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NSC UNDER SECRETARIES COMMITTEE

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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 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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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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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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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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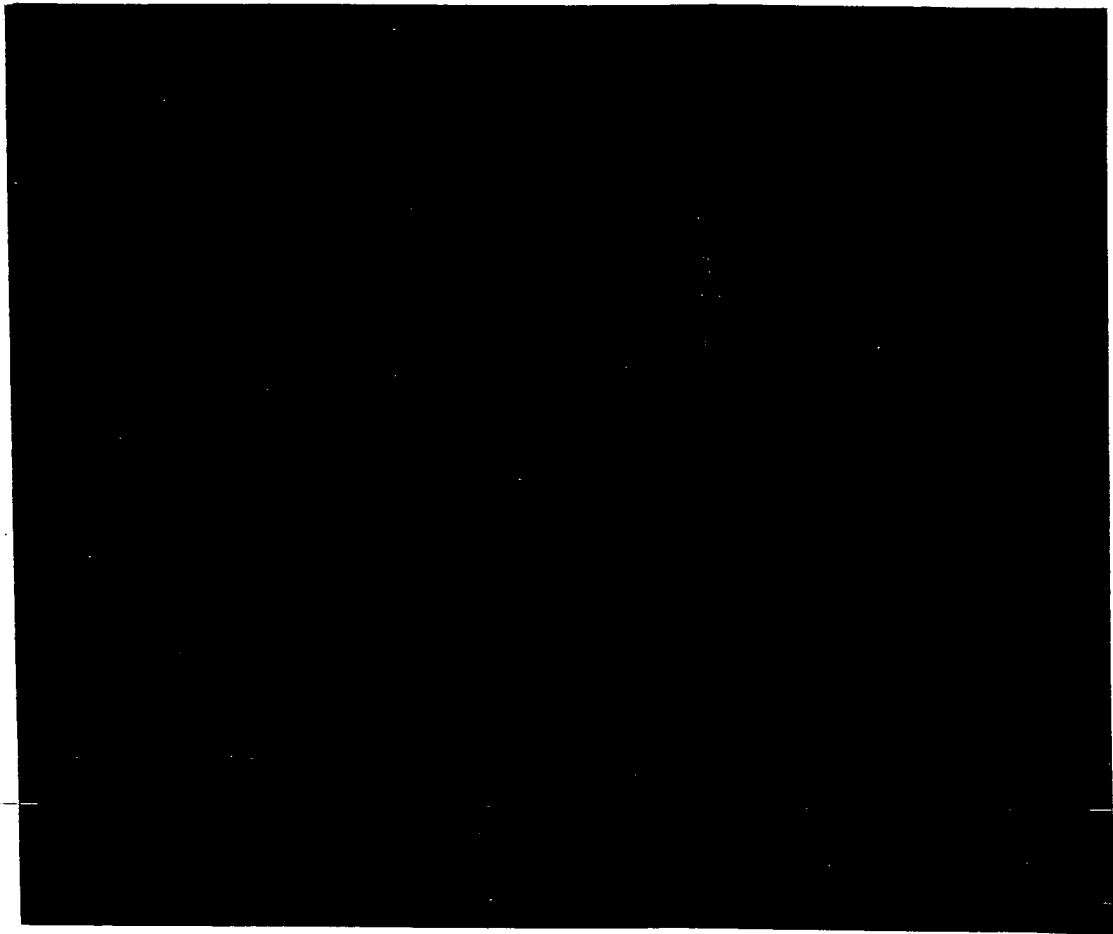
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The departments differ on what would be the desirable initial step (Step A vs. Step B below). Furthermore, beyond the initial steps, the sequence is necessarily tentative and should be kept under review. We will continue to report on the progress of 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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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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Enclosures:

- Tab A - Summary of Options
- Tab B - Report of Interagency  
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- 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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-- 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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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 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).

