SECRET

TO: The Secretary

THROUGH: S/S

FROM: IO - Samuel De Palma

SUBJECT: The Future of the Trust Territory of the

Pacific Islands: Your Meeting of November 26, 1969, with Secretary Hickel, Secretary Laird

and Dr. Kissinger: ACTION MEMORANDUM

Discussion

You are meeting with Secretary Hickel, Secretary Laird (who will bring General Wheeler) and Dr. Kissinger to review further negotiating strategy regarding the future of Micronesia in view of the recent discussions with the Delegation from the Territory. The attached memorandum (at Tab A) from Assistant Secretary of the Interior Loesch, the Chairman of the Interagency Working Group on the TTPI, presents the Group's assessment of these discussions and its recommendations as to next steps which should be considered at your meeting. The following is our view--including additional information as necessary-- on the issues raised and our recommendations as to the position which the Department should take.

Review of Discussions ,

The Interagency Group, in assessing the results of the discussions, is in general agreement that while our objective of ending the trusteeship and extending US sovereignty over Micronesia is by no means assured (the Micronesians may insist on a "free association" unacceptable to the United States), it is still too early to conclude that our objective is not achievable. At least one more meeting is necessary to explore Micronesian thinking further.



SECRET 2

Interior Land Proposal

Although the Interior proposal contemplates significant modifications in the Micronesian draft land proposal and although Interior has presented some persuasive points in its favor, it still has as its basis the agreement to forego the right of acquiring land by condemnation—i.e., the most common form of eminent domain (see full critique at Tab B). Thus, even if the Micronesians accepted the type of permanent association contemplated by Interior, we could take land—regardless of the interpretations of the President's emergency powers—only in a major crisis. Thus the proposal fails to meet the minimum requirements of US access for military/ strategic purposes (see the Under Secretary's memorandum to you of October 21, 1969—Tab C). Defense opposes the proposal primarily for this reason.

The last agreed land proposal offered to the Micronesians (see surmary of key points at Tab D) is still accepted by the Interagency Group, which believes it would be unwise to attempt to modify it before obtaining further Micronesian reaction.

Recommendation

That you reiterate the Department's position that the Interior Land Proposal is unacceptable.

Constitutional Convention

If the Interior Land Proposal is disapproved, as indicated in the Loeson memorandum the Interagency Group recommends that the Constitutional Convention draft legislation, containing the last agreed land proposal, be offered to the Micronesians at this time (see surmary of key points at Tab E).

<u>SECTOT</u>

Two points mentioned in the Loesch memorandum require further comment. First is the tactic of putting most of our cards on the table in the form of a complete and forthcoming package. We tried an issue-by-issue approach in the recent discussions, and it did not work. It left the initiative almost entirely in Micronesian hands and encouraged them to take more extreme positions. It also left us unclear as to the status the Micronesians were actually contemplating.

The recommended approach should enable us to regain the initiative. As a total package, our draft clearly spells out the type of association we have in mind and the reaction it elicits should indicate our chances of success.

The second point is the recommendation that the Micronesians be offered a choice between: (a) an appointed governor for a specified period followed by an elected chief executive, and (b) the opportunity to select their own chief executive immediately. The manner of choosing the executive has been a matter of contention within the US Executive Branch for some time. The Department has argued that an elected chief executive was necessary as a minimum to meet the requirement for self-government under the Uni Trusteeship system. If we fail to meet this requirement the resulting objections in the UN could well over time stimulate discontent in Micronesia itself. Interior, on the other hand, has argued that such a provision is unacceptable to Congressman Aspinall, Chairman of the House Interior Committee, and that its insertion could thus jeopardize Congressional approval of the entire package.,

_ Offering the Micronesians both alternatives was a compromise suggested by Defense and accepted by Interior and State representatives on the Working Group. If the Micronesians choose the immediate elected executive, Interior, supported by the other Departments, will be able to argue fore convincingly to Aspinall that such a provision is necessary to gain Micronesian acceptance

of the total package. If the Micronesians select an appointed governor, having been offered the option of an elected executive, the Department will be in a better-though still difficult-position in justifying the resulting arrangement in the UN. We might find, however, that even so the objections to be anticipated in New York would be so great as to necessitate postponing the termination of the Trusteeship until the end of the appointed Governor's period (it would be well to note this possibility in your discussion with the other Secretaries).

Recommendation

That you support the offer to the Micronesians of the Constitutional Convention draft legislation as attached to the Loesch memorandum, containing alternative provisions regarding the Executive.

Attachments:

Tab A - Eriefing Memo from Assistant Secretary Loesch

Tab B - Assessment of Interior Views on Land Issue

Tab C - Under Secretary's Memo

Tab D - Key points of US land position

Tab E - Summary of Micronesian Constitutional
Convention Bill

Tab F - Report of Under Secretaries Committee Meeting

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Ext. 22392

cc: U, J, C

Clearance: L Mr. Aldrich