

March 9, 1971

## NSC UNDER SECRETARIES COMMITTEE

## MEMORANDUM FOR THE PRESIDENT

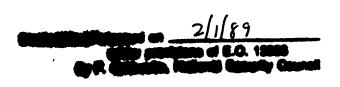
Subject: Trust Territory of the Pacific Islands
-- Future Political Status

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 B).

## 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 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





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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 "nonnegotiable" principles which affirm Micronesia's
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 some form of association with the United States, with U.S. powers circumscribed by the terms of the association, would best preserve the unity of the islands and their political and cultural identities. These same leaders, however, 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 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, might 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 <u>status quo</u>, 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, to the

  extent possible. Thus, 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 <u>summarized at Tab A and</u> 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