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To: Chairman, NSC Under Secretaries Committee  
From: Chairman, Interagency Committee on Micronesian Status  
Subject: Negotiations on the Future Political Status of Micronesia

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The memorandum of the Under Secretaries Committee to the President dated September 10, 1970, stated that an options paper would be prepared to serve as the basis for a re-examination of the status question within the Administration. This paper undertakes a review of the question and sets forth alternative courses of action to be considered by the Under Secretaries Committee. After such consideration, it is anticipated that the final version will become the basic attachment to a memorandum for the President.

A. Status of Negotiations

The extension of US sovereignty over Micronesia has been a general objective of US policy since 1962. On April 28, 1962, the President approved the recommendation of the Under Secretaries Committee that this be accomplished at an early date, preferably by means of an organic act. No option of independence, or of a unilaterally terminable free association was to be offered. An action program was to be undertaken to improve the US image and promote Micronesian educational, economic, political and social development.

An exploratory round of discussions with a Micronesian Congressional Delegation in October 1969 and a trip to the Territory by the Chairman of the US Delegation in January 1970 produced no agreement but rather made clear that the organic act approach, with no provision for a constitutional convention, stood no chance of acceptance. At the second round of talks in Saipan in May 1970, the US Delegation proposed a permanent association with the United States as a commonwealth, internally self-governing under a Micronesian-drafted constitution, approved by the residents of the islands, and consistent with US enabling legislation.

The Micronesian Delegation did not seriously discuss the commonwealth proposal, other than to identify the objectionable features from their point of view. In their subsequent report to the Congress of Micronesia, they objected strongly

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to the lack of a unilateral termination provision, US retention of the power of eminent domain, and the vague but implicitly broad powers reserved to the United States. Rather, the Delegation indicated a preference for "free association" with the United States based on the following "non-negotiable" principles:

- "(a) That sovereignty in Micronesia resides in the people of Micronesia and their duly constituted government;
- (b) That the people of Micronesia possess the right of self-determination and may therefore choose independence or self-government in free association with any nation or organization of nations;
- (c) That the people of Micronesia have the right to adopt their own constitution and to amend, change or revoke any constitution or governmental plan at any time; and
- (d) That free association should be in the form of a revocable compact, terminable unilaterally by either party."

The Delegation's report explained that if the four broad principles were accepted, the more substantive arrangements setting forth the US-Micronesian relationship in areas such as defense, foreign policy, citizenship, economic aid, tariffs, etc. could be negotiated and incorporated in a compact between the two parties.

The full Congress of Micronesia subsequently adopted resolutions (1) endorsing the above four principles; (2) declaring the US commonwealth proposal "unacceptable in its present form;" (3) inviting the US Government to continue discussions; and (4) establishing a congressional status committee which was directed to: a) conduct political education; b) study the economic implications of free association and independence; c) study alternatives regarding internal self-government; d) solicit support with in the US and the UN for the Micronesian Congressional position on status; and e) continue negotiations with the

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US, consistent with stated policies of the Micronesian Congress and subject to ratification.

The US Congress has been informed of developments since the May 1970 talks, and we have tacitly agreed to consult (the House Interior Committee) with respect to new initiatives.

B. Micronesian Political Situation

The attitude of the Micronesian leadership toward political association with the United States has been heavily influenced by what Micronesians regard as long postwar years of neglect, indifference and arbitrary decisions on the part of the United States. While American presence has induced fears of, as well as attraction to, "Americanization," it also continues to be a source of friction. In the past three years the greatly increased attention and resources directed toward Micronesian needs; the current energetic program of "Micronization" of the TTPI Administration, and the initiation of negotiations on the future political status have made some favorable impact on Micronesian outlook. Micronesians also have an underlying admiration and respect for American political traditions and our world position. The sum total is that most of the Micronesian leadership, among the best educated and most articulate in the Pacific region, have a strong desire for benefits of close association with the US, and a deep-seated conviction that they must have control over the direction of Micronesian affairs.

Against this background, the question of future political status is the central political issue in Micronesia today and is likely to remain so. The interest generated and whetted in the period leading up to the first report of the Political Status Commission in July 1969 has continued to increase during the past year. The more recent report and the status issue were actively and vigorously debated in the Congress of Micronesia last summer and, in some districts, in the election campaign in November 1970.

