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THE PRESIDENT

THE WHITE HOUSE WASHINGTON

June 16, 1971

ACTION

MEMORANDUM FOR:

classified (Released on F85-514c

by B. Reger, National Security Council

MEMORANDUM der provisions of E.Q. 12356

FROM:

SUBJECT:

HENRY A. KISSINGER K

Negotiations on the Future Political Status of the Trust Territory of the Pacific Islands (Micronesia)

After Micronesian leaders in May 1970 rejected our proposal for Micronesia's permanent association with the U.S. as a commonwealth, you directed last September that the Under Secretaries Committee prepare a new negotiating scenario. The Under Secretaries' recommendations have now been received. In March you appointed Dr. Franklin Haydn Williams, President of the Asia Foundation, as your personal representative with the rank of Ambassador to undertake the new phase of negotiations. Dr. Williams, in cooperation with Secretary Morton, drafted his terms of reference for the negotiations, and these have now been accepted by Secretary Morton and sent forward by him to you with the concurrence of State and Defense. Dr. Williams' clearances have also just come through. Thus, we are in a position to move ahead on this question.

I have incorporated the recommendations of the Under Secretaries Committee (Tab M), which I have summarized below, and Dr. Williams' terms ofreference (Tab B), which is also digested below, into a single package for your consideration and approval.

Background

1. <u>Negotiating History and Present Micronesian Political Situation</u>. A brief summary-of-the-history-of-our-negotiations-with Micronesian-leaders since 1969 and of the present Micronesian political situation is included at Tab 🖧 Of particular importance is the recent strong secessionist sentiment in the Marianas and the small incipient independence movement on Truk.

2. U.S. Interests.

a. Strategic military interests (which support our political-military interest of remaining a Pacific power)

This diata only infile

- Denial of entry to the Territory to potentially hostile powers.