressional approval for the compact of free association was both the approval of a treaty, an international agreement, and an appropriation's act because within the compact of free association there was language which called upon the United States to provide funding for the island governments over a 15 year period with "full faith and credit." Full faith and credit means that the appropriation was for 15 years.

As I indicated, Congress did make a number of changes which then required it to go back to the island governments, and it did, and they approved it. And then the next step would be for the United States, and the island governments, to announce a date certain for the implementation of the compact. Now a complicating factor here is, that although the Federated States of Micronesia, and the Republic of the Marshall Islands, had completed all of their process. The Republic of Palau had in its constitution a requirement that to allow the presence of nuclear weapons in its territories required a vote of 75% of the population--approval of 75% of the population. The compact of free association among its other strategic elements, which I've discussed, allowed us to transport through, or to store in, their territorial waters weapons without distinguishing between nuclear and non-nuclear. That provision of the compact was interpreted by a U.S. judge in the Trust Territory to mean that that element of the compact required a 75% approval in Palau. Now Palau had approved the compact by about 67% already once. But that judge's interpretation--by the way he, Bob Hufner, was a fraternity brother of mine from UCLA, a fascinating coincidence--his interpretation meant that that 67% approval was not an approval. So what we had thought would be a simultaneous transition among the three island states to free association, was not to be. We're talking now about the '85 period. Palau went through a series of agonizing re-votes and renegotiations with us until finally about 1990 they passed a compact that met the judicial standards. But by that time, in 1986, for the reason I described earlier, the Kwajalein labor dispute, and the pressures from the two island governments that had already

gone through their process, we terminated the Trusteeship for the Commonwealth of North Marianas, which had been in abeyance for several years. They had approved commonwealth I think in the late '70s. And then for the Marshall Islands and for the Federated States we terminated the compact in October of 1986 but the Trust Territory hadn't come to an end because Palau was still a Trust Territory because they hadn't approved the compact.

The critical aspect of this gets into a very arcane issue with the United Nations. And that is whether we could terminate the compact in part, or did it have to be terminated as a whole. There we had a fight within the United States government which included our legal advisor at the United Nations. They did not want us to try to terminate partially, and that finally had to go to the President of the United States for a presidential determination that we indeed would, against the best judgment of our legal advisors in New York, terminate partially. The reason for the problem was some governments would not accept that we had terminated partially. That you could not terminate a Trusteeship partially. You had to terminate it all at once. But we did terminate it, and we simply informed the United Nations that we had done this, and then we prevented the counter effort by the Soviet Union and others to try to say we couldn't do it. We simply did it.

Q: Why didn't they want you to do it?

THOMSEN: Well, the Soviet Union particularly, but China kind of passively and quietly did like the idea of free association. They wanted to force us, and they didn't spend a lot of effort on this but they wanted those countries to be independent. They didn't like free association.

Q: By the time you came on board, had it already been determined by plebiscite or however, that there would be Saipan, the Marshalls, the Federated States of Micronesia, Palau, that these would be separate? Had we made any efforts earlier on to get them all together?

THOMSEN: We had intended they would be together, and the compact of free association was called in the singular the "Compact of Free Association" right up until the end. Even though by the end there were three different compacts already being negotiated. But our intention was from the beginning that there would be a Federated States of Micronesia which would include the Marshall Islands, Palau, and the Northern Marianas. The Northern Marianas possibly because of being so close to Guam, and seeing the advantages of citizenship, fairly early on said they did not want to be a part of the Federated States of Micronesia, but they wanted to be a part of the United States. So they opted out kind of unilaterally, and although we put up a fuss, maybe pro forma, maybe more than that. Ultimately we acquiesced to their plebiscite, and they had a plebiscite. The relationship with the Northern Marianas is in a document called the covenant, which gave them U.S. citizenship, and established them as a commonwealth of the United States, with some advantages which you'll be interested in. One is that they have control over their own immigration process. That is to say, they can let anybody in they want without regard to the United States immigration laws. You may know that today there are more mainland Chinese on Saipan than there are Saipanese.

Q: I think also we had a lot of problems, didn't we, because all of a sudden wealthy Iranians were coming in and getting visas that would allow them to get to the United States.

THOMSEN: It got very, very complicated. I should mention with regard to the freely associated states, a part of the compact says that citizens of the freely associated states can enter and reside in the United States without a visa or residing documents. Of course, they can obviously provide citizenship to anybody they want to. But anyone who obtains citizenship of any of the freely associated states with the purpose in mind of gaining access to the United States under the special relationship privileges shall not be admitted to the United States. And it's up to the consular officer's judgment as to whether or not that holds. Particularly with the Marshall Islands, I spent a lot of my time trying to convince them not to sell passports to Chinese in Taiwan, or in Hong Kong because they were not going to go any further than the Marshall Islands, no one in my embassy was going to issue anybody a visa for access to the United States to anyone who by any means had gotten a Marshall Islands passport, and hadn't spent at least seven years there. They never gave up. I think to this day this is an issue. They are selling passports and hoping that somehow they'll finally be able to get them through United States immigration.

Q: During this time, we're still talking about the '83 to '87 period, what about dealing with the various groups. I assume that as you worked with Congress you had to keep going back and forth. One, who was representing them here in Washington, and how did this cooperation or negotiations work out?

THOMSEN: That's a good question. The Marshall Islands, just after I arrived when we began the congressional push, sent over their Chief Secretary, which is the equivalent of a prime minister, and their Attorney General, who was actually an American. They resided in Washington. Later on they also sent a full time representative although he did not have diplomatic status to be in Washington with them. The Chief Secretary and the Attorney General operated out of our offices, and we became a team. The Federated States of Micronesia was more arm's length. They had quite an effective counsel in Washington. They also had a very effective legal counsel, an American, Jim Stovall. That team also worked closely with us.

Q: Because the basic issues had all been resolved.

THOMSEN: We were now working together to try to get this through congress. Palau was more arm's length even yet. But for most of the negotiations a man named Lazarus Salii, a brilliant man, was their president, and we were on the phone with him almost daily working out the elements of the relationship. Although Palau ultimately got on a totally different track, so we were talking about different things entirely with Palau than we were with the other two. For that reason it wasn't as urgent for Palau to be physically present.

Q: During the negotiations, this is I think before your time as I recall, there was somewhat of a scandal about bugging the negotiations. Could you talk a little about that?

THOMSEN: I can tell you what I know, and that is it's quite likely, or I suppose virtually unquestionable now. I mentioned President Salii. Prior to that he was their chief negotiator, in fact he was one of the principal architects of free association. When they were negotiating on Saipan...Saipan was the headquarters for the Trust Territory, and there was an American

bureaucracy on Saipan. They were not employees of the United States government. They were employees of the Trust Territory administration. They had quite a complex. It had been a Navy headquarters after the war, and often the negotiations would occur there. Well, one night apparently Laz Salii knocked over a table lamp and under the table lamp was a microphone. It was quite a scandal at the time. It set us back, but sadly enough it simply confirmed what a lot of them suspected, that we were using other means besides simple across the table negotiations. The fact is, as far as I know, that there was nothing ever said in the proximity of that microphone of any value. But one of our intelligence agencies was resident on the island doing mainly operations regarding Taiwan, and apparently they got bored. I can't imagine how they got authorized to do that, or what value they thought it would be. But yes, that did occur. And it still pops up from time to time.

Q: During this time then your main negotiation was with congress. You had your team together.

THOMSEN: It was a Democratic congress. It was the Reagan administration. We were dealing with a Democratic Congressional leadership. However, the compact as it was negotiated out was virtually identical to the compact that had been negotiated in the Carter administration. Peter Rosenblatt was the President's Representative at that time. What happened was that when the Reagan administration came in they had a full blown interagency study of that language and came up with very few changes. So there was a lot of continuity, and the Democratic congress also provided that continuity. On the senate side we had very strong support from Senator Bennett Johnson and his staff.

Q: He was the senator from...

THOMSEN: From Louisiana, and he was a very strong advocate for the compact relationship and would sometimes lean on his colleagues in the House, or through his staffers. But to talk to the staffers on the House side to try to get a little sense into the situation.

Q: Were you able to work through the Foreign Affairs Committee, their staff? Because this is really where the thing should have been.

THOMSEN: That's right. Stan Roth was the chief of staff for Steve Solarz. Stan is now set to become the next EA Assistant Secretary. His name has been mentioned. Stan was a very strong friend. And as I said earlier, it was really the threat by that subcommittee of the House Foreign Affairs committee that energized the Interior committee to finally bring it to an end. And Stan Roth and Steve Solarz were very strong supporters of what we were doing, and critical to its outcome.

Q: You've alluded to it, or mentioned it, but just to sum up this thing, what brought the whole thing to a head, and to a successful conclusion?

THOMSEN: On the congressional side it was essentially that the House Interior subcommittee finally ran out of steam. They had 22 full hearings. They simply had no more issues to have hearings about, although they were threatening more. So they published their report. As I say at the same time as the House Foreign Affairs committee began sounding like it was going to claim

concurrent jurisdiction. On the senate side, Bennett Johnson had one three hour hearing where he gave everyone who wanted a chance to put their point of view on the table. At the end of that hearing he simply declared that his committee was supportive of it, and would report a favorable outcome to the senate because actually there was no subcommittee, it was the full senate committee.

Q: During these hearings was there an opposition group coming from the islands saying, we don't want this?

THOMSEN: Yes, there were. Some wanted full independence, some wanted commonwealth status. Especially in front of Seiberling they were allowed to make their points very clearly and fully. But they couldn't claim to represent any significant numbers of people because the plebiscites had been held, and their points of views were simply taken note of. The new ambassador designate to the United Nations, Bill Richardson, was also very helpful during this process.

Q: A congressman from New Mexico.

THOMSEN: He was the congressman from New Mexico and we spent some time with him. I didn't realize it at the time, I was interested in why a congressman from New Mexico would take an interest in this. But he was very interested, and quickly grasped the issues, and was very supportive. I have personal friends who are members of congress, and I would go to my own friends and say, can you give me a lead into other members who might have a direct interest. We really canvassed congress. And, of course, Fred Zeder, who had his own contacts, we were very active on the Hill. Much more active than anyone I know of in the State Department has ever been for any issue that I've seen.

Q: This is the advantage of having a team outside the State Department.

THOMSEN: That's right. We were very much without the kinds of restrictions that other agencies had.

Q: How about your home bureau?

THOMSEN: EAP was always on board. The first DAS during my tenure was Bill Brown, and the first Assistant Secretary was Paul Wolfowitz. I would go over once a week at least and brief them both on where we stood on various issues, and make sure that they knew what we were doing. The Office of Pacific Affairs-Russ Serber was the office director at the time. He was very closely involved, and very much a supportive colleague in most of what we did. We spent a lot of time together. The Army colonel and the Navy commander with Defense and I with State, spent a lot of time making sure we kept our home bases fully informed. And the counselor's office was kept informed too, as well as the legal advisor's office. We tried to make sure that we weren't going to surprise anybody who was a friend.

Q: When did the final vote take place? How did it play out?

THOMSEN: In the spring of '86 we actually thought Palau would have a successful plebiscite in time. But in the spring of '86 there were the labor problems on Kwajalein. There were some nuclear issues, and I haven't touched on those yet. But Bikini, of course, and Eniwetok were the sites of a lot of U.S. nuclear testing during the '40s and '50s. And there were legal issues coming up with regard to United States responsibility for damages there. For a range of reasons we felt by the spring of '86 that we needed to terminate the Trust relationship and establish the compact. Each spring there was a Trusteeship council review and we went to that...

Q: This is at the UN.

THOMSEN: The UN Trusteeship Council, and we went to the UN in New York. I was there for two weeks. We devised the strategy with the agreement of the USUN, our mission to the United Nations, that we were going to announce our intention to terminate the compact at a certain date. At that time we thought it was going to be all three and it would be a final termination. But over the summer Palau fell apart. In late summer we decided we had to terminate the two Federated States and the Marshall Islands. So in early October, after having gone through the interagency fight with the legal advisors at the UN, with the presidential decision, we announced that as of October 21st for the Marshalls, and October 22nd, for the Federated States that they were no longer a Trust Territory. That they were now freely associated with the United States. Shortly thereafter we opened offices of the "United States Representative." We actually already had two officers, one in Kolonia, FSM and an officer in Majuro. They opened missions which were designated as the Office of the United States Representative. Mike Wygant and I were nominated to the Deputy Secretary's committee for transmittal to the White House to be the U.S. representatives. The Secretary's committee said that they needed additional candidates and other candidates were found. The Secretary's committee then validated our nominations, they went to the White House. The personnel committee there looked around for political nominees, such as orange grove owners in California, or whoever, and no one was found who wanted to be a political appointee to these states. So Mike's name and mine were sent to the Senate Foreign Relations committee, and we had our hearings. Mine was held in June '87, along with Nick Platt going to the Philippines, and a couple of others. Jesse Helms and Claiborne were in the chairs. They asked me a few benign questions. I was sworn in on the 8th floor of the Department on June 17, our 25th wedding anniversary and by July of '87 I was in place in Majuro as the United States representative.

