

44



EXCISE

Handwritten notes: C B1 AS, 806, 10/7, and other markings.

Department of State

TELEGRAM

CONFIDENTIAL 465

PAGE 01 150445Z

17
ACTION INT-08

INFO OCT-01 IO-12 EA-11 L-03 PM-06 SA-03 INR-06 H-02 P-03

PRS-01 USIE-00 SS-14 E-11

NSAE-00 RSC-01 OMB-01 TRSE

P 142149Z APR 72
FM CINCPACREP GUAM/TTPI
TO SECSTATE
INFO SEC DEFENSE
WHITE HOUSE

Classification stamp with fields for 'REASON(S)', 'DATE', and 'REVIEWED BY'. Includes handwritten date 3/17/82 and signature.

Vertical handwritten note: from Bureau 4-14-72

CONFIDENTIAL (SECTION ONE OF TWO) PASS TO INTERIOR/DASTA/OSN. STATE FOR IO/UNP, SPC, AND USIA DEFENSE FOR

GSD/ISA AND JCS. WHITE HOUSE FOR MR. HOLDRIDGE (NSC)
SUBJECT: MICRONESIAN STATUS NEGOTIATIONS IN PALAU
REF A: CINCPACREP GUAM/TTPI 121254Z APR 72
REF B: CINCPACREP GUAM/TTPI 121131Z APR 72

SUMMARY
1. FOURTH ROUND OF NEGOTIATIONS IN PALAU APRIL 2-13 HAS PROVIDED THE FULLEST AND MOST REALISTIC EXCHANGE YET HELD BETWEEN THE UNITED STATES AND MICRONESIAN JOINT STATUS COMMITTEE ON WHERE WE ARE UNITED IN OUR THINKING AND WHERE WE ARE DIVIDED. MICRONESIANS, AFTER FIRST TRYING TO PROMOTE WHAT AMOUNTED TO A RELATIONSHIP BETWEEN INDEPENDENT STATES, ACCEPTED OUR VIEW THAT ASSOCIATION WE WERE SEEKING WOULD RESULT IN A COMPACT FROM WHICH WOULD STEM MICRONESIAN CONTROL OVER INTERNAL AFFAIRS

PAGE TWO RUHNSAA1409 C O N F I D E N T I A L
AND U.S. CONTROL OVER FOREIGN AFFAIRS AND DEFENSE. MICRONESIANS HAD, HOWEVER, MANY QUESTIONS AND QUALIFYING STATEMENTS TO WHICH WE REPLIED BY INSISTING AGAIN THAT FULL AUTHORITY IN FOREIGN AFFAIRS AND DEFENSE

Handwritten circled number 1

CONFIDENTIAL

Classification stamp with 'CONFIDENTIAL' and other markings.

OS- 421610



DECLASSIFIED
Department of State

TELEGRAM

CONFIDENTIAL

PAGE 02 150445Z

MEANT EXACTLY THAT, AND IF THE MICRONESIANS ACCEPTED IT IN THAT SENSE, WE

WOULD BE PREPARED TO WORK OUT PROCEDURE FOR UNILATERAL TERMINATION TO SATISFY THEIR REQUIREMENT ON THAT SCORE.

2. BRIEFER EXCHANGES COVERED TRANSITION AND FINANCE. OUR APPROACH ON LATTER SUBJECT WAS AIMED PRINCIPALLY AT KNOCKING DOWN THEIR GROSSLY EXAGGERATED STATEMENT ON FINANCIAL EXPECTATIONS.

