DEPARTMENT OF STATE

Jan. 21, 1970

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BHB-REVIEWED by.

TO:

The Under Secretary RELEASE

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s/s

( ) Non-responsive info. ( ) DENY FOI, EO or PA exemptions

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FROM:

IO - Samuel De PalmecLASSIFY as.

( ) DOWNGRADE TS to ( ) S or ( ) C, OADR

SUBJECT:

Future of Micronesia: Interagency Working Group Meeting to Consider the Results of Assistant

Secretary Loesch's Trip - INFORMATION MEMORANDUM

The Interagency Working Group for Micronesia met on January 15 to hear a report from Assistant Secretary of the Interior Loesch on his just-completed trip to Micronesia. and to consider the next steps in light thereof. following is a brief resume of Mr. Loesch's report, the discussion of its implications, and the decisions reached. (A fuller report of the meeting is attached).

Assistant Secretary Loesch said that, although he had had an excellent opportunity to meet with a wide range of Micronesians, he had held discussions on the future status question only with the members of the Political Status Commission and even these had been limited largely to one meeting in Saipan.

He could, however, report the following: Micronesians had accepted the US Government rejection of the Interior land proposal very calmly -- they were obviously not surprised; (2) they had not commented specifically on the Political Status Act which Mr. Loesch gave them, and in fact, had not really had a chance to study it as a group prior to his departure; (3) he did have a clear impression. however, that they were determined to have some form of Constitutional Convention and that this was an issue of vital importance to them; and (4) the Micronesians proposed that the next meeting between the two delegations take place

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in the TTD sometime between Rebourny 23 and the end of March. They expect this ordering to last about one week and to be the "last" session appears to be related to the limited mandate -- primarily as a fact-finding group -- which the Micronesian delegation feels it has from the Congress rather than to a real sense of urgency about reaching a final solution or a threat aimed at forcing our position.

Nevertheless, Assistant Secretary Loesch stated it was his belief that if we were to have any chance of success at the next session that we must return to the Constitutional Convention proposal and that we should seek authorization to send it out to the Micronesian delegation immediately. This recommendation led to lengthy discussion of the various problems involved, including the dangers of an open-ended Constitutional Convention, basic doubts regarding the Micronesian position, and the degree of urgency involved. Once again the uncertainties involved in these and other factors and the conflicts between them were all too evident.

As a result of this discussion, the Interagency Group reached general agreement that ultimately, if there is a chance of success, it will probably be through the Constitutional Convention route. However, for both tactical and substantive reasons, the group felt it unwise to offer our Constitutional Convention proposal at this time. Rather, we should try to obtain further information as to whether the Micronesians were thinking in terms of the same basic status as we had in mind. Since our Political Status Act contained all the elements of our position, it therefore seemed advisable to attempt to press for some Micronesian reaction to the status it describes.

It was, therefore, decided that Assistant Secretary Loesch would write a letter to the delegation's Chairman asking for such views prior to another meeting. There was, of course, no feeling of confidence that the response will be definitive, but to seek such a reaction appeared to be a necessary first step. Further decisions would be made in the light of the Micronesian reply, whatever it might be.

The group did decide in any case that the discussions with the Micronesians should not take place while the UN Visiting Mission is still in the Territory (February 11 - mid-March). This would mean holding off until the last two weeks in March. If we thought it necessary, the Micronesian timetable could still be met and such a limited delay may well be in our interests in terms of further eliciting Micronesian views.

## Attachment:

Memorandum for the Record.

## Clearance:

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IO/UNP - Mr. Frisbie
IO/UNP - Mr. Armitage

IO:UNP:SRPeale:jkb 1/19/70



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