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**MEMORANDUM FOR THE PRESIDENT**

2/3/71

**Subject: Trust Territory of the Pacific Islands --  
Future Political Status**

On February 3, 1971, the Under Secretaries Committee reviewed Micronesia's future political status and the options open to the United States for resolving this issue (Tab 3).

**I. Status of Discussions**

The Committee agreed that negotiations and other contacts with the Congress of Micronesia have failed to produce appreciable progress beyond clarifying the respective positions.

The most recent U.S. proposal, advanced in the May 1970 discussions, envisaged that Micronesia would become a U.S. commonwealth, in permanent association, under U.S. sovereignty. (The proposal explicitly protected Federal Supremacy, so as to avoid the constitutional ambiguities of Puerto Rico's status.) Our delegation stated that the United States could not now foresee when a status of independence "might be appropriate to the circumstances of the Territory."

The Micronesian Delegation advanced four "non-negotiable" principles which affirm Micronesia's

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11-428617

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-2-

sovereignty and right to independence or unilaterally terminable "free association with any nation." The Congress of Micronesia subsequently endorsed these four principles and declared the U.S. offer "unacceptable in its present form."

Micronesian leaders recognize the Territory's economic dependence on the United States. Most are convinced that if limitations can be placed on U.S. powers some form of association with the United States would best preserve the unity of the islands and their political and cultural identities. These leaders strongly object to retention by the United States of the power of eminent domain -- in view of the importance of land in local culture -- and to the vague but implicitly broad powers which the United States would reserve under Federal Supremacy provisions. Many also believe that a provision for unilateral termination is essential to preserve the concept of Micronesian sovereignty and to protect basic Micronesian interests. (We have indications that some formula, carefully circumscribed in law and difficult in practice, might be acceptable.) Their proposed solution is a "free association" -- a status which would recognize Micronesian sovereignty but generally leave defense and foreign affairs responsibilities to the United States.

More recently, there are increasing indications that it may be difficult, if not impossible, to obtain a single solution for the Territory as a whole in view of the growing alienation between the Marianas, where pro-U.S. sentiments are strong, and the other five districts, which desire a looser form of association. Culminating ten years of agitation, the Marianas District Legislature last month adopted a resolution stating the District's intention to secede

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11-428618

UNCLASSIFIED

-3-

from the Territory -- at an unspecified time. Thus, we may be required -- or, depending upon developments, may prefer -- to deal with the Marianas separately.

Under these circumstances, some of the following options, although they were developed as Territory-wide solutions, would become applicable to the five remaining districts. We would not expect any major difficulty in reaching agreement with the Marianas.

## II. Options

The Committee agreed that we cannot hope simply to maintain the status quo, politically and administratively. The United States should, of course, take all possible steps to improve conditions for the status talks, such as improvements in administration and increased Micronesian responsibility for the government of the Territory. The Committee does not believe, however, that such actions alone will win Micronesian acceptance of the U.S. proposal in its present form.

The United States can approach the problem in several different ways:

- We could try to make the continuation of the Trusteeship acceptable to the Micronesians by giving them full self-government under it, subject only to U.S. security requirements, with the expectation that this could later result in a more favorable permanent solution than now attainable.
- We could continue to seek the extension of U.S. sovereignty over the islands. Thus,

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-4-

we could modify the U.S. commonwealth proposal in an attempt to make such an arrangement acceptable to the Micronesians; or, alternatively, we could, by means of a plebiscite, give those districts which would prefer to become part of the United States (e.g., the Marianas) the opportunity to do so, and seek to negotiate a separate arrangement with the remainder of the Territory.

- We could abandon the objective of U.S. sovereignty and seek to construct a looser, but still close, relationship ("free association") that would reflect U.S. strategic interests and largely satisfy Micronesian desires.

These broad approaches have been developed into a number of specific options summarized at Tab A and described in detail at Tab B.

### III. Recommendations

The Committee is uncertain which of these approaches and options are negotiable. Moreover, approaches negotiable with the Micronesians might not be acceptable to senior members of the U.S. Congress. Thus, before 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.