The Congress of Micronesia, due largely to the research done by the original Political Status Commission, is generally familiar with the precedents followed in other dependent areas on questions of status and trusteeship termination. Specific attention has been directed to the Cook Islands and the West Indies Associated States. Micronesians are keenly aware that

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most dependent territories have been granted independence in the postwar period and that virtually all have been given broad powers, with most aspects of sovereignty. Further, the Congress of Micronesia is advised by a competent political consultant with considerable familiarity in the field. The Congress of Micronesia and its advisors are also fully aware of the force of the "right of independence" argument as a bargaining lever.

While, at this time, the status question is understood by and is of deep concern to only a small percentage of the population, it is precisely this minority with which we must deal and which will influence the thinking of the majority. In the absence of progress toward resolving the status issue, there is danger that agitation for action and desire for separation from the United States will spread and become more active and vocal. The increasing numbers of educated youth would stimulate this trend, which has been virtually universal in comparable areas in the post-war period. On the other hand, some traditional leaders and others oppose altering the present status, either from a fear of change, fear of autocracy, or a desire for more time to permit further economic and political development.

While true sentiment on the status question throughout the territory is difficult to gauge, two facts stand out clearly. First, numerous members of the Congress of Micronesia, whether from conviction or to enhance Micronesia's bargaining position, have taken increasingly hard-line, public stands on the issue; a number are on record as favoring independence, and most have spoken in favor of continued ties only on the basis of their "four principles." Nevertheless, most favor continued association with the US, whether for economic or other reasons.

Second, the powerful, popular sentiment in the Marianas for becoming part of the United States and attaining US citizenship continues. Thus, there have been previous resolutions of the district legislature and unofficial plebiscites requesting reunification with Guam, which is ethnically, culturally and geographically a part of the Marianas. The only members of the Congress of Micronesia who have endorsed our commonwealth proposal are from the Marianas. The recent elections resulted in a clean sweep for those who endorsed commonwealth and defeat of those candidates who questioned it.

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Following the rejection by the Congress of Micronesia of the commonwealth offer, the Marianas District Legislature passed a resolution which endorsed the US proposal and urged that it be submitted directly to the people of the Mariana Islands for their endorsement and that the United States proceed with its implementation in the Marianas "until the other districts are ready to decide."

### C. Micronesian Economic Conditions

The Micronesian economy is heavily dependent on US Government expenditures. The payroll and purchases of the TTPI Administration have constituted a major portion of Micronesian income throughout the postwar period. US direct appropriations for \$50 - \$60 million in recent years have swelled the US-originated slice of the economy still further. Of 12,333 reported Micronesian wage-earners, 7,163 are employed by US Government agencies, the vast majority by the TTPI Administration.

While tourism, fisheries and agriculture hold potential for greater self-sufficiency, a self-supporting economy is highly unlikely for many years to come.

### D. United Nations - The Trusteeship

Micronesia is the only strategic trust territory in UN history, thus, our legal rights and obligations under the trusteeship are unique. The United States has the power of veto, through both the terms of the Trusteeship Agreement with the Security Council and our membership on the Council, over any termination or amendment of the trusteeship. However, the Trusteeship Agreement obligates us to work "toward self-government or independence, as may be appropriate to the particular circumstances" and "the freely expressed wishes of the people."

Micronesia is one of the two remaining trust territories; nine of the original eleven are now independent and New Guinea may become independent as early as 1976. If perceptible progress toward a political status acceptable to Micronesians is not made in the next few years, we might become a focus--along with Portugal and South Africa--of the broad anticolonialist sentiment in the UN. The Trusteeship Council (US, UK, France, China, Australia and a relatively passive USSR) and its visiting missions have not pressed us hard on the status question in the past. This year's visiting mission did recommend solution of the political issue "sooner rather than later," and the Trusteeship Council echoed this hope in its

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report to the Security Council. [REDACTED]

To gain express Security Council approval of termination of the trusteeship, it would probably be necessary to have granted the islands independence or to have offered a status approaching it in a UN-observed plebiscite. However, mere notification of the Council should suffice if a new political status receives approval of a substantial majority of the Micronesians. Without such Micronesian support, General Assembly action condemning our position would also be likely.

