

February 18, 1972

MEMORANDUM OF TRANSMITTAL FOR CAPTAIN SCHULLER, USN
ISA/EA&PR

SUBJECT: DRAFT SPEECH FOR AMBASSADOR WILLIAMS -
TO MICRONESIA - (With Emphasis on United States
Preferred - Commonwealth Proposal).

1. The attached draft speech - covering the matters of interest to Defense - emphasizes the Commonwealth proposal, indicating only loosely that if a "compact" is entered into, the relationship with Micronesia will be tenuous.
2. The completion of the speech is a matter for Department of State; but let me see any final copies.
3. In addition to the materials placed in the speech, you might want to consider adding the following paragraph:

"The Micronesians should be aware from the public statements of President Nixon what the United States envisages as part of the overall program of "maintaining international peace and security." The Nixon Doctrine outlining this position is:

"We will maintain a nuclear deterrent adequate to meet any threat to the security of the United States or of our allies.

"We will help other nations develop the capability of defending themselves.

"We will faithfully honor all of our treaty commitments.

"We will act to defend our interests whenever and wherever they are threatened any place in the world.

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"But where our interests or our treaty commitments are not involved our role will be limited.

"We will not intervene militarily.

"But we will use our influence to prevent war.

"If war comes we will use our influence to try to stop it.

"Once war is over we will do our share in helping to bind up the wounds of those who have participated in it."

Harry H. Almond, Jr.
Office of Assistant General Counsel
International Affairs

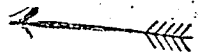
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DRAFT SPEECH

(Ambassador Williams)

Two major - fundamental - points must be addressed both by Micronesia and the United States before we can come to grips with the establishment of relations that will be acceptable, and beneficial, to us both. If these points cannot satisfactorily be resolved, our relations will suffer. One is of course the matter of "sovereignty" - the other, which in a way is related, is the matter of how we might terminate any relationship we enter into.

So much has been said about the notion of sovereignty, so much written, and the term so often used that misunderstandings and confusion over what it means as to a particular relationship are to be expected. I propose that in order to avoid any misunderstandings we reach a common view on what it means: we take the position that it means an ultimate power in the people to make the final decisions concerning their communities and their welfare. These decisions may apply to domestic matters: in particular to the management of domestic affairs through appropriate organs of government. These decisions effect the exercise of sovereignty in the domestic sense and are treated under domestic or municipal law.

Decisions may also be made as to foreign affairs - the questions of entertaining and maintaining relationships with other countries, or entering into the arrangements and means to provide for security and defense. These matters of "sovereignty," i. e. sovereignty in the international sense, are part of what we refer to as sovereignty under international law.

From the point of view of the United States and its experience in both the matters of foreign relations and security, the simplest approach would be to maintain its relationship through a territorial link with Micronesia. The legal status associated with such a relationship - which would be set out in a constitutive document acceptable to the Micronesians - would call for the Micronesians to govern themselves fully in the domestic sense which I mentioned above. They would have sovereignty once their domestic affairs - more extensive than that possessed by citizens within the United States.

Like the citizens of the several States of the United States the Micronesians would have all the benefits and advantages of the citizens of those States. But they would have more - in the sense that they would be able to govern their affairs more independently and therefore

more closely in connection with their own relatively unique interests. Such a legal status befits communities that must manage affairs differing from those common to a group of similar States. They may need differing tax arrangements, tax and subsidy incentives not available under a centralized taxing system, fiscal measures and programs that call for more attention to growth and to areas of development, differing strongly from those to be found within the States of the United States. The Virgin Islands and Puerto Rico reflect special interests of this kind, and both enjoy a commonwealth status appropriately associated with such unique interests.

From the point of view of foreign affairs and security, the United States linked with a Micronesia under commonwealth status would be able to maintain closer political and legislative connections, and hence to provide for more effective exercise of decisions relating to those two subjects. The United States would then have sovereignty in the "international sense" - mentioned earlier. But such sovereignty would not differ from that exercised over other United States territory or over the states of the United States. What would differ in the commonwealth arrangement is the increased domestic sovereignty reposed in the Micronesians over that to be found in the citizens of the United States.