Q: This is before you go there, what were you getting? You'd been out there, hadn't you?

THOMSEN: I'd been out there several times.

Q: And also from the other members of your group. What were you thinking about whether these places? You'd done your duty, but what did you think about the future for these countries at that time?

THOMSEN: Well, part of the intention was that over the 15 year period of the compacts we were putting a lot of money in, about \$1,000 per capita annually, that we would help them achieve some form of economic sustainability. That was a part of what the 20 million dollar development funds were for, to help them. You'd asked me about the Department of Interior. For the whole

time that we were present in Micronesia we did virtually nothing to create self-sustaining free enterprise-based economies. We did a wonderful job of creating a political system that was democratic. But we did virtually nothing to create an entrepreneurial class, or to create an understanding of the value of the private sector. It was virtually a total government state in Micronesia. And that's what we turned over to them when they became freely associated. The process during free association was supposed to allow them with the funding that we provided, to bring themselves to some sort of economic sustainability. There was a certain amount of skepticism about that, but a certain hope that there were certain assets that they had they could maximize. We can get into that in the next session when I talk a little bit about being out there.

I must tell you that as of today, they're virtually in the same situation they were in when we ended the Trusteeship.

Q: I spent a week on Ponape, and I must say that it's very sad. I mean one had the feeling that eventually they'll sort of end up right back where they started when the gas runs out, and the pickup trucks rust away.

THOMSEN: Back to their sail boats, and spear fish.

Q: And they'll probably survive and maybe the rest of us won't. But it doesn't look like it's going anywhere. Before going out, I mean this is a whole new business, and State now had the responsibility. What was the apparatus you had in Washington? And how was that set up? And then we'll talk about your time out there.

THOMSEN: In '86 after the congress had approved the compact and supporting legislation, there was not really a call for an Interagency Group any longer. The organization of OMSN went to State and worked with the executive director in EAP and the Assistant Secretary and the Under Secretary for Management, the central management system, Ron Spiers. We transposed this Interagency office as a "super office" within EAP. By super office it was Jim Berg, who had been the GS-13, had gotten promoted to GS-15 by then, and we got him a super grade as office director.

Q: This is a Civil Service...

THOMSEN: A Civil Service position. The Army colonel became the military deputy director and there was a State deputy, a legal counsel, and two desk officers. We were provided a suite, by EAP/EX which included a small conference room. We moved over our fax. At that time, I think, the Operations Center, the Secretariat and IO had faxes. We essentially moved ourselves into a suite and began operating within State. By that time I was nominated to go out, so I detached from the office as a nominated chief of mission to be. And Jim Berg took over as the office director.

Just as a quick ending to that. After I went out, and when Bush was elected, Zeder was named to be the president of the Overseas Private Investment Corporation (OPIC). Jim left State and became the executive vice president of the OPIC. The Navy commander resigned from the Navy and became the legal counsel. The Navy chief petty officer retired from the Navy, and became

the office manager. And the secretary, who ultimately came back to the Department in IO, was the executive secretary to the president of OPIC. I was sitting out in the Marshall Islands by this time. But essentially the same team that had gotten the compact for free association through the negotiations and Congressional approval was now running OPIC. They were having as much fun with OPIC as they had had with the negotiations, and they did some fabulous things. OPIC became involved in Eastern Europe, the former Soviet Union and in Africa. They were trying to transform it into kind of a Merchant's Bank, into a real entrepreneurial exercise in getting good investments.

So, by the time I went to the Marshalls there was an office in the State Department that ran Freely Associated State Affairs. Today its been downgraded and subsumed within the Office of Pacific Island Affairs. There is still a military deputy, but it is now a part of the whole Pacific islands office, and it has kind of assumed its rightful level within the foreign affairs organization.

Q: You were ambassador to the Marshall Islands from when to when?

THOMSEN: July '87 to July '90.

Q: When you went out there did you have an agenda of things that having dealt with this and other aspects, that you wanted to deal with during the time you there, before things sort of happened.

THOMSEN: You know when an ambassador goes out he gets a letter of instruction from the Secretary. And what happens really, or it should happen, in my case I wrote that letter. It was essentially an agenda for the system to approve, and having approved it by getting appropriate clearance it was sent to me as an instruction. The instruction was to guarantee our access to Kwajalein, and to implement the compact. That is, to make the compact work. To have the compact establish a structure of relations which were attractive to the Marshallese, and which advanced all our broader national interests. Integral to success was the whole issue of Kwajalein, but the basic concern was to advance their capability of being sustainable economically.

Before I went out, and again this is something that ambassadors can do before they go out, I brought together a group of academicians and entrepreneurs under INR aegis. We had an all day session at AFSA. We mainly looked for ways in which we could enhance their economy. Marine resources became the key from our point of view. Tourism was a possibility. But we really saw the ocean as the source of their economic sustainability, and tuna being the primary resource. So what I tried to advance while I was out there was to develop a tuna industry, including obtaining American style trawlers, developing Majuro as a base for all American tuna vessels, and try to get some sort of tuna processing out there. We came very close. To answer your specific question, I did have an agenda. It was one that was carefully thought out, and vetted around government, and given to me as an instruction. I think in terms of process, I proceeded along those lines. In terms of goals, I kept Kwajalein accessible, and I did have some problems there, and we did certainly a valiant effort in tuna. I had some pretty specific goals.

Q: We'll talk about that in a minute. Could you in the first place describe when you arrived the state of...in the first place the geography of what you had to deal with, your embassy, and the people of your area?

THOMSEN: The Marshall Islands is an oceanographic area about the size of the United States east of the Mississippi. The total square miles in land is I think something less than one-third of Rhode Island. It's minuscule. It's 24 coral atolls (an atoll is a necklace, think of it as a pearl necklace with a couple of breaks in it to let water in and out) with populations ranging from 50 to 20,000. The capital being 20,000, and the smaller atoll population being maybe two or three clans. Kwajalein was the second most highly populated. But Kwajalein atoll is the largest in the world. I think probably 70 miles by 20 which gave a splash down area for intercontinental ballistic missiles of a great range. The Kwajalein military base was on two islands, U.S. Army, Kwajalein Atoll (USAKA). They had developed two islands and tied them together, and a third island in immediate proximity called Ebeye was the residence for 7,000 Marshallese, many of whom worked on Kwajalein on USAKA. USAKA was an important strategic installation for the United States. The relationship between the American military administration at USAKA and the civilian population next door was very important.

The problem I had discussed earlier was that the Marshallese still owned Kwajalein and were leasing it to us. And their leasing system was different from ours. The local chief had the authority to abrogate any lease he wanted to. That was done with some frequency among themselves, but to challenge United States government that you might break a lease was a totally situation. And that was the kind of problem I would deal with from time to time, was trying to keep a relationship going with the local leadership on Ebeye that would cause them not to carry out their various threats. Either a threat to occupy Kwajalein, which they had done once in the past, or to try in some way to bring operations to a halt. Obviously in the end we would use whatever force was needed to keep the base operating, but we obviously didn't want to have to do that, we wanted to be able to deal with them. So that kept me busy.

My relationship with the leadership in the Marshall Islands had been developed during the negotiations with congress. So we had a collegial relationship. I had developed their trust. That meant they sought my advice on issues, that they would listen to me, and I think during the three years I was there that didn't change. They often would make fairly substantial changes in policy based upon advice I would give them.

Q: Was there a Department of Interior presence still there?

THOMSEN: A Department of Interior presence had long gone. In 1979, the islanders formed their own constitution and became self-governing. I think the last of the permanent Interior presence left shortly thereafter. So by the time I got there it was seven or eight years since there had been any permanent local American presence. Interior would manage its relationship with them through that government, and by means of frequent visits from United States. There was a Trust Territory regime on Saipan that was responsible to Interior, but the Marshalls were so far away that they rarely visited. They spent a lot more time in Palau and on Saipan itself, and in the FSM. Even while I was there previously during the Trust Territory period, there wasn't very much Interior activity with the Marshalls.

Q: So you just arrived and it was already an operating system.

THOMSEN: It was already an operating system, that's a good point. They had their president, they had their parliament, they had their ministries. They had been operating as a self-governing regime for about seven years when I got there. I wasn't helping them set up a government. The most important thing about my arrival was that I represented the State Department, and that the State Department was now who they wanted to talk to. They didn't have to talk through Interior anymore. That was really an attractive element of my arrival.

You had asked about facilities. While I was in Washington waiting for the nomination process to be completed, I designed the residence by fax with a local contractor. I placed it on the lagoon so that it looked like the prow of a ship sticking into the lagoon on concrete pillars. The same contractor had built a 13-room house out of re-enforced concrete on the highest point in the island. We sent a State Department team of communications and security officers through Micronesia in 1985 to see what was available in the way of residences and offices. This residence home was regarded as the finest structure in all of Micronesia from a State Department security point of view. After some bureaucratic complications we ended up in a beautiful facility. The residence has been enhanced as it always is. But it's still the same location with the same fabulous view. So we were able to prepare in advance.

Q: Let's talk about two major things, and then we can move to other things too. Let's first talk about tuna. How did that work out and as a paradigm for the rest of trying to establish business.

THOMSEN: Before I left Washington I had been meeting with a major agency within Commerce that has the ability to make loans to Americans to buy fishing vessels. They had agreed that for this purpose the citizen of one of the freely associated states would qualify. Within a week of my arrival a tuna boat came in from San Diego with a Portuguese-American captain, a real character. One of the first acts I performed after presenting credentials, was to board that tuna boat, introduce myself as a fellow Californian, and say welcome to Majuro. Because I was trying to attract these people. Well, we had a friendly conversation and he offered to host the president for dinner. I recruited the president and the chief secretary (the prime minister), and we came back for dinner. The crew provided a great American style steak dinner. And before the evening was over they were talking seriously and in detail about creating a consortium in the Marshall Islands and have that captain be the manager. And that subsequently occurred. The Marshallese bought that boat, it was a beauty. And they subsequently bought a second boat with the same kind of financing. The sad story is that subsequently the price of tuna went down 35% which destroyed the profit margin for them. So they had a very difficult time making their payments on the two boats. They finally sold the boats, not at a loss, but without any great profit. In the meantime though they'd learned a lot about modern tuna fishing and the tuna industry. At the same time they did start attracting tuna boats, and Majuro now is a major port for the American tuna fleet. First of all tuna is highly migratory so it may be in one part of the western Pacific one year and a totally different part the next year. But there is a lot of tuna in the vicinity of the Marshall Islands. So it is attractive for tuna boat owners, and tuna boats do fish in the Marshall Islands.

Q: What's in it for the Marshallese?

THOMSEN: The profits from selling provisions and fuel, and what is spent on shore by the tuna boat crews. There's no great additional advantage. Two tuna boat owners have almost constructed processing plants in Majuro, but different kinds of problems came up and prevented them from doing it. Among other things there's a terrible problem with water. Any low lying atoll has a terrible water storage problem. They have almost no permanent water storage. So they're dependent upon rain water, or desalinization, which is becoming more prevalent throughout the Pacific. And it would require a huge desalinization capability to provide the amount of water needed to do the traditional tuna processing. So at the end of the day the tuna effort has had mixed success. It still has potential. There's still a possibility that if the tuna price went back up, they could get back in the business.

Q: We're talking strictly about the time you were there, '87 to '90. Japanese fishing has been known as sort of predatory. They go in and they have long lines, they sweep everything up, and they process things on their own ships. I know when I went to Truk, I just flew in there, the place was loaded with Japanese fishing boats which were just on their way, and I think they had planes that were flying sushi to Japanese restaurants in Japan. It struck me that this is not a very profitable thing. I mean, these people come in, they almost deplete your fishing resources, and sort of go on their way. Did you find in your area the Japanese fishing, and the methods were a problem?

THOMSEN: Very much the same situation. I wouldn't say that they deplete. The "long-liners" which is what you're referring to, the long-liners go after the big eye and the bluefin tuna, the sushian quality tuna, which are very deep. But there aren't enough hooks in a long-liner to deplete a fishing population. What are really dangerous, and the Koreans began doing this, are some of the very fine netting that they stretch for miles. They have finally been convinced not to do that anymore. In fact the Japanese were doing it too.

The American purse seiners, these trawlers that reel out, are also pretty large scale catchers, and a fleet of ten American purse seiners in one area can take care of a large school of tuna. But the long-liners are not as dangerous as that. The problem with the Japanese is that they would try to avoid paying the various license fees that were associated, and they were pretty much self contained, and did not put much into the economy when they came in.