E. US Interests

1. Political

US history as a former colony and the US role in enunciating and actively supporting self-determination and independence for others; where desired, are highly significant aspects of our world position. It is in our national interest that we act consistent with this tradition. Should we, in the face of an explicit Micronesian demand, refuse them self-determination our international political standing and image would be significantly damaged.

Resolution of the Micronesian status problem also has implications for our long-term position in the Pacific. Accession of these islands to the US system would preserve and strengthen the US role as a Pacific power both strategically and psychologically. On the other hand, loss of effective US control over Micronesia could augur a long-term reduction in the Pacific role of the US. [REDACTED]

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2. Strategic

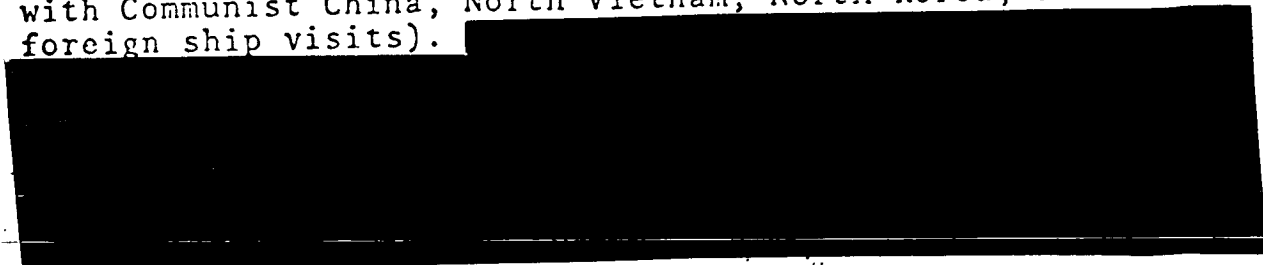
There are three aspects to the US strategic interest in the TTPI: ability to deny access to foreign powers; retention of ICBM/ABM missile testing facilities in the Marshall Islands; and the requirement for other basing options in the future.

a. Denial. In foreign hands, islands of the TTPI could serve as air and naval bases, missile launching sites to threaten Guam and Hawaii, and would constitute a potential major threat to US control of sea and air communications in the central Pacific. In particular, the security of Guam would be severely jeopardized if an unfriendly power controlled the adjacent Mariana Islands.

Included in the concept of denial should also be the ability to control any future foreign political and commercial involvement that presents a threat to US security interests.\*

\*Interior does not concur in this statement regarding denial. Interior believes that military arrangements are the only US needs and that these need not be served by control of foreign political and commercial involvement. Such control would make a sham out of Micronesian self-determination.

State, OSD, and JCS believe it is clear that threats to our security interests can be posed by foreign political and commercial activities, both in the US and its territories. US law recognizes this fact, by limiting foreign control in certain key areas (e.g., natural resources, communications, banking) and by controlling certain activities (e.g., trade with Communist China, North Vietnam, North Korea; and foreign ship visits).



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Even complete control of the TTPI by the United States cannot assure the continued exclusion of potentially hostile powers from mid-Pacific basing sites. The increasing number of independent states elsewhere in the Pacific could provide opportunities for establishment of foreign military bases. Nevertheless, denial of access to the TTPI remains of paramount importance.

b. Retention of facilities in the Marshalls. The Kwajalein Missile Range is utilized in connection with the Safeguard ABM system and is essentially irreplaceable through at least 1978. Kwajalein conceivably could be relinquished, but only if the facilities essential to continued ICBM/ABM testing had been duplicated elsewhere -- at an estimated cost in 1970 dollars of \$400 - \$500 million and with a lead time of about four years. Distance from the ICBM launch site and other physical factors greatly limit possible alternative sites; the feasibility, both political and technical, of such sites has not been established.

