



United States Department of the Interior

OFFICE OF THE SECRETARY
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March 17, 1972

Memorandum of Conversation with Senator Sali

9 March 1972, San Francisco

1. Luncheon meeting. Lasted over two hours. Sali relaxed and in good spirits. Our exchange was quite free and cordial, certainly one of the easiest and friendliest conversations I have ever had with him.
2. He opened by saying he was going to be in Berkeley until March 23. He would then leave with his wife and children for Palau. He said he had no plans to visit Washington although Ray Setik might ask him to go to Washington to back him up at the budget hearings. He said he would let me know if he was going to be in Washington.
3. We then began to talk about the Fourth Round. I told him who would be in the American delegation. He said that they were not planning to have any of their academic advisers present, that they would call them if they were needed. He said that in addition to Carl Heine and Paul Warnke they would have two Peace Corps lawyers Steve Miller and Mike White, and a Mr. Kluge (at present an Associate Editor of Life). He also mentioned that the two Uludong brothers would be around the hotel. He said he hoped that I wouldn't object. I said no I would not, but asked him what their role would be. He said Moses was working at the Travelodge and Francesco would be around in his private capacity, whatever that means.
4. He said his Committee would like to have a welcoming reception for us on Saturday night, April 1. On Sunday he proposed a very brief opening meeting. I raised the possibility of having the Fourth Round opened by an invocation by Father Felix. His response was immediately warm and very positive. In short, we agreed that the Sunday meeting would be ceremonial and the real business would begin on Monday, April 3.
5. I then raised the question of observers, asking him if his Committee had considered the Distad's resolution and other expressions of interest of those who felt the talks should be opened to representatives of the traditional sector and leadership. He brushed both off and said he saw no need for anyone from the Executive branch or anyone else, and that he did not take these requests seriously. I did not feel that it was wise to press the matter so it was dropped.
6. After some further talk about the site, etc., I mentioned that we were very pleased that they wished to pay for our hotel, that it wasn't necessary, and that they might wish to conserve their funds for other purposes. He said no they had the money and they wanted us to be their guests.

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I said that the gesture was what counted but that it might not be possible within my government's regulations. He said he hoped this would not be raised since they wanted to pay our bills. I said I hoped too that it would not raise problems and let it go at that.

7. We then discussed the just-adjourned Congress. In answer to my question he said it was the most productive session ever held. I said that we were surprised that the Hana talks did not receive more attention and open debate. He said the Congressional delegations had discussed the Report and the Transcript among themselves prior to coming to Palau, that there was considerable private exchange among the whole membership at Palau, and that the Joint Status Committee had met about six times. He said further "one reason why there was no real debate was the fact that the outcome of Hana talks was well known, that the issues were defined and that most of the members simply felt that open debate would not add anything new."

8. My effort to get him to open up a bit more by referring to the Joint resolution which was passed merely brought out another statement that the majority was pleased with the way things were going; that they were optimistic and simply wanted to help the Status Committee by permitting it a wider latitude in interpreting what was best for Micronesia within the general guidelines laid down by the Congress. He said at this point if the talks had not gone well at Hana it would have been a different story but the wind had been taken out of the sails of some of those who were opposed to the majority view of the Congress (Free Association).

9. We then turned to format. He suggested that at Palau he and I and Ekpap should meet from time to time as needed to discuss things in private and then report back to our respective delegations. I said I was pleased with this proposal and that it could be very helpful in moving the talks along. He said yes and that some difficulties could be avoided or resolved by this method. We agreed also on plenary sessions (on the record) and executive sessions (off the record, with the room cleared of all but the members of the two delegations).

10. On agenda, I opened by saying that we wanted to continue to discuss issues taking off where we left off at Hana. He raised no objection to this but did say that he would be sending me a memo on the agenda in a few days. I said I would be pleased to have his thoughts on the major issues to be taken up. He said his Committee would say that the major remaining issue was termination. I said well if this is the case and if we can reach agreement on Foreign Affairs and Defense, then I think we can move on quickly to other matters. He nodded and said that he thought this was possible.

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11. I queried him further on Foreign Affairs. He said we want to have some responsibilities for our own foreign affairs. He gave as an example their desire to enter into bilateral agreements for trade and foreign assistance from third countries. I said would it be acceptable to your Committee if conditions were laid down that in the foreign affairs area whatever you did would have to be consistent with and certainly not contrary to American foreign policies whether in the trade area or otherwise. He said no this requirement would be understood, that since we are thinking about an association with the U.S., Micronesia activities at the international level would naturally have to be consistent with American policies and responsibilities. He used fisheries as an example, saying that he was sure their interests and desires could be satisfied within the framework of American policy and that Micronesia certainly couldn't expect to have a policy that was in conflict with the American position.

