Analysis of Options

There are two major political status options to be considered with respect to the Trust Territory of the Pacific Island. Each of these has sub-options and each must be considered and appraised on the basis of the four basic requirements set forth above.

The options are:

department of state a/cdc/ms

Agreement does not include an automatic or specific termination date or procedure. Thus it is possible to maintain the status quo, at least to the extent of not seeking to end the present trusteeship arrangement. In other respects, progress would be necessary to avoid a continuation of the current deterioration of the situation in the Territory.

Sub-option A - This would involve an effort to advance the Territory's development in all respects -- increased self-government, improved administration and accelerated economic development. Such a program need not have a specific goal but would only be aimed at improving conditions and attitudes both in the Territory and outside.

<u>Analysis</u>

-- Defense needs: Such an arrangement would satisfy
the denial aspect of defense needs, but would have serious
drawbacks in terms of positive requirements for facilities.



The trusteeship system is by definition temporary and thus any defense investment - both monetary and in terms of strategic planning - would be based on a foundation which would always be susceptible to change. Since the United States has a veto on any change in the Agreement, however, we have as at least a theoretical possibility, that of insisting on the status quo indefinitely, thus providing continuity and some degree of stability for our defense needs.

-- Micronesian thinking: Depending on the effectiveness of our program and the degree to which we consulted the Micronesians and gave them an active role in these efforts, they should at least in the short term be satisfied with this arrangement. They realize the problems they face in terms of their inexperience, their economic inadequacies, their need for infrastructure and so on. Thus, although the leadership is actively considering the Territory's future, they are not pressing for an immediate resolution of the problem -- so long as they feel they are not stagnating. The Micronesians, however, would probably not accept this course indefinitely. They would press for rapid evolution on all fronts and might think in terms of a five-year program, after which they would hope for an opportunity to decide their future. In the meantime,

SECRET





they would not relinquish the leverage which their trust status gives them -- they would criticize our failings and seek to use world opinion, and possibly US domestic opinion, to obtain redress. Only to the extent that our program was really effective could we expect to minimize Micronesian agitation.

-- Congressional thinking: Congress would probably acquiesce in continuing the existing arrangements. They might be reluctant to commit funds and take other necessary steps for a really meaningful program. Other members of Congress are honestly concerned about the Territory's future and wish to see the problem resolved. They would oppose any policy which they feared would only continue our past policies. Thus they might oppose this course of action unless they were convinced that it was a necessary step toward a more permanent solution or that it was the best we could do now -- that there was no realistic way to extend US sovereignty over the Territory.

-- Legal and Political Realities: Since there is no specified termination procedure or time, there is no legal problem. In terms of international politics there would also be minimal problems in the short term -- again assuming

SECRET





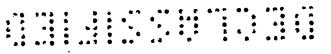
an effective US program. There is recognition that much still needs to be done in the TTPI before the people can go it alone, and we would be granted a reasonable time to meet these needs. But a long-term continuation of the status quo, particularly if the Micronesians began to agitate for a more permanent solution, could cause serious problems and precipitate charges that the United States was violating the Agreement and perpetuating an outmoded colonial system.

Sub-option B - This would involve a similar type of program as in sub-option A but one specifically aimed at preparing the way for a more permanent solution -- some form of termination of the Agreement. The type of solution desired would affect the nature of the program and the timing of it, but in all cases the same general categories of advancement as mentioned in sub-option A would be involved.

Analysis

-- Defense needs: The denial factor would still be covered and assuming that extension of US sovereignty was the end objective, a firm foundation both for planning and investment would be in sight. There would remain a question whether the timing of the defense needs would coincide with the timing of this program -- whether facilities would be needed prior

SECRET





to the achievement of a permanent solution, and if so whether such an early requirement could be met without jeopardizing the ultimate goal.

- -- Micronesian thinking: As indicated in sub-option A, this sort of program, if within say a five-year framework, would probably meet Micronesian desires. Of course, the Micronesians would also be concerned with the long-term objective and might well oppose this interim measure unless they saw it as a link to a better future. Again they would not be satisfied with half measures and they would continue to make their voices heard in a variety of ways.
- -- Congressional thinking: Such a program would meet the needs of those deeply concerned about a final resolution of the problem, assuming that they were convinced of the merits of the ultimate goal. The problems of short-term appropriations and legislative adjustments would remain, but might be eased to the extent that it was made clear that an ultimate solution was envisaged.
- -- Legal and Political Realities: Again assuming a reasonable time framework, this would cause few problems. As with Micronesian and Congressional thinking, the ultimate goal would affect the attitudes toward the interim effort and Micronesian acceptance of it would remain important.