In addition to Kwajalein, Eniwetok may play an important role in testing after 1975, depending upon decisions concerning the next generation of strategic missiles.

c. Future basing options. (The term "basing" includes not only permanent military facilities but also use of lands for such things as training exercises, requiring little or no permanent construction.) The potentially most important areas in the TTPI for future basing are the Mariana and the Palau districts. Both provide (forward) areas farthest to the west in the TTPI and have large, sparsely populated areas suitable for military basing. The islands of the Marianas are of primary importance; their proximity to Guam would facilitate establishment of a mutually supporting complex.

The Marianas (e.g., Tinian, Saipan, Rota) are needed for possible base facilities

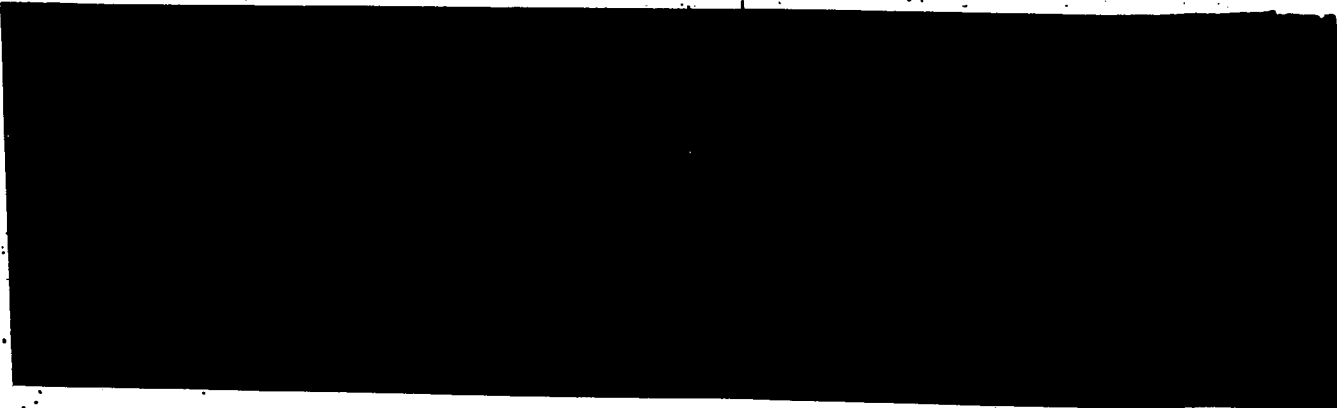
As one possibility, an air base on Tinian would afford some dispersion of forces and help accommodate contingency surges of up to 80 B-52's and 80 tankers in the Guam/TTPI area. (Construction cost on the

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order of \$200 - \$400 million). Mounting concern in Guam due to growth of population and commercial activity, over the amount of land now in use for military purposes makes desirable a US option for both small and large scale basing in the Marianas. The need for such basing options is more acute if flexible use of existing bases on mainland Southeast Asia or elsewhere in the Western Pacific is curtailed.



At this time, no requirements are foreseen for basing in the other districts of the territory; however, other districts would be considered if anticipated needs in Palau or the Marianas are not satisfied.



While priority should be accorded the Marianas in securing basing options, acquisition of an option to use land in the Palau District would be highly desirable.

In concluding any land agreements with the Micronesians, we must include legal provisions, so that agreements protecting US strategic interests would survive termination of any US-Micronesian association. In addition, we should seek to guarantee a minimum of 50 years tenure after exercise of an option, when necessary to provide reasonable amortization of major US investment in bases or satisfy underlying strategic requirements.

It should be remembered, in any event, that future political and technical developments, including future generations of strategic weaponry, cannot be predicted with certainty, and that the US, therefore, should seek the broadest future range of choice in military arrangements that is reasonably attainable and consistent with other US interests.