12. I said that I was pleased with his statement and said that I hoped that we could reach a similar understanding on our defense powers and responsibilities. I said we were satisfied with the language and spirit of their 1970 Report and the precedents found in the defense provisions of the Cook Island and West Indies federation agreements. He didn't pick this up as quickly as he did the foreign affairs question. He said after a pause, I think we can meet your defense needs. He said he had personally talked with people in Palau and I am optimistic that there will be no problems. He then connected defense with termination, saying if we can reach agreement on change in status, defense matters can be settled too.

13. He then went on to say that we surprised them at Hana, that they had not expected us to recognize as we did some of their most fundamental concerns. He said we appreciated this more than we let on. However, the American position at Hana is what cooled down the atmosphere at Palau during the Congress. He said the Independence Coalition was clearly set back and very much on the defensive, despite all the loud talk by some of their members. He went on to say (much to my surprise and wonderment) "Some of us now realize that we have taken a rather narrow and selfish view. We must now recognize that the negotiations must take into account larger world-wide considerations as well as our own interests. Going on he said. "We have been taking a dog-in-the-manger attitude, but I still think our stance was a good thing because it has focused a much higher level of attention on our problems than would have otherwise been the case."

14. I said I was pleased to hear him say in retrospect that the Hana talks had had a favorable reception. He broke in and said if they had gone the other way and we were prepared to walk out, the relations between the Congress and the Administration would have been very bad and the recent session might have seen a blow-up.

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15. At this point I asked him how serious the internal divisions were as expressed by the Dominick resolution. He said that was all "Kabua," who was burned up over the failure of Pan Am and Chase Manhattan bills. He said I am not worried about the Marshalls. I then asked if the question of the Marianas was likely to come up at Palau. He said yes, perhaps near the end of the talks and that it was possible that a question would be put to me whether the U.S. would be willing to enter into separate talks with the Marianas. He said that Pangelinan and Guerrero had agreed to wait until after the Palau talks before deciding what to do. He said it was possible they would introduce a resolution asking for the consent of the Congress at the next special session in Ponape. He said that the Joint Committee had agreed to give them its blessing if, after Palau, the Marianas wanted to go their separate way.

16. Towards the end of the meeting I turned the conversation back to the fourth round by saying that I hoped that after reaching understandings on principle we could get down to the business of translating same into agreed language. I said that we might then think about a joint drafting committee for the compact. He seemed to agree and did not say a word about his draft compact. We also talked about the possibility of other joint efforts, sub-negotiations, etc. He said no date had been set for the Ponape special session, and that it could be scheduled to meet our needs. He talked as if he was expecting great progress to be made at Palau and that the post-Palau period might be used to work on sub-negotiations and a draft compact. His attitude and words were all positive.

17. Summary: Agreed (tentative) on format, issues approach, press releases (joint daily summaries, joint final communique and early joint release transcript of plenary sessions). On agenda he was quiet except for his comment on termination. I said in addition to foreign affairs and defense we thought finance and transition were important questions. On transition he said Heine has drafted establishment of office to study transitional problems and that they would like to see Craley involved. He said the constitution and compact should go to the people at the same time. I said how long did he see the transition period as being from the agreement on the compact to termination of the Trusteeship. He said from three to five years. He said most importantly we are anxious to have our political future settled. At this point I mentioned that we would soon have to get down to some hard practical questions, that a political settlement had to look forward realistically to such problems as future funding and how Micronesia's basic needs were going to be met. I mentioned the question of continued U.S. programs and services and tried softly to leave the thought with him that they shouldn't take continued across-the-board U.S. support for granted. As an example I mentioned how the real "friends of Micronesia" -- those in power in Washington -- had been active in getting U.S. legislation amended to include Micronesia. I said I hoped all of this would not go by the board as the result of the compact. This seemed to jolt him and he said it would be foolhardy of the Micronesians to want this to happen. He seemed puzzled, so I left him with his thoughts.

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18. Final summary: Towards the very end I said in a very friendly way that I was encouraged by his remarks, that we were looking forward to Palau, that we hope it will be a successful meeting. I stated clearly that how much progress we make in April really depends on his Committee's willingness to match the consideration that we had given their basic concerns at Hana. I said we too have interests that must be served and that how far we go at Palau will be determined more on what they have to say than what we will bring to the conference. His answer was an odd one and not at all clear to me. He said something like "things can be worked out so long as our 'dormant sovereignty' is recognized."

At this point the luncheon broke up. In walking out he said he brought greetings from the Committee and Bethwel Henry. He also said he hoped Margaret could be with me in Palau. All in all a pleasant two hours. He was so agreeable and so effusive at times in expressing his appreciation and heaping praise on us -- that I am just a little suspicious. Maybe he was just setting me up for a big fall. Who knows -- who knows Salii?

Haydn Williams

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