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FUTURE OF THE TRUST TERRITORY OF THE PACIFIC ISLANDS

Outline of Proposed Policy Paper

A. Background

Past policy and program

B. Premise of Current Review

Basic policy of extending US sovereignty to the TTPI remains valid for the following reasons:

1. Increased rather than diminished defense interests

a. Fallback deployment area

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c. Denial to unfriendly power

2. Still not too late to devise acceptable arrangements

a. Mutually acceptable terms meeting both US and Micronesian needs can still be found

b. Both formal terms and political atmosphere can still be molded so as to provide suitable conditions for expanded military facilities

3. Congressional approval is still obtainable

C. Urgency

1. Immediate

a. Micronesian Future Status Commission -

Final report due in July - our views requested no later than May - report will play up independence or loose association with US - need to influence their report and at least forestall any avoidable commitment by Micronesians

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b. UN Trusteeship Council -

Meets in May - has a number of petitions reflecting political discontent in strong terms - clear statement of future program needed if we wish to maintain friendly treatment from Council

2. Longer term

Time no longer on our side - whole program (review, negotiations with Micronesians and implementation) must be on tight schedule starting with public disclosure of our intentions

D. Nature of the Problem - Definition

1. A status which must meet:

- a. Legal requirements
- b. The essential needs of the Micronesians
- c. The standards of Congress

2. A territorial administration which will:

- a. Serve to sell the proposed status to the Micronesians
- b. Adequately meet our military base needs
- c. Stimulate economic progress

E. Requirements for Status - Discussion

1. Legal obligations - international and constitutional
2. Micronesian thinking - ~~degree of latitude~~
3. Congressional thinking - ~~degree of latitude~~

F. Requirements for Administration - Discussion

1. Negative impact of uninspired past administration must be reversed to become a major positive element in selling the benefits of association with the US
2. Military base problems
 - a. Handling of land acquisition beginning now

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3 *release*

- b. Longer-term arrangements which will meet military requirements but still be palatable to Micronesians
3. Economic progress
- a. Appropriations - including extent of Micronesian control
 - b. Domestic and foreign investment

G. Outline of Proposed Status

H. Program of Action

1. Re status

- a. Terms of reference for Special Representative
- b. Proposed manner of handling Congressional problem
- c. Proposed manner of dealing with Micronesians

2. Re administration

- a. Personnel
- b. Micronesianization of governing structure
- c. Structure of future advisory role to self-governing territory
- d. Increased economic assistance - government and private
- e. Coordination of efforts and information

(i) In Washington

(ii) Between Washington and the TTPI

3. Preparations for self-government

- a. Program beginning now
 - b. Ending with massive orientation prior to plebiscite
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