After I left, the Marshallese signed agreements with the Mainland Chinese. When you say that, they did not go to Beijing and sign an agreement with the government. A fishing company out of one of the coastal ports in Mainland China signed a kind of commercial agreement. And they came in. Actually they've come in with up to 100 fishing vessels at a time, and there is more money now for the Marshallese with the Chinese.

Q: But this is after your time?

THOMSEN: This is after my time. I've just read about it. Actually, I saw them on a couple of trips out there.

Q: Did you work at that time with the Marshallese, or had it already been done about a fishing zone? This, of course, was a big thing in Peru.

THOMSEN: The Marshallese and the Federated States of Micronesia, and Palau, had claimed 200 mile economic zones. They claim the right to require licensing for anyone who fishes within that area. In fact all of the oceanic communities do. One of the big issues while I was out there was the Kiribati, which is the old Gilbert Islands just immediately south of the Marshall Islands, captured an American tuna boat and held it for ransom essentially. And the Americans, mainly from State and Commerce, who were working on the problem had to travel in and out through Majuro as the fastest way in. So I got familiar with that situation. And the Marshallese would capture Japanese unlicensed vessels and hold them for up to a hundred thousand dollars.

Q: Did they have a patrol?

THOMSEN: They had two patrol boats that we had left them. One of the things I managed to do was get them a few U.S. military surplus items, and they got a couple patrol boats through that. But the Australians gave them, brand new long range patrol boats which were much more sophisticated and much more up to date. But they were also very expensive to run. They gave them the boats but they didn't give them the wherewithal to operate them. They operated them infrequently, but they have used them to stop unlicensed fishing boats within their economic zone. The FSM is much more aggressive than the Marshalls at this. I think the FSM has gotten a couple of million dollars out of the Japanese for a couple of the boats that they have held until ransomed.

Q: How about Kwajalein during your time?

THOMSEN: Kwajalein had a long and checkered history of community relations. The Defense Department has an office of community relations which has a little bit of money that it passes around wherever there are communities associated with American military bases. The same office was able to provide some funding for the Kwajalein area, and they put a little bit of money in on community activities. The relationship would be the result of the attitude of the base commander, generally an Army Corps of Engineers colonel. I was very fortunate during my three years there, two of them were assigned and were both superb. They were both very, very willing to cooperate. First of all, all of their resources were available to me which was a real blessing. Second, they wanted me to be involved. And I would fly over for a monthly meeting, of a "community council," which was made up of five of the senior staff from the Army, a couple of the senior civilian leaders from the largest corporations, and then a dozen or so from the Marshallese community. This would be a time to vent concerns. And the Marshallese would say, you aren't providing enough jobs or we want more access to your community facilities. They could go across on barges, or on our taxis, they could go to the coffee shop without any restrictions. They wanted more access to that, and they wanted access to a few other things, and some of the things they couldn't get access to, but a few things they could. So those kinds of things were worked out. The Army started encouraging the people on Ebeye to open little curio shops on there. The American community was encouraged to go across and get to know Ebeye. Ebeye was once called in a National Geographic issue, "the slum of the Pacific." After a couple of years of a variety of efforts, including some money coming in from the Defense Department

under community relations, Ebeye cleaned itself up. The Corps of Engineers went over and helped them develop some parks, built some schools. We even had a civic action engineering team that came in and spent a year next door. A lot of things happened that were very positive. In spite of which there was still labor unrest, and other problems. They all were held within reasonable bounds. Tennis was a big thing out there interestingly enough. The Kwajalein-American community used to send over a team to Majuro and they'd play a match and then have a feast of some kind. And then the Kwajalein team started coming over as a joint Ebeye-Kwajalein team. It was no longer the Americans on Kwajalein. It was the folks who were from Kwajalein, and there were some really good tennis players on Ebeye, so Kwajalein-Ebeye started beating Majuro. These were good things. In any case, by the time I left I think that the community relations aspect was quite strong.

There was another problem though. And that is that Army regulations, or I guess Defense Department regulations, give American companies a 15% advantage over any foreign company in bidding on a military construction project. The compact of Free Association explicitly says that Marshallese, or Micronesian companies, would be encouraged to be involved in construction with American firms. The Corps of Engineers would not recognize the compact, and continually allowed American construction companies to overbid Marshallese companies for construction on Kwajalein. And because one of the Micronesian contractors was a close friend of the president, this became a political issue.

By the time I had left, that Marshallese company was in the final bidding process for a multistory apartment building on Kwajalein worth several million dollars. I had asked legal experts from the Defense Department to have conversations with the Corps of Engineers people, to explain to them that this was legally the right way to go. But finally, that was one of the single successes, finally the Marshallese contractor, who happened to be an American citizen, but who was employing Marshallese subcontractors and employees and they were good, was going to get the contract. This again marked a major change in the relationship. One of moving toward real equality and cooperation. I felt good about that, and I felt good when I left that pretty much I had met the objectives of my original agenda. Our relations were good, the compact was working. There were problems on the tuna side, although the tuna boats were still operating. But things were going in the right direction. It was my last assignment, so we came to the end of a career.

Q: You can really look back on something, by God, you've done something. One issue, what was your impression of the government that you dealt with?

THOMSEN: First of all, the president was the grandson of the great high chief who had managed the takeover by Germany at the end of the 19th century. Kabua, the president who just died, was the strong traditional, authoritarian leader. He was a bright guy; he'd been educated by the Navy. He was a teenager during the war. One evening on Kwajalein, he told the story of what happened when the United States came in. He helped load bombs on American planes. As soon as we came in, he was there trying to beat the Japanese. He was the father figure for the country. He was always elected by the largest number of votes of anyone. He was a very strong leader, very much revered and admired by the people. So he was able to act as a cohesive force.

Most of the ministers were young, in their late 20s and 30s. Self-governance was a whole new concept for them. They soon learned, and I don't how, maybe by rubbing shoulders with other governments, but they soon learned the elements of corruption.

And they're not very efficient. I guess I should also say that. It's an inefficient bureaucracy. They have a few strong leaders who get things done. The chief secretary, who I have mentioned a couple of times, was really a straight arrow. He was what he called "U.S. Navy trained." He had worked for the U.S. Navy for a long time, and he really was a capable administrator. And when he was the chief secretary, he could keep his finger on the ministers because they were all younger than he was. And when he finally retired, they all gave sighs of relief because they were now out from under his control.

On balance, the three years in Majuro were a perfect conclusion to a varied career. I was able to use the knowledge, skills, and experience acquired around the world. My wife, Judy, enjoyed the lifestyle and the many friends she made there. She started a small bible-study, which continues to this day- light years after our departure. My only regret is that we were not able to find the key to a viable economy for a tiny island community isolated in the middle of the Pacific.

Q: Well, thank you very much.

ELLEN BONEPARTH
Political Officer, U.S. Mission to the United Nations
New York (1990-1992)

Ms. Boneparth was born in 1945 and raised in New York City and was educated at Wellesley College, Stanford University and Rutgers University. After an eleven year teaching career at a number of Universities in the US and Israel, in 1994 she joined the Foreign Service. Her postings include Athens, Greece, where she was Labor Attaché, and Washington, where she dealt with United Nations and European issues. In 1990-1992 Ms. Boneparth served as Political Officer with the US Mission to the United Nations. Ms. Boneparth was interviewed by Charles Stuart Kennedy in 2004.

Q: Well, let's take decolonization. I was thinking about the League of Nations and its role. What was left to be decolonized by the time you got there?

BONEPARTH: Well, we still had the Pacific freely associated states, and at that time, I believe the Marshalls and...

Q: Micronesia?

BONEPARTH: Micronesia, the Federated States of Micronesia, had already worked out a relationship, but Palau was not a freely associated state. And our goal was to finish liberating the

Pacific countries, while keeping them within the U.S. sphere of influence by working out, or keeping them as one of our Pacific allies, by working out a freely associated states status.

Q: Well, with Palau, was there a problem?

BONEPARTH: It turned out to be hysterically funny in a way. Palau was a problem because the Soviets were resisting anything we wanted to do in the Pacific. But, the Soviet Union was imploding and at that time it had become Russia...

Q: Well, it didn't become Russia until '92...

BONEPARTH: Okay, well, we were in the process.

Q: The wall was coming down...

BONEPARTH: The diplomats were much more amenable to working with us in the Trusteeship Council and the Security Council, because changing Palau's status had to be done by Security Council resolution. So we finally got agreement that we could move ahead with Palau, but the Cubans of all people resisted, just to make trouble. So here we were trying to get out of our colonial status and when we finally got it to the Security Council and it was December 23rd in the evening, the vote was 14-1, with the Cubans taking the ridiculous position that we should continue to maintain Palau as a territory when, in fact, all of their rhetoric was for liberation.

Q: Oh sure, Puerto Rico was the one cause they had always rallied behind.

BONEPARTH: Well, I had great admiration for the Cuban ambassador who probably will succeed Castro because he's a very clever man. I can't remember his name right now. Do you recall it?

Q: No.

BONEPARTH: But clearly he had his marching orders to just be contrary to anything that the U.S. wanted to do. So he was fighting to keep Palau a colony and we were fighting to liberate it.

LYNNE LAMBERT
Director, Office of Pacific Island Affairs
State Department, Washington, DC (1992-1994)

Lynne Lambert was born in Ohio in 1943. After receiving her bachelor's degree from Smith College in 1965, she received her master's degree from Johns Hopkins in 1967. Her career has included positions in Athens, Teheran, Paris, London, and Budapest. Ms. Lambert was interviewed by Charles Stuart Kennedy in January 2002.

Q: We'll move it up to '92. Whither?

LAMBERT: From 1992 to 1994, I was director of the Office of Pacific Island Affairs. At first, I was the director of the Freely Associated States, which consists of the former trust territories that were formed under the United Nations after World War II. Then my office and another were merged, and I did all the Pacific islands. There were a lot of countries involved, Papua New Guinea being by far the largest. Probably the most intense relationships were with the former trusteeship states, because the U.S. involvement there is so much more intense than it is in the rest of the Pacific islands. During my time, the last UN trusteeship, Palau, became independent. I negotiated the independence of Palau. It's a country of about 5,000 people, and it was a relief to both the U.S. and Palau to get this done after 20-some years and failed referenda. I'm sure that the UN Trusteeship Council, which then disbanded, was glad not to have to meet yearly over Palau.

Q: When you were negotiating with Palau, did you find yourself up against an American lawyer?

LAMBERT: Of course. The lawyer, Mike Channon, lived in Washington. He was the President of Palau's lawyer, and could be backed in a face to face negotiation by other American consultants and lawyers. After the end of the war, the whole Micronesian island area was under the UN, with the U.S. as the administering authority. It had been under trusteeship of other countries prior to that, but after World War II, it was ours. We held plebiscites in a number of areas to allow the self-determination of their future. Guam and the Mariana Islands elected to stay as part of the U.S. Other islands, initially thought of as the Federated States of Micronesia, elected to go independent. The instrument of independence is the Compact of Free Association, which was negotiated in the '80s. It basically establishes a number of U.S. defense rights and holds the United States responsible for the islands' national security. The islands received a fairly generous financial settlement and continuing involvement economically/ You must remember that the islands are very small and very fragile - economically, environmentally, and socially. Initially, the Micronesian group that wanted independence was considered a large country with many, many islands. But during the negotiations, the "country" split up into three countries. The three entities were the Marshall Islands; the Federated States of Micronesia, which is basically the middle area geographically and consists of five states; and then Palau, which was separate still. The Federated States of Micronesia and the Republic of the Marshall Islands established their independence by referendum and the Compact of Free Association. I wasn't aware of it, but I understand many people in the Reagan White House were familiar with the islands and fond of the people. A number of members of Congress were actively involved in the negotiations, especially the defense rights, which a number in Congress thought very important to U.S. security. This was before my time. Palau rejected the Compact in two different referenda. Therefore, it was stuck in the position of being not really independent and not really an administered country.

Q: We were still paying quite a bit of money per capita into these places, weren't we?

LAMBERT: We still are. The Compact is being renegotiated right now. I think it's a generous settlement in a number of ways. There were the lump sum payments. They were substantial yearly lump sum payments. Then there was the continuation of a number of federal programs. Congress inserted the Trust Territories into almost all the anti-poverty legislation so that by

definition they're poor and so they qualify for a number of federal programs – probably too many. We had the idea when Vice President Gore initiated reinvention laboratories that we could group some of the programs together and allow make them fungible. But it didn't happen. So, they have both the lump sum payments and the continuing federal programs.