3. MARIANAS DELEGATION PRESENTED LETTER REQUESTING SEPARATE NEGOTIATIONS. WE AGREED TO DO SO. SEE REF B.

II. CHRONOLOGY

4. BRIEF CHRONOLOGICAL REVIEW WILL SUGGEST AMOUNT OF GIVE AND TAKE WHICH TOOK PLACE IN THESE TALKS. OPENING STATEMENTS (APRIL 3) OF BOTH SIDES UNDERLINED OPTIMISM ABOUT EVENTUALLY REACHING A SATISFACTORY SETTLEMENT. MICRONESIANS RESTATED THEIR COMMITMENT TO PRINCIPLE OF UNILATERAL TERMINATION OF A FUTURE COMPACT. U.S. SIDE STRESSED IMPORTANCE IT ATTACHES TO FULL AUTHORITY IN FOREIGN AFFAIRS AND DEFENSE WHICH, IF ACKNOWLEDGED BY MICRONESIANS, COULD

PAGE THREE RUHNSAA1409 C O N F I D E N T I A L

LEAD TO MUTUALLY SATISFACTORY RESOLUTION OF TERMINATION ISSUE.

5. AT NEXT SESSION (APRIL 4) U.S. SIDE MADE DETAILED STATEMENT OF ITS REQUIREMENT FOR FULL AUTHORITY IN FOREIGN AFFAIRS AND DEFENSE. WE STRESSED FACT THAT AUTHORITY IN THESE FIELDS WOULD BE VESTED IN THE U.S. BY THE COMPACT. IN FOREIGN AFFAIRS U.S. WOULD HAVE SOLE AUTHORITY OVER GOVERNMENT-TO-GOVERNMENT AGREEMENTS BUT WOULD BE WILLING ASSIGN AUTHORITY TO MICRONESIA FOR DEALINGS ON A NON-GOVERNMENTAL OR QUASI-GOVERNMENTAL LEVEL IN AREAS OF TRADE, COMMERCE, AND CULTURAL EXCHANGE WHICH THEY WERE INTERESTED IN. AS FOR DEFENSE AUTHORITY WE SET FORTH STRATEGIC RATIONALE AND SAID WE EXPECTED THIS

AUTHORITY WOULD BE GROUPED INTO THREE PRIMARY CATEGORIES WHICH WOULD GIVE U.S. (A) COMPLETE RESPONSIBILITY FOR DEFENSE OF MICRONESIA; (B) ABILITY TO PREVENT THIRD PARTIES FROM USING MICRONESIA FOR MILITARY-RELATED PURPOSES; AND (C) RIGHT OF U.S. MILITARY BASES WHICH MIGHT BE ESTABLISHED IN MICRONESIA TO SUPPORT U.S. SECURITY RESPONSIBILITIES IN PACIFIC OCEAN AREA.

6. AFTER CONCILIATORY TONE OF MICRONESIAN OPENING STATEMENT, THEIR REPLY (APRIL 6) ON FOREIGN AFFAIRS AND DEFENSE WAS DISQUIETING. AFTER

CONFIDENTIAL

DECLASSIFIED

OS- 421611



DECLASSIFIED
Department of State

TELEGRAM

CONFIDENTIAL

PAGE 03 150445Z

RESTATING - FOR AT LEAST THE HUNDRETH TIME - THEIR POSITION ON UNILATERAL TERMINATION, WHICH THEY WISHED TO BECOME EFFECTIVE FIVE YEARS AFTER THE

PAGE FOUR RUHNSAA1409 C O N F I D E N T I A L
ENTERING INTO FORCE OF THE COMPACT, THEY PROCEEDED TO DESCRIBE WHAT AMOUNTED TO A RELATIONSHIP BETWEEN INDEPENDENT STATES, WITH A FUTURE GOVERNMENT OF MICRONESIA "DELEGATING" AUTHORITY TO THE U.S. IN DEFENSE MATTERS AND WITH IMPORTANT QUALIFICATIONS WITH REGARD TO (A) WHAT CONSTITUTES A DEFENSE MATTER, (B) WHAT "STANDARDS AND CRITERIA" WOULD GOVERN DEFENSE ACTIVITIES, (C) MICRONESIAN CONSENT IF THERE ARE "SIGNIFICANT" CHANGES IN THE USE TO WHICH U.S. FACILITIES WOULD BE PUT. IN FOREIGN AFFAIRS THE U.S., AFTER RECOGNIZING THE "FUNDAMENTAL SOVEREIGNTY OF THE STATE OF MICRONESIA," WOULD BE ESSENTIALLY THE "AGENT OF THE GOVERNMENT OF MICRONESIA" IN MATTERS DELEGATED TO IT. THIS DELEGATION WOULD APPLY TO "EXTERNAL RELATIONS OF MICRONESIA WHICH BEAR SIGNIFICANTLY ON INTERNATIONAL SECURITY MATTERS," BUT THE GOVERNMENT OF MICRONESIA WOULD RESERVE TO ITSELF AUTHORITY TO NEGOTIATE AND CONSUMMATE ARRANGEMENTS ON TRADE, COMMERCE, AND CULTURAL AFFAIRS OF DIRECT INTEREST TO IT.