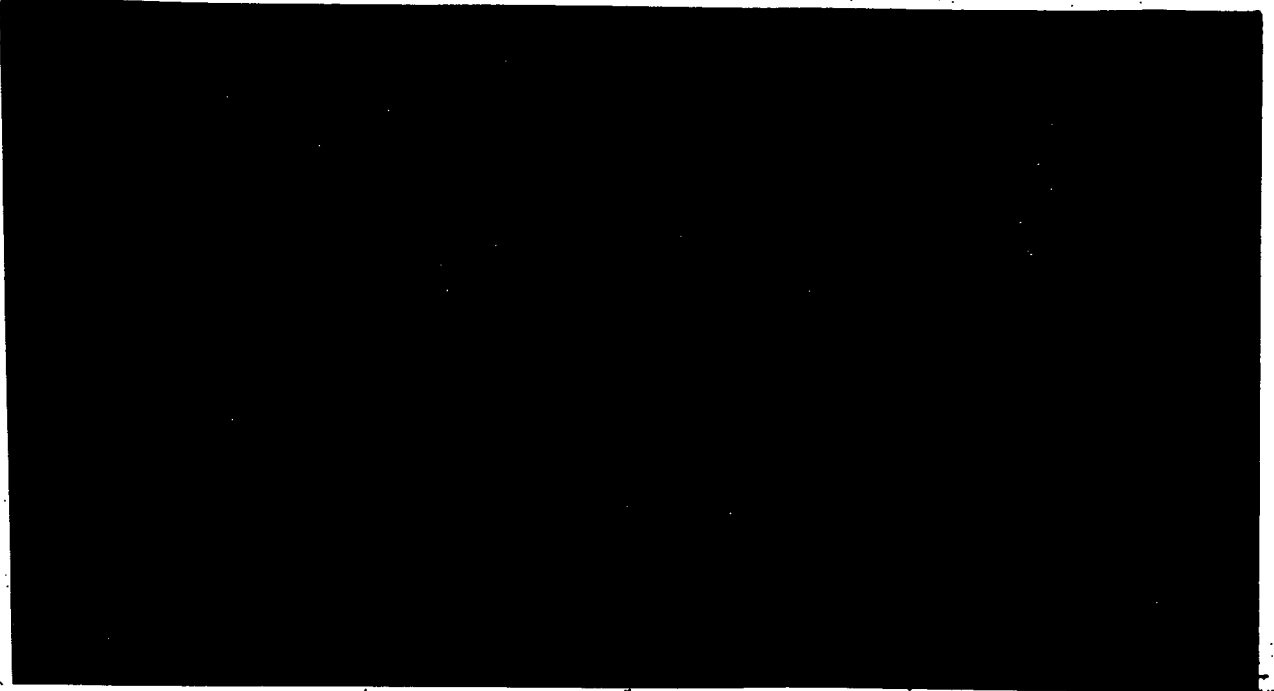
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3. Economic Interests

The TTPI is an economic burden to the United States. At this time, we have no significant economic interest beyond the civil air routes through the area. However, permanent political association could lead to increased US investment, particularly in tourism and fisheries.

F. Optional Approaches



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## ANNEX I

### NOTE WITH REGARD TO TRUSTEESHIP AGREEMENT:

The Trusteeship Agreement authorizes the US "full powers of administration, legislation, and jurisdiction over the territory," subject to the provisions of the Agreement. The US may also apply its own laws to the Trust Territory (T.A. Art. 3).

For the maintenance of international peace and security, the United States is entitled: "1. to establish naval, military and air bases and to erect fortifications in the trust territory; 2. to station and employ armed forces in the territory; and 3. to make use of volunteer forces, facilities and assistance from the trust territory . . ." (T.A. Art. 5).

This authority to establish and maintain bases does not, however, itself provide a means of acquiring land for base facilities; this has been done in the past under local condemnation procedures, which under Option I would be subject to repeal or modification by the Government of Micronesia. It, therefore, will be necessary to make Federal condemnation procedures directly applicable to Micronesia, as well as to provide for Federal court jurisdiction. This is our prerogative under Article 3 of the Trusteeship Agreement. Further, Article 6 of the Agreement obliges the US to "protect the inhabitants against the loss of their land and resources." However, the applying of US eminent domain procedures would "protect the inhabitants against the loss of their lands and resources" by compensating them in full for any taking.

