



ASSISTANT SECRETARY OF DEFENSE WASHINGTON, D. C. 20301

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In reply refer to

In reply refer to: I-20228/71

Mr. Thomas R. Pickering Deputy Director Bureau of Politico-Military Affairs Department of State Washington, DC 20520

Dear Tom:

This is in response to your letter of 14 January 1971 on military land requirements in the TTPI.

I'm sure you have seen the paper, recently completed by the Interagency Group (IG) on Micronesia (NSC U/SM-86C), that will be considered by the Under Secretaries Committee (USC) next Wednesday. It is an excellent paper, and the section on US strategic interests (pages 7-9) accurately reflects our views as to the two major security issues that you have identified. As to priority for land requirements, you will note that the Marianas is specified as the area of highest importance. Palau, because of its extensive, sparsely populated land areas and its location on the western fringe of the territory, is also an area of considerable importance. In general, certain islands - such as Tinian - are particularly well suited for aviation activities because of their relatively level terrain and the grading operations accomplished during World War II. Other islands - such as Babelthaup and Rota - would be useful for training of ground combat troops. Still other areas would be useful as naval anchorages or for ammunition/logistic storage. Although we have completed an initial survey of potential requirements, under various assumptions, considerably more work needs to be done in consolidating and refining these requirements. Accordingly, it is premature at this time to make any comment on requirements, in order of priority, of the military services.

I recognize fully the need for us to come up with a specific list of current and potential contingency land requirements that can, at some point, be presented to the Micronesians. Such a list might be required either in the event we are, for example, forced to the limit under Option 3 of the IG paper or simply to relieve Micronesian fears under whatever course of action is selected. In any event, we are well aware of the practical reality that any requirements we surface with the Micronesians must be



reasonable in terms of the total land area available to the Micronesians. Moreover, our potential requirements - other than for cases of extreme national emergency - should be shaped to take account of the Micronesians' desire to preserve their culture and to obtain development of their civilian economy. Because of this, it may be necessary to consider districts other than the Marianas and Palau in order to cut down to an acceptable level the requirements in a given area.

Commander Edwin A. Kuhn (X-71802/59282) is the staff officer in my office with cognizance of Micronesian matters. He also is the OSD member of the Interagency Group on the Trust Territory.

Sincerely,

Dennis J. Doclin

Deputy Assistant Secretary



proceeding with further negotiations with the Micronesians, we would propose to undertake appropriate Congressional consultations (Tab C).

In light of these uncertainties, our recommendations are presented in terms of a general negotiation sequence setting forth a series of steps, each of which might constitute an acceptable solution to the status question.

The departments differ on what would be the desirable initial step (Step A vs. Step B below). Furthermore, beyond the initial steps, the sequence is necessarily tentative and should be kept under review. We will continue to report on the progress of the negotiations and, as necessary, seek revalidation of the proposed negotiating authority in light of new developments.

Following is the general negotiation sequence for which the Committee requests your decision and approval.

-8-

Step A: Micronesian self-government under

Trusteeship (Tab B, pp. 11-15 -- recommended by

Interior as initial step; opposed by State and Defense).

The United States would, for the time being, discontinue efforts to end the Trusteeship. Instead, the United States would undertake to turn over to the Micronesians, as rapidly as possible, the full administration of the Trust Territory, including relations with foreign countries other than military involvements. A commitment would be required by the United States to continue financial support at approximately present levels (\$50-60 million), without limitation on the use of such funds. The Micronesians would be free to reorganize the present administration, draft a constitution, and establish governmental bodies of their own devising.

The United States, by maintaining the Trusteeship, would continue its rights to exclude any foreign

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military presence and to retain or condemn land for military purposes.

Step B: Modified Commonwealth (Tab B, pp. 19-20 -- concessions limited to eminent domain and Federal Supremacy: recommended by State and Defense as <u>initial</u> step; by Interior as <u>second</u> step).

With the aim of extending U.S. sovereignty over the Territory as a whole, we would, within predetermined limits, continue to seek a solution along the lines of a commonwealth relationship modified only where essential to obtain Micronesian agreement. We would not accept a provision for unilateral termination. The U.S. negotiating <u>limits</u> would be:

a. Eminent domain: Forego the exercise, as distinguished from the inherent power, of U.S. eminent domain, provided that long-term use of needed land in the Marianas is assured by prenegotiated arrangements (option, lease or purchase) and that present facilities in

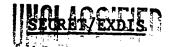
-10-

the Marshalls are retained. We would make every effort to obtain basing options in Palau for future contingencies; we would forego such options only as a last concession in exploring this Step and only if it were reasonably clear that a settlement of the status question was obtainable within the modified commonwealth framework.