In the Marshall Islands, there is the whole issue of the nuclear testing that went awry and the payments on that. We have continual negotiation in the press, if nowhere else, over the compensation not being enough and the whole Marshall Islands being entitled to it, etc.

Q: You traveled to these Islands?

LAMBERT: Oh, yes.

Q: What was your impression of how things were going and how they were?

LAMBERT: Clearly, the development that we hoped for by the assistance that we were giving was disappointing. In 1993, if we monetized everything – and this would include quite a lot of things that maybe one can't monetize - in one lump sum: in the Marshall Islands, if you took the rent for Kwajalein Base, and the annual payments and the federal programs – we estimated that it came out to be \$5,000 per capita. I know that the Marshallese were surprised at this figure. Of course, they never saw a lot of it. But this is what we thought the cost to the American taxpayer was. Micronesia was less, but still considerable. Some of the assistance never ended up in the GNP. A lot of these were costs of domestic experts and costs within the U.S. But this was about the taxpayer bill for the Marshall Islands, counting the rent for the military base. It was substantial. No one would be pleased that this had so little impact developmentally.

Q: I came through your bailiwick at one time. I went out as a consular expert to talk to the people in the Federated States of Micronesia. I went to Pohnapei.

LAMBERT: Isn't that one of the most beautiful places you've ever seen?

Q: Yes. But at the same time, nothing was happening. It looked like a poor section of West Virginia put on a tropical island. I didn't have the feeling there was any dynamism going on there. But that was only a week's stay.

LAMBERT: Well, it is very underdeveloped. The Marshall Islands has a lot less land area. The island of Majuro, where the capital is, is 32 miles long and at the widest point is a half mile wide, so it has a much more concentrated population. Fishing is a profitable industry but the big money crop is tuna, which is usually fished by foreign fishing vessels, which usually require large capital outlays and trained personnel. The foreign fishing companies are supposed to pay the island governments for use of their resources, but it's next to impossible to police this type of agreement given the vast areas involved. I am sure the catches are underreported, there are pirate vessels that pay no compensation, and, in the end, the islands receive much less than they are entitled to by international agreement. I don't think that there is any way that the islands can get their fair share of this kind of revenue from their resource. Then agriculture is very difficult. Other types of fishing are not as profitable. Fishing for canned types of fish is a possibility, but

that would require a lot of infrastructure and canning plants. There is some of this, but they haven't been as successful as envisioned. With the kind of pristine rainforest atmosphere of parts of Micronesia and with the diving, there is a tourism prospect. But tourism seems a limited possibility, because except for Palau, the islands are far away from any place. There is not too much other than small cottage industries.

Q: Was there the feeling that our support of these places are going to be forever with us?

LAMBERT: I think it's a sad fact for them that the basing rights that looked important during the Cold War are now much less important to us. The rights of denial for shipping and the basing rights that we enjoy under the Compact simply isn't important to us any more. Maybe in the distant future, they might matter vis a vis some other countries.

Q: China or something like that.

LAMBERT: Yes. But they're not of such value now. The islands are very fragile places. The viability of those islands... It would be ambitious to think that they're viable without aid, in part because they have been in a trusteeship status for so long. Some of the other Pacific islands survive without much foreign aid. They are hardly thriving, but they're not among the poorest countries in the world. There is some issue of dependency. The Micronesian countries have for so long had U.S. assistance that going cold turkey, which I don't think anybody would think of, would be devastating. Palau is an exception. Palau is a more realistic tourist destination because of its proximity to Japan. In fact, it does attract a lot of Japanese tourists. It has a considerable economic advantage over the more remote places. Even though it's a country of 5,000 people, it probably has more economic prospects because of its location. I should also say that these are wealthy countries by Pacific island standards, which are still not at the bottom of world standards.

Q: Did you find yourself having to deal with the Department of Interior a lot?

LAMBERT: For the former Trust Territories, yes. They administered the federal programs and were responsible for the lump sum payments, and any accountability. In the case of Palau, Interior was the administrating authority until Palau became independent.

Q: I've heard that at one point the Department of Interior had a very proprietary approach to these islands and didn't like to have State move in. Was that still a problem?

LAMBERT: I think there were various points of view in Interior. There were some people that ran their programs with great secrecy. There were others who were very frustrated by what they saw as the lack of progress with considerable investment. One of the things that we did was inventory all the federal programs. We had a list of them. The American ambassador, Rea Brazil, was always saying that every time she went to the airport to meet anybody, the plane was full of Americans on federal programs and who were these people? None of them were getting the ambassador's approval to come to the country or were even notifying the ambassador. So, we did a survey. The kind of tentacle reach of these programs was a lot more than anybody even in Interior had realized. Some of them were being operated out of West Coast or Hawaii regional offices. When we did the survey is when we estimated the amount of aid going in. It was quite a bit more than anybody had thought. Also, it was somewhat diverse and unfocused. There were

too many little programs that perhaps sometimes benefited the research interests of the individuals involved more than they benefited the islanders. For example, some of the federal aid to education, which these countries were eligible for, encompassed only pre-school and post-secondary school. The need in the islands is for elementary education. Programs for educating the handicapped were too cumbersome to administer for maybe one child on an island. Just the scope of these programs was unbelievable to all of us. Too many of the programs were expensive to run and not very effective. There were a lot of people in Interior who felt there was a better way to give assistance and that we needed to sort out our own programs and try to get a little more logic and consistency and cooperation between them. We had meetings and all the federal agencies with programs came. I think that they were interested in doing a better job. But no one was willing to let go of their piece quite often because of legislation involved for the entitlement. Then again, we had the reinvention lab idea and that didn't go anywhere. One of the things State and Interior decided to do was to put some of our technical assistance money under the supervision of a program with the Asian Development Bank [ADB], which would then be able to supervise the use of the funds and leverage it for more funds. The hands on-hands off approach that Interior took, which they by law had to take, basically gave less supervision of their money than AID did, for example. It would be more monitored under the ADB, would have more expertise than Interior was able to give, and would have some other funds that the ADB could try to bring to try to A) study what they needed, what they could do and B) monitor the progress. This was resisted by some people in Interior who wanted to run their own programs. But with the non-allocated money, this is the way we arranged it.

Q: How about Congress? Did they play much of a role in this?

LAMBERT: Well, the founding fathers of the Compact were retiring pretty fast. There still was quite a lot of interest, but older people – Senator Bennett Johnston, Congressman Young – pretty much were retiring. Others like Phil Burton and Patsy Mink had died. Several staff members remained keenly interested in the islands. Of course, some of the islands have non-voting representatives or delegates in Congress, and they were always pretty active. Hawaii representatives also were active. Hawaii has a lot of programs for the Pacific Islands and is kind of a center for Pacific island issues. Another old timer that was around in my time was Sydney Yates, who controlled the budget for the Interior Department and was very interested in the islands and had been involved in the Compact negotiation.

Q: Did you have any problems at that time with American visas and passports?

LAMBERT: Yes. Because the passports of the Marshall Islands and the Federated States of Micronesia conveyed the right to work in the United States, any holder of the passport was able to come to the States to work, though not to have citizenship. From time to time, there would be trouble with the passports. During the time I was there, the Marshallese had some kind of idea that they could sell their citizenship with their passports, which was, of course, of concern to us. It was at a time when the future of Hong Kong was somewhat uncertain. Unrelated to Marshall Islands passports, but involving the Marshall Islands: There was a cargo ship that had would-be Chinese immigrants that had some kind of a mutiny going on and sent an SOS. The Coast Guard rescued the ship and pulled it to the Marshall Islands, where the Marshall Islands gave us permission to have the passengers disembark at Kwajalein, our military base. These people were

repatriated back to China. The reason they were taken to the Marshall Islands, and not one of the U.S. territories in the area, was that U.S. courts at the time were tending to grant asylum based on economic hardship or family planning requirements of the Chinese government. We wanted to stop the flood of stowaways and, even more, the mercenaries who transported them.

Q: You mentioned Palau.

LAMBERT: Right. Political parties in a country of 5,000 people are more personal than ideological. Shortly after I became office director, a new party won the presidential election. I went for the inauguration and met President Nakamura. He had run pledging a “last referendum” on the Compact of Free Association with the U.S., which was the vehicle to independence. Two referenda had failed. Nakamura was very clever and a good politician. He sensed that the U.S. was tired of Palau’s status, and felt the financial assistance might be withdrawn or made subject to a sunset clause. I think he probably was correct. But we would have to renegotiate parts of the Compact because the same compact that had failed twice couldn’t be passed this time. He pointed out that one area that he thought we needed to work out was a nuclear free zone for Palau. This, obviously, was inconsistent with our basing rights, and was non-negotiable. But I had a brilliant military attaché in the office, Colonel Schwartzmann, who contacted a lot of people in the Defense Department. He wanted to find out if anybody had any serious idea of having any kind of base in Palau, which, of course, they didn’t. He was able to persuade the Pentagon to give up the basing rights. The formula was that we would not use these rights except in times of declared war. That was enough for President Nakamura to take as progress to the people of Palau and the referendum passed quite handily. There was also the President’s veiled threat that the U.S. aid would stop if they defeated the referendum a third time. This was the independence of Palau.

But then the U.S. lawyers that they hired were looking page by page at the Compact – which in the ensuing years was a bit out of date – and at all the federal programs and some of the entitlements that Palau might be eligible for. This was one of the toughest negotiations I’ve ever had. The lawyers were starting with 1,000 programs. In the implementation of the Compact Agreement with Palau, these all had to be negotiated and that went on forever.

Q: Was this pretty much a matter of State negotiating with American lawyers?

LAMBERT: Well, we had an interagency position. State did the negotiating. Interior did not. But I think we had Interior’s proxy in some specific concerns that they had. We had a lot of meetings in Washington which even the President of Palau attended. The main U.S. negotiators were me and a wonderful State Department lawyer. His name was Jeff Kovar. We had meeting after meeting. They’d have these long agendas because the Compact is thick and covers a lot of areas, and then there were the federal programs. Palau wanted to be the beneficiary of all the grandfather clauses and everything that was new. We’d have sessions that would go on and on and on. The agendas would be pages long. Quite a bit was done over the phone by the lawyer and me. He’d say, “Well, I’ll trade you three federal programs. We’ll give up these three if we can have these three.” We had matrixes. Some of this we would talk about over the phone and then I’d take it to the interagency group and it would bless it. It was more a question of monumental detail than substance.

Q: Today is February 15, 2002. Let's talk about some of the individual states. What was your scope of coverage? You started with Papua New Guinea?

LAMBERT: That's right. We had about 19 different island countries. The ones with the most intense relationship with the U.S. were the Federated Trust Territories – the Republic of the Marshall Islands, Federated States of Micronesia, and Palau. We had a very different relationship with each of those. The Marshall Islands had more issues with us such as the nuclear accident that we had when the wind blew some debris on three island groups. We also had a base at Kwajalein. They were in more of a mode to demand more assistance. We had more issues with them and wanted something. Micronesia at the time was trying to use its money wisely relatively speaking and was trying to give a posture of being more accountable for the money. Palau was getting itself independent and wanted to become independent with considerable U.S. support, but U.S. support politically for its independence and for its membership in the UN, and Palau also wanted financial support and federal programs. We had much less relationship with the other Pacific islands. Other countries tended to have the larger relationships, specifically Australia. During that time we closed our AID missions in the South Pacific, largely because the overhead was much too expensive

JOAN M. PLAISTED

Ambassador

Republic of the Marshall Islands and Kiribati (1996-2000)

Ambassador Joan M. Plaisted was born in 1958 in Minnesota. She attended America University and received both her Bachelor's and Master's Degree. Her postings abroad include Paris, Hong Kong, Geneva, Rabat and Marshall Island as Ambassador. Ambassador Plaisted was interviewed by Charles Stuart Kennedy on July 30, 2001.

Q: You were ambassador to the Marshalls from when to when?

PLAISTED: And also to Kiribati for an exceedingly long time. I went out to post in early February of '96 and left in July, it was July 14, 2000. So I was out in the Marshall Islands serving as ambassador for 4 ½ years. Tours are usually three years, I was our longest serving ambassador in Asia. Even then when I did leave, my successor still hadn't been confirmed, and it was a little unclear if I should leave or not. I finally just got on the plane. Am I supposed to come back or not? I had things scheduled and couldn't reach anyone at the higher levels. I was sort of getting conflicting advice from the State Department. The East Asia bureau told me you had better stay until you talk to the assistant secretary. I think we want you to stay on. The personnel bureau in July of 2000 said it was all right. You can leave. I finally said I am getting on the plane. My successor didn't get out to post until about six months later.

Q: Well, let's talk about the Marshall Islands. What is the name of the capital?

PLAISTED: It is Majuro.

Q: What does that mean?

PLAISTED: It is just the name, the geographic name of the particular island. It's the name of the atoll where the capital is located.