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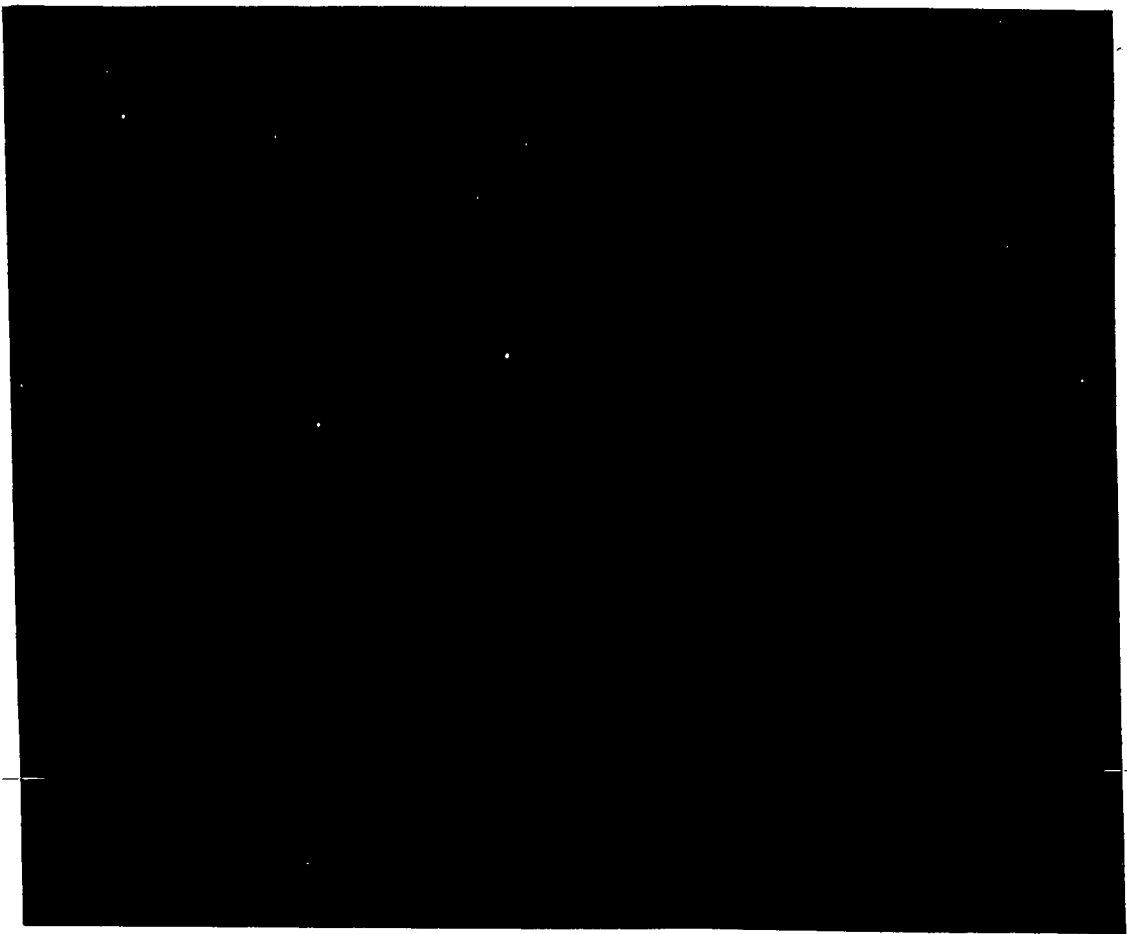
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-5-

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.



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-11-

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*  
John N. Irwin II  
Chairman

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-12-

**Enclosures:**

- Tab A - Summary of Options
- Tab B - Report of Interagency  
Committee
- Tab C - Proposed Congressional  
Consultations

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TAB A

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 pre-negotiated 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).

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11- 428625

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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 future Micronesian support for it through administrative 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).

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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 far-reaching 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 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;

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-2-

- Congressional concerns as to the nature of the precedents created by a loose Commonwealth relationship, particularly the 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.

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