Federal Supremacy: Limit the exercise of Federal Supremacy where such is practicable, legal and not in derogation of overall U.S. national interests. We might agree that the United States would exercise Federal powers only in the fields of foreign relations and defense, except as agreed by the Micronesians or required by a national emergency.

Step C: Modified Commonwealth (Tab B - pp. 19-20 Step B with addition of concession on unilateral termination).





-11-

If the concessions on eminent domain and Federal Supremacy (Step B) fail to produce agreement, we would offer the Micropesians a provision for unilateral termination, carefully circumscribed, possibly through a complex procedure and after a specified period of years. (For example, Micronesia might be given the right to terminate the commonwealth relationship, after a specified period, upon approval by a two-thirds majority of the Micronesian Congress and the Micronesian electorate.) Individual districts voting against the termination, e.g., the Marianas, would have the right to remain with the United States.

A termination provision would be offered only if two conditions were met: (a) it were clear that all other provisions of the modified commonwealth proposal (Step B) were acceptable to the Micronesians and that the addition of the unilateral termination clause provided a basis for final agreement; and (b) there were explicit agreement that the prenegotiated strategic



arrangements (i.e., denial and basing rights) would legally survive a possible termination.

Step D: Multiple Solutions (District-by-district plebiscite option, Tab B, pp. 21-22, or variations thereof, as described below).

As a result of the most recent developments in the Marianas, we may be unable to find a single solution which will satisfy all districts -- i.e., a modified commonwealth (Steps B or C) may be unworkable as a Territory-wide solution.

Should this occur we would agree to offer the Marianas -- and any other district that found the option attractive -- the choice of joining the United States. We should remain flexible as to the form of such an association, e.g., union with Guam or a separate territory/commonwealth, depending on which districts chose to join with the United States.

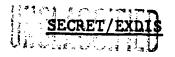
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-13-

As regards the remainder of the Territory*, we would initially attempt to find a single separate solution, preferably by continuing the exploration of Steps B and C. Should this prove unsuccessful, we would consider further whether we should: a) propose a "free association" type arrangement or a status of full independence to these remaining districts as a group; or b) try to deal with each district separately.

At some point, we may find it useful to suggest a plebiscite that would offer each district a clear, hard choice between commonwealth status and full independence, with those districts choosing independence hopefully joining into a single entity (Tab B, pp. 21-22). Such a suggestion may have utility as a



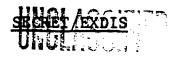
^{*} The Trusteeship agreement can legally be terminated only for the Territory as a whole. Thus, the United States cannot terminate the Trusteeship only for parts of the Territory or arrange for termination at different times.



-14-

negotiating tactic at an early stage. In view, however, of the separatist sentiments in the Marianas and the mutual antagonism between the leaders of that district and those of the rest of the Territory, there is a distinct possibility that such a suggestion would be accepted, thus prematurely committing the United States to this approach.

Step E: "Free Association" (Tab B, pp. 23-25)
Under this step, we would explore a relationship
of "free association." While abandoning the goal of
U.S. sovereignty, to satisfy a key element of the Micronesian position, we would attempt to negotiate a compact terminable only by mutual consent. We would
insist on exclusive control over foreign relations
and defense. Moreover, in most other respects, we
would seek to establish a pattern of close relationships similar to that existing under a modified commonwealth to build up vested Micronesian interests
in the association (e.g., participation in Federal





domestic programs, access to the U.S. judicial system, rights of U.S. nationality, etc.). Finally, we would also insist upon prenegotiated arrangements, which would be designed legally to survive the association, to provide for strategic denial of the area and the same degree of access to land for military needs as under the modified commonwealth (Steps B or C).

Discussion:

The positions of the departments and agencies differ with regard to the merits of Step A:

Should the United States offer full selfgovernment within an overall framework that would maintain the Trusteeship?

Interior believes that we should now proceed with this approach, thereby making time work in our favor.

This approach will give the Micronesians a better appreciation of the problems of self-government, thus enabling us to strike a better bargain at some future date.





-16-

State and Defense agree that increased selfgovernment is advisable but believe that this approach -- aside from serious practical problems,
including acceptability in the Marianas -- would at
best deflect the Micronesians only temporarily from
the status issue. Having established a fully selfgoverning and functioning Micronesian state, and
allowing it to forge unrestricted political and economic links with other nations, we would, as a practical
matter, find it very difficult to ignore a petition
for the lifting of the Trusteeship a few years hence
under terms desired by the Micronesians.