Q: What was America's role there when you got there in '96? And to Kiribati, we will cover that separately. Let's stick with the Marshall Islands.

PLAISTED: To explain America's role, I should probably go back a little bit historically on the Marshall Islands. Our first contact was when American whalers and missionaries first arrived in the 19th century. You saw Germany, Russia, and Spain all competing for influence in these south sea islands. The Marshall Islands in 1885 came under German administration. Then after WW I, Japan administered the Marshall Islands under a League of Nations mandate. WW II really saw the Americans coming in force. There were very important WW II battles, bloody battles that were fought on Kwajalein and Eniwetok in the Marshall Islands. At the end of the war the Marshall Islands became a U.S. strategic trust territory under the United Nations. After 1947 the U.S. administered the Marshall Islands as a U.S. strategic trust territory. We conducted a series of nuclear tests in the Marshall Islands from 1946 to 1958. This was at the very height of the Cold War.

As part of the preparation of the Marshalls for self governance, by 1979 they had elected their own president, the first president of the Marshall Islands who was still president when I first arrived. That was Amata Kabua who was the father of the Marshall Islands. It was originally thought that the territories in the Pacific that the U.S. administered - Palau, Micronesia, the Marshall Islands, and also the northern Marianas - would stay together. Instead the Marshalls, particularly Amata Kabua, led a movement in the '70s to break the Marshalls away from the rest of the trust territory. In 1978 the U.S. sponsored a referendum and the Marshallese voted to become an independent entity themselves, separate from Micronesia and Palau. Then in 1979 the first president was elected. In 1991 the United Nations formally recognized the end of U.S. responsibility for administering the Marshall Islands. In 1992 the Marshall Islands gained recognition as a UN member. That just explains our very close historic ties as the former trustee with the Marshall Islands.

The main U.S. interests today in the Marshall Islands are strategic interests. The agreement that we reached with the Marshall Islands is called the Compact of Free Association. Under this agreement the U.S. is responsible for the defense and security of the Marshall Islands. We have on Kwajalein a very important missile testing and space tracking U.S. army facility. Security interests in the Marshall Islands are paramount. Secondly, under the Compact, we talk about the U.S. supporting the Marshallese efforts to move toward economic self sufficiency. It is very much in our interest to promote their efforts toward economic self sufficiency, the long term economic development of the Marshall Islands. Thirdly our interest there is trying to get a government that is really devoted to transparency, accountability, good governance, and real

democratic parliamentary elections. Finally, in terms of the embassy, the U.S. had an important interest to protect American citizens in the Marshall Islands.

Q: What was the embassy like?

PLAISTED: It was a very small embassy. I had managed embassies with very large staffs, 665 people in Morocco and 370 people in Taiwan. This is the first time in my life I had ever served in such a small embassy. It was really a shock to see the small size of the staff. We had a total of some 16 people, counting the gardener and my household help. In terms of major staff members we had the ambassador, the deputy chief of mission, and my office manager/secretary. A couple of times I was fortunate enough to select an office manager/secretary who was so competent she could work as a third officer because we truly needed someone to help with some of the substantive work. We had a locally hired military advisor who was an anthropologist by background. The regional administrative officer I shared with the ambassador to Micronesia. We would get very junior not very well trained administrative officers, and they would spend most of their time off island attending administrative conferences. The one time we had somebody on temporary duty who was actually well-trained, a retired FSO-1, it was the difference between night and day. He actually knew what he was doing. He not only was able to do the work of a regular administrative officer, but also able to train the staff and give them direction because he came to the job with the substance. It was a very small embassy.

I was doing things I hadn't done since I was a junior officer. Our Assistant Secretary was coming for the South Pacific forum meeting. The deputy chief of mission, Don Ahern, never got sick. He had been a pilot in the air force and was trained never to be sick because then you can't fly. Right before the Assistant Secretary's visit, Don came down with a horrible flu and really couldn't come to the embassy. So I ended up writing all the briefing papers. I was very pleased to see I could still write briefing papers.

Just keeping the embassy up and running could have taken all my time. I had to constantly remind myself there are more important policy issues to deal with. I would go in on a weekend to write a think piece and water would start streaming from the ceiling because of the poor maintenance of the building. I had to take care of the water leak first. I think Washington had no idea how difficult it really was just to run a small isolated post. We were one of the last posts to ever get E-mail. Both our classified and unclassified communications systems would go out periodically. Telephones would go out. There were times it was sort of nice not to be in touch with Washington, so I am not completely complaining about Washington not being able to contact us for days or weeks on end, but it was quite frustrating to have the communication systems going out so often. We were trying to get a classified fax machine, which seemed to be beyond Washington's capabilities. So just administering a small embassy really was much more of a task than I ever imagined it would be.

Security issues were always coming up. After the very tragic bombings of the embassies in East Africa, we received instructions the Department was finally going to carry out the recommendations in the Inman report. (Retired Admiral Bobby Inman had chaired the Secretary of State's Advisory Panel on Overseas Security.) One was the embassy should be set back 150 feet from the major road. Another was to close off the road in front of the embassy. I went in

with a cable back to the Department that was apparently quoted by the Secretary of State on the seventh floor which said, "If we are going to set back this embassy 150 feet, that is going to put us out over the ocean which the staff might rather like. We can fish at lunch time." There was only one main road on the island that passed right in front of the embassy. Closing this off would cut the town's access to the airport. Another directive that came out was to have 24 hour surveillance. Unless Washington was going to bring in teams, and they weren't talking about this, there is nobody trained in 24 hour surveillance, and we are not going to be able to train people. We had difficulty training the local guards to stay awake at night. There was another recommendation to install highly sophisticated bomb detection equipment in the entryway of all our embassies. Again, who is going to maintain this equipment in the embassy. We just didn't have the capabilities to do this. At the same time as ambassador, I didn't want to go in with the definitive message saying we refuse to take the highly sensitive bomb detection equipment, and then have the embassy bombed shortly thereafter. You don't want to be in the position of turning down some of these innovations. I just felt that diplomatic security did not have a good understanding of the true security needs of a small embassy. Kids would break in and steal computer equipment in the Marshall Islands. We had alarms on the windows, but the contact points would keep falling off in a humid island environment. I kept asking for a little alarm you could buy at Radio Shack that you put on the ceiling. It is a motion detector you set at night. That would be enough to scare little mini robbers away who might break into the embassy at night. That wasn't on the approved list of equipment so we never could have a simple motion detector. The administrative issues really were a challenge, just trying to keep the little post up and running and trying to keep the morale of the staff up too because it was such a small staff. We were so isolated. People had to get off the island.

Q: Oh, yes. With these security concerns, did the Department of State take into account that we have got a bunch of different posts? Yours was one of the smallest but others were the same caliber. Did Washington say let's send out a security team to go out and come up with recommendations on what can and can't be done or were they trying to do this all from Washington?

PLAISTED: I think they were trying to do it from Washington. That was one of my recommendations, one of my swan song cables when I left the Marshall Islands. I certainly recommended earlier too to the department that the diplomatic security bureau look specifically at the needs of some of these small posts which are quite different from the needs of Embassy Paris or Embassy Morocco.

Q: How do you get there?

PLAISTED: You have to stay overnight in Honolulu if you are coming from the continental U.S. From Honolulu there were flights three to five days a week depending on the season to the Marshall Islands. It is a direct flight once you get to Honolulu, stay overnight, and continue on Continental Airlines for a 5 ½ hour flight.

Q: What was the Marshall Islands' government like? How did you deal with it?

PLAISTED: During my time there were three different presidents of the Marshall Islands. It was always a parliamentary government with 33 senators, who in turn elected the president. The president had quite a bit of the power, particularly the first president of the Marshall Islands who was still there when I arrived, Amata Kabua. Amata Kabua and the second president who was his cousin, Imata Kabua, were both hereditary traditional Marshallese chieftains. So you are dealing with the tribal chief. The third president was Kasai Note. For the first time in the history of the Marshall Islands, a commoner was elected president. That ended the rule of the traditional chiefs in the Marshall Islands. I can characterize the presidents if you would like me to.

Q: Yes, I would.

PLAISTED: The first president, Amata Kabua, was really revered by his people. He was the George Washington of the Marshall Islands. He was the father of his country. He had a background as a secondary school teacher which in Marshallese parlance means he was one of the better educated people on island. He had been very active in the congress of Micronesia. He was the one who really led the movement for the Marshall Islands to split away from the rest of the trust territory. That is how they all became independent countries out there - the Marshall Islands, Micronesia, and Palau.

Q: What was the genesis of wanting to split?

PLAISTED: I think in his mind he thought the Marshall Islands was so much more valuable because they had the U.S. army base on Kwajalein. They would be so much more valuable to the U.S. separately, as a separate country, than they would be linked with Micronesia and Palau. The people supported him in the referendum. Later the northern Marianas voted for commonwealth status. As a commonwealth they became U.S. citizens and had certain other rights, too. I had many people in the Marshall Islands come up to me and say, do you think we could have another referendum? I think they were implying that given the choice today, they would have opted for commonwealth status. And that was one of their original choices.

In 1979 Amata Kabua was elected by the parliament as the first president of the Marshall Islands. I always enjoyed my conversations with him, dealing with him. I think many of the Marshallese either revered him so much or were scared to death of him because he had a lot of power as a traditional chief. He could remove you from the land, and land rights are everything. As the American ambassador, I was certainly not afraid of him. I was one of the few people who could really talk with him in the Marshall Islands, who could talk with him openly.

There were times when we disagreed and other times he would be very charming. I remember calling him at the last minute. An American businessman who had an interesting proposal for transportation from one island to another came into my office. I called the president to see if I could come to see him just for 15 minutes with this American businessman to present his ideas. Six hours later we were still out having drinks with the president. He was very friendly, fairly pro-U.S., but also had a good sense of his country.

There was an unfortunate case of an Australian who wanted to get a license to open up a bank in the Marshall Islands. These little island countries are often the subject of scams and quite

vulnerable. This Australian had a very bad reputation. He had been closed down in Australia by their securities and exchange commission. So he wasn't the type of person you would really want coming in to open up a bank in the Marshall Islands. The IMF banking commissioner had refused to recommend a license for this Australian businessman. Yet Kabua wanted this approved. I raised it with the president, and his attitude was, you know, everyone deserves a second chance in life. Well, maybe everyone deserves a second chance in life, I told the President, but frankly, that said, you are president of the Marshall Islands and this looks like a scam. The Australian ambassador had given Kabua documents showing the difficulties the man had had with the Australian securities and exchange commission. I told the President he didn't want to inflict this on his people. This was all a very private conversation. He went ahead and approved the license. The IMF banking commissioner left the island seeing he had been overruled, so the Marshall Islands lost the banking commissioner, too. A couple of months later to his credit, President Kabua in a private conversation with me said, "You know, Joan, if I had that decision to make over again, I don't think I would have approved the Australian bank coming in." By that time it did indeed look like fraud. So at least he admitted that he should have made a different decision.

But he was president only for a short time after my arrival. In November '96 I received a phone call at 3:00 A.M. asking if we could medically evacuate the president as soon as possible. Of course we started working on it immediately. I called our military advisor. We contacted the Coast Guard in Honolulu, and we were able to have a Coast Guard emergency medical evacuation launched. It seemed to take forever to get to the Marshall Islands, but the plane eventually came in and the president was quickly evacuated to Honolulu where he did recover. Kabua turned out to have a number of medical problems, but mainly a kidney problem. The first lady of the Marshall Islands, his wife, a lovely lady, gave the American embassy full credit for saving her husband's life. It certainly made our relations a lot easier for awhile on island. It was as if Martha Washington gave the Marshallese embassy here credit for saving her husband's life. Unfortunately, the President had a relapse when he was still in Honolulu and died around Christmas. It was quite a tragedy, quite a shock for the Marshallese people. Amata Kabua had been their one and only president since 1979.

One of our major goals in the Marshall Islands is to get the Marshallese to really move toward economic self sufficiency. The U.S. is providing 2/3s of the budget of the Marshall Islands. We give them more assistance on a per capita basis than we do to Egypt or Israel, among the highest in the world. Kabua realized the need for economic reform. We were trying to do more multilaterally so it wasn't just the U.S. saying this is what you should do Marshall Islands. We believed our message would be more effective if the Marshallese heard it from the Asian Development Bank and other countries, not just the U.S. There was an Asian Development Bank economic reform program. Amata Kabua was fairly firmly behind the need for economic reforms. He would talk about the need for trying to encourage more direct investment. One of the ways the Marshallese were shifting all this money that was coming in under the compact, \$60-70-million a year, was to put about 1/3 of the people on the government payroll, many of whom were not doing much of anything. You can't have a country that is sustainable with 1/3 of the people on the government payroll. So that was something obvious. President Kabua had to overrule his ministers who didn't want to cut people in their departments and say, "Look, this is something we have got to do for the future of our country, for the good of the country." And

Kabua was someone who could carry it off. If he said you had to do it, the minister of education would cut staff. So I give him credit for seeing the larger picture and what the Marshallese had to do in terms of shifting resources from the public sector to the private sector.