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ANNEX II

Modifications in Commonwealth Proposal to Obtain  
Compromise Agreement

The three principal objections of the Congress of Micronesia to our commonwealth proposal relate to termination of the relationship, eminent domain, and Federal Supremacy. It is possible that some modifications can be made in our present proposal without substantially compromising our strategic interests. Examples of modifications which might be considered are set forth below:

1. Termination: The US Delegation stated during the May 1970 discussions that the US would agree to a bilateral review of status at any time at the request of either party, but that termination would require the consent of both parties. The Status Delegation's Report to the Congress of Micronesia, however, stated that "the single most objectionable feature of the US proposal is that commonwealth status would be permanent and irrevocable." While US interests clearly preclude an arrangement permitting termination of the association at the whim of the Micronesians, adequate safeguards might be provided. Possibilities include:

- a) Agree to follow the model of the United Kingdom's association with the West Indies' Associated States. (This arrangement was cited in the Delegation's report to the Congress and would probably be acceptable to them.) Under the terms of that relationship, ninety days must elapse between the introduction of a bill to terminate the status and its enactment by the legislature. The bill must then pass (both houses of) the legislature by a two-thirds vote. It is then submitted to a referendum and, if approved by a two-thirds majority, is submitted to the Executive for signature. If the bill dies because the two houses of the legislature cannot agree, six-months must elapse before the matter is reopened. (We would add a provision to permit individual districts to remain in association with the US.)
- b) Agree to a periodic review of the status. Under this arrangement, there would be no possibility for unilateral termination except at a specifically predetermined time, for example, after 20 years. Such an arrangement would ensure the stability

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of the relationship for at least the given period; however, it would allow separatist sentiment to coalesce as the time for review approached. Such a time period nevertheless would allow for sufficient integration into the US economy and culture that there would probably be little Micronesian inclination to terminate.

- c) Agree to some combination of a) and b) which would allow unilateral termination at a specified time with procedural safeguards.

2. Eminent Domain: This problem has been basic since the beginning of our discussions with the Micronesians. While assuring us that US needs can be satisfied, they have insisted that ultimate control over Micronesian lands be in Micronesian hands. Although we have been willing to modify substantially the normal procedures for condemning land, and to allow the Micronesians a voice, we have not been prepared to surrender the ultimate power of eminent domain.

Some possible compromises might be:

- a) Limit maximum interest acquired under eminent domain to a 50-year renewable lease. This would provide sufficient tenure to justify major construction.
- b) Limit the exercise of eminent domain to national emergencies proclaimed by the President. The Micronesian Status Delegation earlier had shown some lack of enthusiasm for this approach.
- c) Forego the exercise of eminent domain, subject to satisfaction of our anticipated land needs (e.g., Marianas, Palau, Kwajalein, and possibly Eniwetok) and negotiation of outright purchase or long-term lease arrangements with options for renewal. Such arrangements would be designed to survive a termination of the commonwealth relationship.

3. Federal Supremacy: The Micronesian Delegation so far has insisted that their constitutional convention be free from all outside restrictions and that their constitution and laws need "not be consistent" with the US Constitution and laws. In any commonwealth or other arrangement involving

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US sovereignty, however, the United States would have to insist that certain minimal Constitutional guarantees apply in Micronesia. We might be able to modify our current commonwealth proposal by means such as the following:

- a) agree to explore with them the authority of Federal agencies and the applicability of Federal laws with respect to a Commonwealth of Micronesia and to write into the enabling legislation a specific provision that only those laws and agencies specifically enumerated by the United States or subsequently requested by the Micronesians could operate in Micronesia; or
- b) agree that the United States will exercise Federal powers only in the fields of foreign relations and defense, except when a national emergency requires exercise of other Federal powers; or
- c) agree not to apply Federal law to Micronesia (except as provided in b above) without the request or consent of the Congress of Micronesia.

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TAB C

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Proposed Congressional Consultations

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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.)

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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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