In summary, the Committee requests your decision on the general negotiation sequence:

(a)	Beginning with Step A	
	(favored by Interior)	

(b)	Beginning with Step	B
	(favored by State an	d
	Defense)	

Disapprove





-17-

(The approved sequence will also serve as the basis of early consultations with the U.S. Congress.)

In addition to the Committee's regular members, the Departments of Justice and of the Interior (which chairs the Interagency Committee on Micronesian status) and the Office of Management and Budget (OMB) have participated in this review.

John N. Irwin II Chairman



UNCLASSIFIED

-18-

Enclosures:

Tab A - Summary of Options

Tab B - Report of Interagency Committee

Tab C - Proposed Congressional Consultations

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hy P. Reger, National Council



SUMMARY OF OPTIONS (as considered by the Committee)

Approach:

Make maintenance of Trusteeship acceptable to Micronesians.

-- Option: Continuation of the Trusteeship; Micronesian self-government subject to U.S. security requirements.

The Micronesians would fully manage their own affairs, including relations with foreign countries other than military involvements; the United States, by maintaining the Trusteeship, would continue its rights to exclude any foreign military presence and to retain or condemn land for military purposes (Tab B, pp. 11-15).

Approach:

Maintain objective of U.S. sovereignty.

-- Option: Modification of the U.S. commonwealth proposal.

We would, within predetermined limits, be prepared to modify the U.S. proposal in an attempt to gain Micronesian acceptance. This might entail concessions in one or more of the three critical areas -- eminent domain, Federal Supremacy, and termination (Tab B, pp. 19-20).

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-2-

-- Option: District-by-district plebiscite

To obtain a permanent association with the United States of at least the Marianas, probably Yap, and possibly other districts, we would offer each of the six districts a choice between accession to the United States and independence (Tab B, pp. 21-22).

Approach:

Seek close relationship short of U.S. sovereignty.

-- Option: "Free Association" (i.e., Micronesian "sovereignty" recognized by compact, with the United States assigned exclusive control over foreign relations and defense.

While granting Micronesian "sovereignty," this arrangement could result in a relationship approaching that of a modified commonwealth at its limits. Strategic denial and basing rights would be secured both by the compact and specific prenegotiated arrangements. In return, while granting Micronesia full internal autonomy, we could offer a variety of benefits to tie Micronesia more closely to the United States, such as participation in federal domestic programs, access to the U.S. judicial system, the rights of U.S. nationality etc. (Tab B, pp. 23-25).

-3-

Approach:

Approaches not currently considered feasible long-term solutions.

-- Option: Continuation of the Trusteeship, attempt to create conditions conducive to acceptance of the recent U.S. commonwealth proposal.

We would keep the commonwealth proposal open and hope to build <u>future Micronesian</u> support for it through administrative improvements and increased Micronesian responsibility for governing the Territory (Tab B, pp. 16-18).

-- Option: Micronesian sovereignty, (i.e., independence with prearranged treaty ties (Tab B, pp. 26-27).



Proposed Congressional Consultations

The Executive Branch is committed to consult with the House Interior Committee before proceeding with the next steps on the Micronesian political status problem. In addition, owing to the farreaching nature of some of these steps, consultations with the Congressional leadership and other key committees will probably be required.

It is proposed that these consultations be undertaken jointly by the three departments under Department of the Interior leadership, subject to direction by the Under Secretaries Committee. White House assistance may be required to gain the concurrence of key Congressional figures in these proposals and their limits. (We foresee a problem in protecting our negotiating position against unauthorized disclosure; except for a few senior

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-2-

members of Congress whose support will be essential, consultations will be conducted in more general terms designed to seek reactions to a range of alternatives.)

The U.S. Congress can be expected to have difficulties with these proposals for several reasons:

- -- The variety of views within the Congress on the status issue: for example, some are concerned that the islands may eventually slip out of the U.S. orbit; others are disturbed by the international and domestic repercussions of limiting Micronesia's choices for self-determination; still others may oppose in principle the continuation of these overseas obligations;
- -- Congressional concerns as to the nature of the precedents created by a loose Commonwealth relationship, particularly the

UNCLASSIFIED

-3-

implications for Puerto Rico and other
U.S. territories of such an arrangement;

-- The long-term financial costs to the United

States associated with the permanent assumption of responsibility for foreign peoples,

who have few historic ties to the United

States and will be unable to support themselves over the foreseeable future.