After his death, the parliament, the 33 senators, 32 after his death, had to elect a president from amongst their members. There was a lot of jockeying for position. Who knows if Kabua had ever noted who should be his successor. There were so many people who claimed to be the heir apparent. I always wanted to talk to the ghost of Amata Kabua to see whom he really preferred. I had had earlier conversations with him, too, when I tried to draw him out, asking him who do you think should replace you someday. It was never really clear. So there was quite a bit of uncertainty after his death as to who should take over.

His cousin, Imata Kabua, another traditional chieftain, was finally selected. His cousin was one of the main landowners on Kwajalein where we had the military base. Imata had quite a different sense of leadership from Amata Kabua. In his inaugural address, Imata stressed the need for independence of the judiciary, and how he would respect the judiciary and its integrity. Alas, this reminded me subsequently of how countries (such as Taiwan flying so many flags trying to be sovereign) often emphasize their very weakest point. The independence of the judiciary really became a major issue under Imata Kabua. The judge would make the right decision. But after he made the right decision, he would be removed and another judge would come in to replace him.

Imata could be a very intelligent interlocutor. There were times I had some very good conversations with him, but he had a tendency to drink too much, and when he did, he would become very aggressive. I remember a rather funny scene in the Under Secretary for Political Affairs, Tom Pickering's, office when he was receiving President Imata Kabua. Under Secretary Pickering, as he often does when the U.S. ambassador is present, was telling President Kabua how fortunate he was to have someone of my top standing as the U.S. ambassador to the Marshall Islands. Pickering was going on about my great background, economically and politically. President Kabua, who has said nothing up to this point, suddenly pops up and says, "And besides, she has a great wine collection." I was about ready to crawl under the couch in the under secretary's office. That is the last thing you want to be known for by the president of the country to which you are assigned. But, to put it in perspective, that was important to Imata Kabua. He did try to liquidate my wine supply a few times.

The relationship with the top leadership in the Marshall Islands, the foreign minister and others at that time, was often called prickly. It was a rather difficult period. It was difficult to deal with them, and when it came time for elections, the foreign minister and the finance minister were not re-elected. The reform program that I mentioned aimed to shift resources away from the public sector to the private sector was all but dead under Imata Kabua. He made it quite clear he did not want the ADB advisors. I had private conversations with him asking him where are you going to get your overall economic information. The Marshall Islands just doesn't have any native economists. You don't have to take their advice, but at least get the facts and figures on which you can base your own decisions. These people are here as macro economists who are being provided at no cost to your government to advise you. (They were funded by the U.S., Japan, and the Asian Development Bank.) Don't kick them out. You don't have to take their policy advice, just take their information. You can ask them to develop information for you. But he went ahead

and had the Asian Development Bank advisors removed. The economic reform program was largely dead. The economy was slipping further, and it was a very difficult time.

A very contentious parliamentary election was scheduled for November of 1999. You had Imata Kabua and his faction on one side, and, on the other, a party that was running on a good government platform. I almost had to stop making speeches because their platform sounded as if it was exactly what I had been emphasizing and Secretary Albright was emphasizing in our speeches. The opposition party was running on a platform of good governance, democracy, human rights, an independent judiciary, anti-corruption, transparency, accountability - everything a good government should stand for.

It was a very close election, but the opposition led by Kasai Note thankfully won. He was subsequently elected President in January of 2000 by the Marshallese parliament. In fact, President Note would sometimes give me credit for his election. That is the last thing a U.S. ambassador wants. The embassy was certainly neutral and we made it a point to stay out of the elections. But I think it was very clear in terms of what his party stood for, that they were the party of good government supporting the same goals as the U.S. He subsequently found it difficult to translate the very best of intentions into action, although I think his intentions were very good, very fine. It was a much easier government to deal with. A real friendship replaced the prickly relationship we had with the previous leadership of the Marshall Islands. It was the first time you had a commoner who became president, ending the hereditary chieftains role as president. Democracy, I think, certainly made great strides in the 1999 parliamentary elections in the Marshall Islands. As an aside, the representational costs for lunches and dinners at my residence went way down, because it was the first time that the food cost more than the liquor. Most of the new cabinet members didn't drink, and those who did might have one glass of wine with dinner.

Q: A couple of things about the economic setup. What was the population of the Marshall Islands complex, and then what could they do to be self sufficient?

PLAISTED: A census was taken just right before I left. The population of the Marshall Islands turned out to be less than predicted, about 51,000 people as opposed to 56,000 or more. There are a number of things that could be done to reduce some of the dependency on the U.S. for funding, such as shifting resources from the public sector where too many people are on the government payroll to the private sector, and improving the foreign investment climate. During the term of the second president of the Marshall Islands, we saw some open hostility to foreign entrepreneurs coming in. The idea of not respecting an independent judiciary made it very difficult. How can local and foreign businessmen operate in an environment where you can't count on legal decisions always being implemented? The judges would often make the right calls, but the powers that be would try to overrule them or not enforce their decisions. Respect for the judiciary, which is very much the case under President Note, is an important step. Having only 51,000 people makes it a heck of a lot easier to stimulate the economy. You don't have to do too much. StarKist Tuna came in with a tuna loining plant to export tuna loins directly to the United States and hired 300 workers. There was quite a demand to work in this tuna plant. In terms of resources, the Marshall Islands has tuna, some possibilities for tourism, and copra. International prices for copra, coconut husks, have been quite low. The Asian Development Bank is working

to adjust fishing policies so that, in addition to licensing the tuna boats, the Marshall Islands could entice more boats to pull into port in the Marshalls to buy gasoline and resupply from local stores. This could be a major source of revenue. We did start to see more boats coming into the Marshall Islands.

Q: Was there a problem of Japanese and maybe American, Russian, and other boats basically poaching? Were there Marshallese boats?

PLAISTED: Marshallese, no. The Marshalls doesn't do any deep water tuna fishing. There was a rather disastrous time when they did buy some tuna boats and proved they really couldn't operate them and then tried to sell the boats back to the country they had bought them from. Now their emphasis has been more on letting mainly the Chinese and some other nationalities do the fishing. Their hope is to get more revenue from the spinoffs.

Q: What more can be done to improve the economy?

PLAISTED: One of the basic things that has to be done in the Marshall Islands is to improve the educational system. They get a lot of funding for education through U.S. and Asian Development Bank grants without really making a dent in better educating the youth. The Marshallese under the Compact are very fortunate to have the right to live, work and study in the U.S. Some of the more enterprising young people go off particularly to Hawaii for high school and a few are going to college. Some of them are returning to the Marshall Islands now. You really have to provide at the local level a better educational system and also better health care for the people. As a nation about 2/3rds of the people are overweight and about 2/3rds have diabetes.

We are working with the Marshalls to look at the large amount of U.S. assistance - roughly about \$60-70 million a year - that comes into the Marshall Islands under the Compact that is scheduled to end in October of 2001, which is going to be quite traumatic. If we are still negotiating, which we will be, the Compact's funding will continue automatically for two more years. October 2003 is the definitive cutoff date. We are beginning negotiations. One of the things we are really looking at on both sides is what proposals can the Marshallese come up with to improve health, education, the environment, and the domestic and foreign investment climate so that the next time around we can really target the U.S. assistance. What happened to all this assistance? The Compact was negotiated at the height of the Cold War. The United States didn't want to be known as a colonial power. We didn't attach many strings to this money, we just gave it to them. It largely went into their general fund. Over the years we provided over a billion dollars to the Marshall Islands. Unfortunately, the Marshallese have very little to show for it. The thought now within the entire U.S. government and I think within the Marshallese government too is that any future assistance really has to be much better accounted for, so the Marshallese will have something to show for any future assistance.

Q: What was your relation with the Kwajalein missile base, our installation there? How did that work?

PLAISTED: We have on Kwajalein a U.S. army facility, always run by a U.S. colonel. This is where the U.S. tests long, medium, and short range missiles. We launch long range missiles from

the west coast, from Vandenberg Air Force Base in California, and send up the interceptor from Kwajalein. To date we have had two successful intercepts and two that weren't successful. For short range missile testing, we negotiated with the Marshall Islands government to use part of an island atoll to launch a SCUD type missile and this test was successful. Missile testing is a very important part of what we are doing at Kwajalein.

Kwajalein is also an important space tracking facility where we track foreign launches and track all the space junk, all the space debris. Have you seen the movie where the Martians invade and are attacking the White House? I asked a three star general who was in charge of the U.S. space program what his plans were. What if suddenly this scenario happens, what are your plans? He said he was going to call the U.S. ambassador! I always thought you may see me on CNN with a little hairy Martian in each hand. If it is a really advanced civilization maybe this will be two little Martian women.

The U.S. has a number of benefits from this installation in the Marshall Islands. It is a very isolated area. If we want to recover something from the shot, we can shoot it into the lagoon. If we don't want to recover anything, and want to be certain no one else recovers it either, we just send it off into the deep ocean.

The Marshallese, on their side, receive some real benefits from the base on Kwajalein. It is their largest private employer. In fact it may even be the largest employer on island now because they are finally cutting down on the number of government employees. We have about 3,000 Americans on Kwajalein counting dependents. We employ 1,300 Marshallese on base. These are considered some of the best jobs you can get in the Marshall Islands. The average salary comes out to about \$10,000 a year in a country where the per capita income is a little over \$1,000. It is a very good salary. The Marshallese take in about \$14 million in wages each year. The government receives about \$15 million in taxes from the base. There have been Marshallese students in the schools on Kwajalein starting with kindergarten. The first class just graduated last year of Marshallese who have gone through grades one to twelve in the Kwajalein school system. This is quite an added benefit. Bases always have surplus equipment. The Marshallese government gets the first right to all the surplus equipment. It is only after they have said no, we don't need this, that the U.S. will turn around and sell it as surplus equipment to some other country. We have a Job Corps Program on Kwajalein that prepares the Marshallese kids who are mostly from the island near Kwajalein of Ebeye for vocational training in the U.S. Many of them will go on to Honolulu, where I have met with them. Most are quite enthusiastic about this Job Corps Program and feel very fortunate to be selected to learn trades in the U.S. That is another benefit to the Marshallese of having the Kwajalein missile base located in the Marshall Islands.

Q: Did you get involved in any negotiations on this? This is the one thing that the Marshalls have that they can hold, to try to work the best deal possible.

PLAISTED: We began renegotiations on the Compact as called for in October 1999. Yes, I was on the team for the renegotiations. We have a negotiator here in Washington, a compact negotiator. Al Stayman is the official negotiator for the U.S. government, but I was certainly part of the team for the opening of the negotiations in Honolulu. What is really up for renegotiation are all the economic provisions of the Compact. As for the lease for the missile base on

Kwajalein, we had the right to use the base for 30 years. In 1999 we were to inform the Marshallese whether or not we wanted to renew the lease for another 15 years. Of course we sent a diplomatic note from the embassy saying we did want to exercise our right to use the base for another 15 years. The base is really not up for renegotiation as part of the Compact.

Q: At one point in all these Pacific islands, one of our prime objectives was strategic denial, that is to keep the Soviets from putting ships and bases on these islands. Has that completely gone by the board? During your time there, were we looking over our shoulders to see if the Chinese might want to play games on this?

PLAISTED: When the U.S. was in the Marshall Islands at the height of the Cold War, the concept of strategic denial was very important to counter the Russians. It is debatable how valid strategic denial is today. I think the Marshalls is still of strategic significance to the United States. It is a vast ocean space. These are important shipping lanes between Hawaii and spots further west in Australia and Southeast Asia. We do not want to have an adversary control these shipping lanes. Now there is no one today, not the Chinese, not the Russians, who is threatening these open shipping lanes, but it is very important to keep the lanes open. We don't know what the future threats are going to be. I think this area still is of significance strategically, although the Cold War has long ended and relations have certainly changed with the Marshall Islands since the days of the Cold War.

Q: Now on the personal and personnel side, how did you keep from going Island happy? I mean also not just you but...

PLAISTED: The whole embassy team. When I first went out to the Marshall Islands I was so afraid of not having enough to do. I am a very active person and had been posted in Paris, Geneva, Hong Kong, Taiwan, and Rabat, not a series of hardship posts. I shipped out 800 pounds of books. I was buying every classic to either read or re-read. I had two copies of War and Peace in case I wanted to read it in two different translations. The embassy had a tennis court. I bought an automatic tennis ball launching machine, quite an expensive piece of equipment, so I could take up tennis. I bought oil paints and canvasses, just about everything I could think of. I shipped my chessboard out to the Marshall Islands. Coming back 4 ½ years later I shipped back 800 pounds of books, and the canvasses are still white, unpainted. I did use the tennis ball launching machine, and learned how to play tennis to some extent.

