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ASSISTANT SECRETARY OF DEFENSE

WASHINGTON, D. C. 20301

10 MAR 1972

INTERNATIONAL SECURITY AFFAIRS

In reply refer to:
I-22031/72

MEMORANDUM FOR THE DEPUTY SECRETARY OF DEFENSE

SUBJECT: Micronesian Status Negotiations

You are scheduled for a 14 March 1972 meeting to discuss the upcoming fourth round of Micronesian status negotiations. Background information is attached.

A joint talking paper for you and Admiral Moorer is being staffed and will be forthcoming.

Should you desire further amplification on the subject, Captain Schuller (TIPI desk officer) stands ready to brief you at your direction.

Attachment

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TTP1 STATUS

1. Problem

- What are DOD's interests in the TTP1? How can they best be satisfied? What is the status of negotiations with the Micronesians?

2. Background

- The Trust Territory of the Pacific Islands includes three million square miles of the Pacific Ocean with 2,200 islands. However, they encompass only 716 square miles of land. The total population is approximately 110,000, with only 97 of the islands having resident population.
- The United States won the islands during World War II and in July 1947 the Congress authorized placing them under a strategic Trusteeship Agreement with the Security Council of the United Nations. The area was administered by the Navy until July 1951 at which time the responsibility was shifted to the Department of the Interior.
- The Trust Territory consists of six administrative districts: Marianas; Palau, Yap, Truk, Ponape and the Marshalls. Central control is exercised by a High Commissioner. He oversees an elected Congress and a largely Micronesianized executive structure. Each district is administered by a district administrator, and also has an elected Legislature.
- Micronesian desires for sovereignty and independence are rising, and UN pressures for disestablishment of the Trust are increasing. To assure protection of our strategic interests, the U.S. is striving to negotiate a permanent status arrangement with the TTP1.

3. Strategic Importance

- DOD interests are:
 - Ability to deny access to foreign powers.
 - Retention of ICBM/ABM missile testing facilities in the Marshall Islands.
 - The requirement for forward basing operations/options not on "foreign" soil.

4. Current Status

- After several Micronesian/US meetings had proved unsuccessful, the US offered, at the formal status negotiations of May 70, a Commonwealth status that was in many ways the most liberal association offer ever made by the US to a territory. The Micronesian Congress, in Aug 70, declared the offer unacceptable. They proposed instead, a form of "Free Association" that embraced four "Non-negotiable principles.":

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- Sovereignty to Micronesia.
 - Right of Self Determination on how and with whom they would associate.
 - Right to adopt and revoke their own constitution.
 - Right to unilaterally terminate any agreement.
- In short, they asked for independence subsidized by the U.S. By March 1971, new approaches to the status question had been given extensive study. At that time, the Under Secretaries Committee submitted an interagency developed status options study to the President. This study became the basis for a negotiating scenario and guidance, approved by the President on 20 July 1971. These instructions provide four Positions - an initial Position and three successive fall-back Positions (Tab A).
 - Prior to approving the negotiating scenario the President had (April 1971) appointed Dr. Franklin Haydn Williams as his personal Ambassador for the Micronesian Status Negotiations. Later, an office for Micronesian Status Negotiations was established (in the Department of the Interior) to coordinate support for the Ambassador. Arthur W. Hummel, former Ambassador to Burma, was appointed Director to this office and Captain Crowe, USN, appointed as deputy. Effective 15 January 1972 Captain Crowe became acting Director when Ambassador Hummel was transferred to another position in State.
 - During the period 3 through 12 October 1971, at Hana Hawaii, Ambassador Williams led the U.S. negotiating team in the third round of status negotiations. From a defense point of view, these negotiations produced a tentative understanding that defense land requirements, outlined in the DOD 9 September 1971 Memorandum to Ambassador Williams, were reasonable and could be met. Although the U.S. presentations avoided speaking directly to the broad "non-negotiable" principles, progress in the negotiations was satisfactory. Further, prospects for a favorable solution appear good, although several specific areas of disagreement remain to be negotiated. Chief among these disagreements is the issue of unilateral termination. The negotiations affirmed that inclusion of the Marianas in a territory-wide solution is unlikely. The Marianas clearly desire close affiliation with the U.S. and separate negotiations with them are anticipated.
 - In February 1972 Ambassador Williams provided DOD a copy of a proposed draft memorandum to the President (Tab B) in which he requests revised negotiating instructions for the next round of status talks. He asked for DOD concurrence, along with State and Interior. As explained in his proposed draft, his proposed modifications to his current instructions are changes of form more than substance. However, you should be aware that a new combination of all the ingredients involved (nomenclature, sovereignty, termination, etc.) is being proposed which has not previously been approved.

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- In short, Ambassador Williams is now asking for a new Position II which would:
 - Call the relationship with the Micronesians "Free Association," vice "Modified Commonwealth."
 - Say that sovereignty lies in the people of Micronesia.
 - Provide a carefully protective form of unilateral termination.
- All of the above facets are embedded in the currently approved four Positions, however, all three are not combined in any one Position at present. The new proposal would provide a degree of flexibility which could achieve agreement in principle at the next round of talks.
- The DOD reply to Ambassador Williams concurred, in substance, with the Ambassador's request for modification to his negotiating instructions, provided that any agreement negotiated would clearly guarantee:
 - U.S. authority over foreign affairs and defense.
 - Access to Micronesian lands to meet minimum U.S. military requirements.
 - Denial of the area to third countries for military and other purposes contrary to U.S. interests.
 - Termination procedures that would protect U.S. interests and insure that defense interests and military basing rights would survive any future change in the relationship.
- Additionally, DOD proposed a negotiating track employing a two-phase modified Position II. The recommended negotiating track was as follows:
 - Present Position I.
 - If necessary, move to the currently approved Position II. (modified commonwealth, U.S. sovereignty, unilateral termination)
 - If necessary, move to Position II as modified per Ambassador Williams' request (free association, Micronesian sovereignty, unilateral termination), but with bilateral termination.
 - If necessary, move to unilateral termination under the modified Position II.
- One final DOD provision was made. Provisions/agreement for separate negotiations with the Marianas was called for prior to falling back to the proposed new Position II modified.
- Given the safeguards the Ambassador promises to negotiate, in a worst case situation we would end up with our basic interests achieved.

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- As of this writing Ambassador Williams has not submitted his request to the President.
- The next round of negotiations will take place in Palau, commencing 3 April 1972.

Coordination:
JCS (J-5)

Prepared by: CAPT G.J. SCHULLER, USN
OASD/ISA/EAPR/X-71802
Date: 8 March 1972

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