As to termination of such a legal status: here lies the possibility of termination through reserving in the constitutive Commonwealth Act - the Micronesians while the right of secession can be legally prescribed in the constitutive Act by enabling the Micronesians, by plebiscite, to drop their ties to the United States and assume the status of a new nation - fully independent and sovereign. Under these circumstances, it is evident that with ultimate sovereignty - the ultimate right to decide in the Micronesian people, the matter of unilateral termination of any status with the United States resolves itself.

There are of course other possible arrangements we might enter into, but then the balance between benefits and disadvantages both to Micronesia and the United States tends to become upset. Neither of us sought to have Micronesia become a "state" within the United States at least at this time or in the foreseeable future. On the other hand, it would not be appropriate to go the other direction - securing for Micronesia at this stage in her development the standing of an independent State - prepared to enter the family of nations. However, though the "commonwealth" and territorial concept is in our view the position which most effectively brings

into balance the needs of the Micronesians to receive the full benefit of United States assistance in domestic affairs, and over her foreign affairs and security, and the needs of the United States to exercise powers consonant with such needs most efficiently, other relationships might be entertained.

One of these might be established by a form of agreement or "compact" - setting forth the procedures for its own termination as well as the reach of powers associated with defense, security and foreign affairs. Such an agreement is perhaps manageable as long as the crucial terms are carefully worked out, and clearly expressed; but the disadvantage to this kind of relationship, particularly for the United States, are the uncertainties and the looseness in the relationship which is engendered.

Such a compact if subjected to a simplified procedure for unilateral termination might in haste, or under a temporary political regime, be easily broken, and then difficult to reinstate. The United States assuming substantial burdens on its part, and subjected to these uncertainties would have little assurance that its investment in security interests necessarily embracing those

on the international plane, and its own, as well as those more specifically ascribed to Micronesia, would be secure. And unless secure the United States would be unable to exercise its part of the "bargain" effectively and yet it would at the same time suffer such uncertainties that would give us pause whether to go ahead with costly security commitments.

On the other hand Micronesia has less to gain by entering into a loose arrangement; the security to be afforded Micronesia by the United States would become less certain, the benefits flowing from other factors characterizing a Commonwealth would, under a "compact" be tenuous, and the complex interplay of effective friendly relationships between the sovereign peoples of Micronesia and the United States would be in potential jeopardy. A compact, to be sure, could cover the same area as a Commonwealth - but the fact that it necessarily envisages a looser arrangement, more readily dissolved distinguishes the two.

It is not appropriate at this time to outline the entire "package" that would characterize the relationships which we are seeking with Micronesia. However, it is evident that these would

necessarily entail not only defense and security arrangements made by the United States, but also the numerous commercial and trade features that a close relationship entails. Some "burdens" are placed on Micronesia, but there are few relationships if any that provide the benefits on a one-way street. The United States can identify the land needed - at this time - for defense and security commitments which it would be undertaking, and the areas we are seeking will be provided and I assure you they will be held kept to the absolute minimum. Moreover since the commitments necessarily include some deployment of forces and support personnel, these needs can also be indicated based upon our present assessment of security requirements under present conditions in the Pacific. Future assessments will of course depend upon the extent to which the "security" of the Pacific is upset or improved. In sum the entire "package" of security preparations will be available in our separate discussions. I am persuaded that you will find that they reflect the dominant United States interest in maintaining the Islands much as they are, respecting the balance in the environment, the use of the relatively small amount of land available, and the size of the population.

Let us now assume that we enter into a Commonwealth. What will be the nature of the relationships between us? How will they be spelled out in terms of government: the exercise of legislative and executive powers? Let me put this briefly.....

(Completion based on "inputs" from Department of State).