What I found personally, and I think it is true for other members of the embassy staff, too, was we were such a small embassy. We were awfully busy. It would have been very difficult to live there without working so intensely. Of course as ambassador I was on call 24 hours a day. I would get calls in the middle of the night that someone in Kiribati had just been bitten by a barracuda and was bleeding profusely and could I please send in the Coast Guard immediately. I think our Embassy staff did save a few lives. The substantive issues really kept me quite busy.

What I did for recreation, what I really enjoyed, was I took up scuba diving. To this day I can't swim very well, and I don't like to get my head under water. But I became quite an avid diver. The Marshalls has some of the loveliest coral in the world, and great fish of almost every tropical variety. What you are almost always guaranteed to see when you are diving are sharks. I can

remember quite vividly the first time I ever saw a shark. I was just snorkeling in the Marshall Islands when a shark came swimming by to check out my dive buddy. I quickly learned the different species. The white tipped shark is the shark that is considered less dangerous. The black tipped sharks and your grey reef sharks are very territorial. If they start circling you, you had better swim as fast as you can to get out of their territory. They are telling you that you are in the shark's living room, you had better get out as quickly as you can. Very often, particularly when I was first there, I would spend my weekends under water to get away from the land sharks. I was up on Bikini professionally and was pleased to be able to dive there. I wanted to see the experiments that the Department of Energy is conducting to show how you can grow indigenous plants on Bikini that aren't dangerous to eat.

Q: To make a note, today when you think of bikini, you think of a very minute female swimsuit. But there were nuclear explosions set off at Bikini atoll during the late '40s.

PLAISTED: In fact, the Bikini swimsuit was named bikini because it was so atomic in its impact. It had that type of impact. The Department of Energy through Lawrence Livermore has done a great job of showing how you can grow indigenous plants there and how it would be possible for the people of Bikini to resettle, but there are no permanent resettlements now on Bikini. Today it is the world's best sunken ship dive site. For the Bravo test in 1954 the U.S. was testing the impact of the atomic bomb on ships. Well, lo and behold, they sink. The world's only divable aircraft carrier, the Saratoga, is on Bikini. There are sunken submarines. Another great ship you can dive is the sister ship of the Bismarck but that is closer to Kwajalein. So I loved diving Bikini. I was only the second or third woman to dive Bikini. Bikini mainly attracts all these macho guys. It is not sports diving. It goes beyond recreational diving. It is deep. It starts at about 110 to 120 feet and goes down from there. You can only stay down for about 20 minutes. It is rather frustrating when you are on the landing deck of a ship as large as the Saratoga and you can only cover a small portion of it in one dive. Then coming up you have to breathe nitrox. Bikini is an incredible underwater wreck diving site today. So diving was what I enjoyed doing most in the Marshall Islands.

In terms of the embassy staff, I always made certain we would celebrate everyone's birthday. We would have a big dinner at the residence, come up with funny little gifts for each other, I would bring out some good food, good wines. Also, it was very important that everyone get off island as often as possible. We would head to Honolulu or take the pouch up to the military base on Kwajalein. That was always a good break to go up to Kwajalein to pick up the material for the Embassy in the classified diplomatic pouch. There was a commissary there and a small golf course. Mostly it was a change of scenery. That was until diplomatic security, in another one of my disagreements with them, brought in professional couriers. I really don't know why. But I made it a point to get everyone off island even if it was just to go to Kwajalein or to go and visit some of the outer atolls which are just pristinely beautiful.

Q: What about Kiribati where you were also our Ambassador?

PLAISTED: Kiribati was a British protectorate until they became independent in 1979. The president today is President Tito, who was reelected during my time, too. I got to know him quite well. When I went over to present my credentials, I discovered that his father had been employed

by the U.S. army right after W.W.II where he learned all these American folk songs which he had passed on to his son who subsequently became the president of the country. One of my foremost memories of the president is of the reception he hosted after I presented my credentials. The Peace Corps volunteers and American missionaries were there. He suggested he and I sing "Home on the Range" together. I gave quite a good representation of the United States until he turned to me and said, "Joan, you know the second verse don't you?" Of course I didn't. The president knew the second verse. I didn't even know "Home on the Range" had a second verse. Actually it has five verses I learned subsequently.

The major U.S. presence in Kiribati is the Peace Corps. I have the highest respect for the volunteers who are often on these very isolated outer atolls doing very good work that is highly appreciated by the local people. When I was first named Ambassador, we had 20 Peace Corps volunteers in Kiribati, and they were all in the educational field. The President met his wife through the Peace Corps. She was helping to train some of the Peace Corps volunteers when he was asked to give a lecture and they fell in love. Of course they both have fond memories of the Peace Corps. He was always asking me for more Peace Corps volunteers, saying this is the way the U.S. can really help. We did manage to more than double the number of volunteers to 40 some in my time. Now about half of them are working on health projects. The Chinese have a mission in Kiribati. The Australians and New Zealanders have high commissioners, since Kiribati is a commonwealth member. The Chinese have built a satellite tracking station.

The president has done a lot to try and protect the local culture – to preserve the dancing traditions. After I presented my credentials, one of their schools put on a dance ceremony. I was absolutely fascinated for about the first 10-15 minutes. It was the next two hours and 45 minutes that were hard to sit through as the VIP. But the dancers are really superb.

Q: Are they dancing what we think of as the hula or doing a different kind of stomping dance?

PLAISTED: If you watched the millennium on TV - CNN still reruns it - you see these little girls with the palm trees behind them dressed in their Hawaiian style hula skirts and straw bras doing a dance that is something like a hula. But they have a number of different dances, too. The Marshall Islands has a dance called the stick dance. It is the most amazing thing I have ever seen. The young boys constantly jump over fast moving sticks. They turn completely around and click these sticks together, but they do this so quickly that you can hardly even see the sticks moving. You hear the clack, clack of the stick dancers. It is an incredibly talented dance. For Kiribati's independence day they would host the battle of the bands and the battle of the dancers. The staff of each ministry was expected to get up and participate in the song and dance competition. You would have the Minister of Foreign Affairs trying to top the Minister of Finance who was trying to outsize the Minister of Health. I sent in a report to the State Department on one of my trips where I represented the U.S. at the independence day celebrations. I recommended that to increase morale in the State Department, we could host singing and dancing contests among the various bureaus. That was another one of my recommendations they never ran with in the U.S. Department of State.

Q: Well, are there any other issues we should cover at this time? Other embassies to mention?

PLAISTED: During my time, the Marshall Islands shifted their relations from China to Taiwan. Now they are receiving substantial economic assistance from Taiwan.

Q: I would imagine it makes good sense. They have nothing else to bargain with.

PLAISTED: Taiwan is very active in courting a number of the Pacific islands, and most successful in getting some of them to change their recognition from China to Taiwan.

Q: How did you find your instructions from the State Department? Did you have any particular problems?

PLAISTED: One concern I had during the 4 ½ years I was in the Marshall Islands was that under the Compact the Department of the Interior is responsible for coordinating the funding. Put simply, DOI wasn't doing it. A lot of U.S. money flowed into the Marshall Islands, \$60-70 million a year. When I first arrived, I was trying to get a handle on just how much assistance the U.S. was providing to the Marshall Islands. There was direct assistance. The Marshall Islands was also eligible, as if it were a U.S. state, for 44 federal programs, including health and education. Their students benefited from Pell grants. The U.S. Postal Service is there. The Marshall Islands is one of the few independent countries that has a U.S. zip code. All this assistance was flowing in, and no one could figure out within \$10 million how much the U.S. was providing each year. This is very serious. So I started doing some rough calculations. I insisted that the Department of Interior accountants sit down with me to try to come up with a more accurate accounting of just how much comes in a year, and which U.S. government programs are included. How much money is flowing in to the Marshall Islands? When I finally got them to focus on it, we still couldn't come up with an accurate figure within several million dollars. I kept pointing out omissions to the accountants. So I worked quite diligently just to get an accounting of the different programs to get a more accurate idea on what money is flowing into the Marshall Islands annually. I was pulling together the information for the U.S. government; that cable was actually sent out of the U.S. embassy. It really should have come out from Washington.

Then I lobbied Washington hard to try to identify all the various programs. What are all the federal programs going to the Marshall Islands? Are they beneficial or not? With the Compact renegotiations do we want to continue these programs or not? I had sent in a number of cables to the Department of the Interior to their Office of Inspector General to ask the Department of Interior to take a much more active role in the annual audit process. Under the Compact, the Marshall Islands has to provide an audit each year to the Department of the Interior. The Department of Interior pays \$600,000 every year to an independent auditor in the Marshall Islands to audit the accounts. Every year the independent auditor pockets the \$600,000 and comes out with an oversimplified report that concludes, we can't get all the statistics, we are limited in our data collection. The auditors do make specific recommendations for each department in the Marshallese government, recommendations that are seldom followed up on. The next year it is basically the same audit report. But trying to get the Department of the Interior to do more was almost hopeless. I asked that they actually audit the annual audit reports. Let's get better audit reports. The DOI would only do one audit of one organization in the Marshall Islands each year. That just wasn't enough. I tried to get them to be much more

proactive, which in spite of all my efforts really didn't happen. Eventually the General Accounting Office came in and started studying some of these issues that I had been raising with the Department of the Interior. GAO came in and started doing more investigations in the Marshall Islands of how U.S. money was being used or misused, and, more importantly, sought recommendations for the future. Assuming we are going to continue some level of assistance, let's make certain future assistance is spent more wisely.

I had very strong differences with the Department of the Interior on another issue, too. The U.S. Congress had legislated that DOI was to send to each island country - to the Marshall Islands, to Micronesia, to Palau - someone called a federal programs coordinator who would serve with the embassy and coordinate the 40 some federal programs in country. How is the money being used? The coordinator was to look at the different programs and see how they were used or misused and how limited funding could be better utilized. The Department of the Interior would argue that Congress never provided funding for all three federal programs coordinators. They provided funding for just one position. So we never did have a federal programs coordinator in the Marshall Islands despite all my efforts. Interior eventually did base someone in Micronesia who was supposed to cover the three countries, but he hadn't set foot in the Marshall Islands for a year. I tried valiantly with limited success to get both the Marshall Islands and DOI to do more in terms of accountability, and to try to use the limited powers that we did have under the Compact. I urged the Department of Interior to take a more proactive stance to coordinate funding which really was a Department of the Interior responsibility.

Also I was trying to get the State Department to take a much more proactive role with the Marshall Islands. I actually did get State to hold a few more inter-agency group, IAG, meetings with the State Department in the chair coordinating the different agencies. This was in 1999, when we were about to begin Compact negotiations. Well no one was really doing the type of rigorous thinking and interagency coordination we had to do to get the U.S. government prepared to begin negotiations with the Marshall Islands. I wanted State to take that initiative. The IAG would usually be chaired by the deputy assistant secretary of state who has a vast area of responsibility. This individual often handled a dozen countries or more in Asia. There were always small and large crises that didn't allow for longer term thinking on the Marshall Islands. But there what you do is if the DAS can't chair the meeting, he/she has the office director take the chair. Somebody sits in the State chair. In my days I was sitting in the State chair in interagency meetings on Burma when the deputy assistant secretary couldn't do it. I thought it important to get a state umbrella over all these different government agencies with all their different programs in the Marshall Islands. That was something very difficult to do. So I was always trying to fight the valiant fight. The only time I could make some progress on these issues was if I would come back to Washington and run around to the different agencies or sit down with Interior Department accountants. We could have done a much better job on the U.S. side in trying to ensure that U.S. funding was better utilized in my opinion.

GRETA N. MORRIS
Ambassador
Republic of the Marshall Islands (2003-2006)

Ambassador Morris was born and raised in California and educated at the University of California at Los Angeles, University of Redlands and Claremont College. Before becoming a Foreign Service Officer she accompanied her FSO husband to Indonesia. In 1980 she entered the Foreign Service (USIA), following which she served variously as Public Affairs, Cultural or Press Officer in Kenya, Uganda, Philippines, Thailand and Indonesia. Her Washington assignments at State and USIA concerned primarily African Affairs. She served as US Ambassador to the Marshall Islands from 2000 to 2006. Ambassador Morris was interviewed by Charles Stuart Kennedy in 2008.

Q: Tell me what were you getting as you read up on the Marshall Islands. What was the situation that you were going to?

MORRIS: Let me say first of all when I agreed to have my name put forward it was with I guess a little bit of concern because although I had had a lot of experience in South East Asia and even working on other parts of East Asia I had never been in the Pacific other than in Hawaii and Tahiti. I really didn't know anything about the Marshall Islands.

Q: Well welcome to the club.

MORRIS: So it was a lot to learn and, of course, it is an extremely unique place and we have an extremely unique relationship with the Republic of the Marshall Islands, as you probably know. It was originally part of the whole Micronesian area and then that became the trust territory of the Pacific, which the United States was given the authority to govern as a trust territory after World War II. The U.S., of course, defeated the Japanese who were basically in control of the Marshall Islands and Micronesia and that whole area – after World War I it was a UN trust territory and the Japanese were in charge. When the U.S. defeated Japan and that included the battle of Kwajalein, a major battle in World War II, Kwajalein being one of the atolls in the Marshall Islands, then it became a U.S.-administered trust territory. The part that is the Marshall Islands became an independent country in 1986; the U.S. was trying to bring all of the territories along toward independence and the Marshall Islands and Micronesia became independent in 1986 as two separate countries.

The Republic of Marshall Islands is comprised of twenty-nine atolls and each atoll is made up of many, many islands that are roughly connected; much of their connection is underwater of course, coral atolls. There have been a lot of studies about how the atolls actually came into being; but they are coral atolls. There are 29 coral atolls and then five free standing islands and that makes up the Republic of the Marshall Islands. So it is a very small amount of land as you saw when you landed, very narrow, but a lot of water. The Republic of the Marshall Islands' land mass is about the same as Washington, D.C. if you squashed all of those atolls together but the water area is 750,000 square miles; so it's a lot of water.

Certainly geographically it's very unique. The people are considered Malayo-Polynesian; there is some evidence that some of the people, if not all of the people, came originally from the Malay Peninsula but that was perhaps 3,000 years ago so it certainly has been a long time. It was

basically very isolated until the Spanish became the first European country to discover it in the 16th century and then for a while the Germans actually bought it from the Spanish and it was used for German business deals and then after World War I that's when it became a Japanese administered territory.

As far as our relationship is concerned, since it was a trust territory and during that whole period of time the U.S. was administering it through the Department of Interior providing assistance and basically providing for all of the administration of the Marshall Islands as well as other parts of Micronesia. As you probably know during that period of time, the U.S. also conducted over 60 nuclear tests in the Marshall Islands.

Q: This is where the Bikini Atoll...

MORRIS: Bikini Atoll and Eniwetok Atoll were the two atolls where the nuclear testing was conducted. Actually the largest test was conducted in Eniwetok Atoll; these were really very major tests that were conducted. The Bravo test, which was conducted in Bikini, of course, was one of the most famous, that was conducted in 1954 and the Marshallese contended that the winds were changing and that this was something the military should have known about but they went ahead with the test anyway. Of course, the U.S., as I said, did not know that there would be the fall out from the testing that did take place. This is still a very contentious issue between the United States and the Marshall Islands because it damaged a lot of the land in not only Eniwetok and Bikini but also in some of the neighboring atolls, Utirik and Rongelap specifically. There have been...although in 1983 I believe it was the United States provided significant amount of funding, over \$180 million basically for clean up and for claims, to help the Marshall Islands set up a claims tribunal, to administer these claims for injury and damages as a result of the nuclear testing, but the Marshall Islands government and the people of those atolls have claimed that this was not enough so they have submitted a request for significantly more money. As of the present time, the people who originally lived on Bikini Atoll have not returned there; they returned once and then the Department of Energy said, well actually it really isn't as safe as we thought it was, so then they were moved off again and they haven't been back. There are just a few people who have been living there to manage the underwater diving program to view some of the wrecks that are underwater in the Bikini Atoll.

Q: Is this from that very famous test where they took a lot of World War II ships and tankers; I'm an old Navy buff...

MORRIS: That's correct.

Q: ...seeing the old aircraft, Saratoga and others there since the explosion there are German ships, Japanese ships and American ships.

MORRIS: Yes.

Q: But those are...one can dive around them now?

MORRIS: Yes. This was actually supposed to be an income-generating project for the people of Bikini. There was a small staff that was stationed there including expert divers. People could come and stay for a week and dive these wrecks. I'm not a diver myself but people who have done this have said it is really one of the great diving experiences of their lives,; if not the greatest.

Q: I would think so.

MORRIS: It is deep and everything is intact in these ships and it's really a fascinating experience. Anyway, that was a very important money making venture for the Bikini people. I believe now there have been some problems because the airline, Air Marshall Islands, is having serious problems so they are not able to fly there regularly, which makes it difficult to schedule any tours there. At any rate, the Bikini people have not returned there; there are a few people who have resettled the south island of the Eniwetok chain but much of Eniwetok is still not populated now. This is a continuing issue and I would say that this was one of the most difficult issues that I faced when I was in the Marshall Islands because many of the Marshallese people claim that they have suffered cancers and thyroid problems as a result of this nuclear testing.

Q: Before you went out I would image there would be some people you have to deal with one of course is the Department of the Interior which I take it has never really given up its almost claim to the Marshall Islands. The other would be the Pentagon which has got the Department of Energy and the Marshall Island lobbyists, which I assume like so many, I mean I've just heard about them, some rather high-powered lawyers have taken this on as a cause and actually there is money to be had essentially from the U.S. government by making claims? Did you have to touch with all these people?

MORRIS: Yes. The Department of Interior, through the Compact of Free Association – when the Marshall Islands were granted its independence, we signed a Compact of Free Association. Under this compact the U.S. would provide very significant assistance to the Marshall Islands but the U.S. also had certain rights, for example, to the Marshallese waters, and the government of the Marshall Islands could not make agreements with other countries that could affect the defense of the islands or of the waters without consulting with the United States. The United States provides for the defense of the Marshall Islands, there is no separate Marshall Islands military.

So we signed the Compact of Free Association and under the compact the Department of Interior is the government entity through which all the assistance flows to the Marshall Islands. The Department of Interior has the USAID function in the Marshall Islands, which was another thing that was completely new thing to me.

Q: This was all politics and I think there are several congressmen on the Appropriations Committee or something who had both a low four and interest in all these islands and they had close ties to the Department of Interior. Is that correct? I mean did you feel that there were Congressional watchdogs who were keeping a close eye...there were certain people in Congress?

MORRIS: Well there certainly are people in Congress who were very interested in the Marshall Islands. At the time that I was going out, in fact, the compact had just been amended, the Marshall Islands government and the U.S. government had signed the amended compact but it still had to be ratified by the Congress and the head of state of each nation. There was a lot of discussion going on about the compact including a lot of hearings that were going on in Capital Hill after I first got out to the Marshall Islands. That was certainly an issue that was discussed in my confirmation hearings.

Q: Well there was I think during the initial negotiations there was sort of a nasty thing on some of this where apparently we were bugging the negotiators on the other side. Did that come up at all?

MORRIS: I'm not aware of that, no. That was not something that was ever raised with me.

Q: That was back a ways and I may have my facts wrong but...

MORRIS: Well it's possible but it's just not something I'm aware of.

Q: I think it was just intelligence gone wild but anyway did you find were there any significant private lawyers and all that were wanting to get to you about the...as representatives of the Marshall Islands here or was there a lobby or anything do you recall that?

MORRIS: Not really with regard to the compact, no.

Q: I guess by this time things had settled.

MORRIS: The Marshall Islands Government did have lobbyists but they weren't lobbying me about the Compact. Of course, there was a lot of interest in the Congress as these debates were going on and the head of the negotiating team for the U.S. was a Colonel Al Short, a retired colonel, who I think did a very good job in negotiations and he was involved in a lot of the hearings. It was passed on the U.S. side prior to the end of fiscal year 2003; on the Marshallese side it was not finally passed until January of 2004 when the new parliament came into session.

Q: How did you find...you were in the EAP bureau or was it...

MORRIS: Yes.

Q: Did you find that East Asia Pacific Bureau was not exactly a dominant bureau; did you find that coming from Indonesia, of course, which is an extremely important country, did you find that you had sort of fallen off the edge of the cliff?

MORRIS: Yes, I think that would be a fair assessment. It certainly wasn't a major priority and as is so often the case it was really only when there were problems that it was on the radar screen. So there was a lot of concern about getting the compact passed and the U.S. side was pretty adamant that the deal was not going to be sweetened with any additional assistance even though the Marshallese were trying to get some additional assistance. Getting that passed was

considered a major success and then it kind of dropped off the radar screen again; but yes, I think it is fair to say it was not a high priority.

During the time that I was there we had one visit from a deputy assistant secretary of State who had the Marshall Islands in his portfolio but otherwise the department that was mainly interested was the Department of Interior. David Cohen was the political appointee at Interior who was the deputy assistant secretary in the office of insular affairs. The office of insular affairs reported to him and this was the office which was responsible for the Micronesian states and of the compacts. He was somebody that I met before I went out and then he visited the Marshall Islands several times when I was there.

I would say in many ways it was an interesting situation because the Marshallese in many ways, I think it is fair to say, looked upon the Department of Interior as their friend because it was the Department of Interior that was providing them assistance. It was really the U.S. Congress, the U.S. government, but since it was channeled through the Department of Interior and they had had a long relationship with Interior, Interior was their friend. Their relations with the State Department were a bit more complicated, because we were the ones first of all enforcing some of the new immigration regulations that were in the compact.

Secondly, there was what they called the Changed Circumstances Petition, we always referred to it as changed circumstances request. This was the big request that the Government of the Marshall Islands had submitted saying, "There are changed circumstances because we have more information about the damages from the nuclear testing and so therefore we want to reopen the whole issue and we want additional funding from the United States government." What they wanted amounted to around a billion dollars and this request was being evaluated by the State Department. The petition went to Congress but Congress asked the State Department and the Department of Energy to take a look at it and to come back with an evaluation to the U.S. Congress so that then Congress could see that evaluation, could consider all that and have hearings. The request, had been submitted I believe it was in 2001 and now we were already in 2003 when I went out there and there had not been any report yet from the State Department; again that was another thing about which the Marshallese people were not very happy with the State Department. They said, "This is not a high priority for the U.S. and in the mean time people are dying and the State Department hasn't done this evaluation yet." That was another issue.

I guess the third major issue was the ongoing issue with Kwajalein. This was a more specialized issue because it really focused more on the landowners of Kwajalein. Just to back up a minute, all of the land in the Marshall Islands is owned privately; there are

landowners who are chiefs. This includes the land that the military uses for the Ronald Reagan Ballistic Test Site and space tracking station—it is also privately owned. But, the U.S. had basically negotiated an agreement with the government of the Marshall Islands to use some of this land for the Reagan test site and then it was up to the Marshall Islands government to work out an agreement, a lease arrangement, essentially with the land owners so that the government of the Marshall Islands was leasing this land with funding that the U.S. government gave it to give to the land owners. This was a sore issue with the land owners because the land owners wanted more money and they were very upset with their own government as well with the U.S.

government for essentially negotiating an extension to the original land use agreement without involving them or taking their request for additional funds into consideration. This was yet another issue and the embassy was associated with the U.S. government position, naturally. Again, I would say that the Marshallese had a more wary view of the State Department than they did of the Department of Interior.

Q: Was there a Department of Interior representative permanently in your embassy?

MORRIS: Not when I first arrived. This was one of the issues that was discussed when the compact was being renegotiated. One of the things that Congress was very concerned about was oversight. There was a feeling that under the original compact a lot of the funding had just been wasted; people would go out from Congress or Congressional staff would go out and visit the Marshall Islands. They would see a capital that really in many ways didn't look all that good, there was a lot of trash; trash is a major problem there because where do you put it? You put it in the lagoon and you ruin the water or you just keep it there and it looks very unsightly. The educational system didn't seem to be doing what it needed to be doing to help the young people in the Marshall Islands. Basically, it seemed like the funding that had been provided under the first compact, the original compact had not been very well utilized; so Congress really was concerned about oversight. They wanted to have the Department of Interior play a much more active role in oversight and the original idea and my understanding is that this was what the embassy and the State Department had originally favored was to have somebody from DOI stationed in the Marshall Islands. Well, DOI worked out a compromise and they were going to establish an office in Hawaii, in Honolulu, and then they would have one person who would be stationed in the Marshall Islands. The people in Honolulu who would have responsibility for different sectors like education and infrastructure would make periodic visits to the Marshall Islands and also to the Federated States of Micronesia (FSM). There was a person already in Pohnpei, in FSM, who represented Interior there, someone who had been locally hired.

So that was one of the things that happened during my first year there. We recruited and hired somebody who was the Department of Interior representative and that person now works at the embassy. The officers in the office in Hawaii do come out and make periodic visits. There is a lot more oversight over the funding now.

End of reader