7. U.S. REPLY (APRIL 8) CONCENTRATED ON WHAT SEEMED TO BE FUNDAMENTAL DIVERGENCES BETWEEN THE TWO SIDES ON THE NATURE OF A FUTURE RELATIONSHIP. MICRONESIANS HAD TALKED ABOUT A "SOVERIGN STATE WITH FULL AUTHORITY OVER INTERNAL AND EXTERNAL AFFAIRS" WHICH MIGHT DELEGATE LIMITED AUTHORITY TO U.S. IN FOREIGN AFFAIRS AND DEFENSE.

PAGE FIVE RUHNSAA C O N F I D E N T I A L
THE U.S. FOR ITS PART WAS TALKING ABOUT, AND HAD BEEN DOING SO FROM THE BEGINNING, A COMPACT WHEREBY MICRONESIAN PEOPLE WOULD VEST AUTHORITY

FOR INTERNAL AFFAIRS IN GOVERNMENT OF MICRONESIA AND FOREIGN AFFAIRS AND DEFENSE IN USG. AFTER REITERATING CONCESSIONS ALREADY MADE TO BASIC MICRONESIAN INTERESTS ON LAND AND LAWS AND U.S. WILLINGNESS TO CONSULT WITH A FUTURE GOVERNMENT ON FOREIGN AFFAIRS AND DEFENSE MATTERS OF SPECIAL INTEREST TO IT, U.S. SIDE REAFFIRMED ITS REQUIREMENT

CONFIDENTIAL

DECLASSIFIED

05- 421612



Department of State

TELEGRAM

CONFIDENTIAL

PAGE 04 150445Z

FOR "FULL" AUTHORITY IN THESE AREAS OF SPECIAL CONCERN TO U.S. WE ALSO TOUCHED ON PROBLEMS OF TRANSITION - DRAFTING OF CONSTITUTION AND DEVELOPING A NEW GOVERNMENTAL STRUCTURE TO TAKE OVER ONCE THE TRUSTEESHIP IS ENDED.

8. AT SAME SESSION (APRIL 8) STATUS COMMITTEE GAVE ITS VIEWS ON FINANCE AND TRANSITION. ON FINANCE IT ASKED FAVORABLE CONSIDERATION OF AID AT THE LEVEL OF [] ANNUALLY FOR ECONOMIC SUPPORT AND [] FOR DENIAL AND BASING PRIVILEGES -- AN ANNUAL TOTAL OF [] -- WITH APPROPRIATE ADJUSTMENTS TO REFLECT POSSIBLE INFLATION OR DEVALUATION. TRANSITIONAL STEPS CONTEMPLATED INCLUDED ESTABLISHMENT OF AN EXECUTIVE COUNCIL TO TAKE OVER FROM PRESENT TTP I GOVERNMENT.

9. AT THE NEXT SESSION (APRIL 11) STATUS COMMITTEE BACKTRACKED

PAGE SIX RUHNSAA1409 C O N F I D E N T I A L SIGNIFICANTLY ON ITS EXTREME POSITION ON FOREIGN AFFAIRS AND DEFENSE, ACCEPTING THE PROPOSITION THAT THE PEOPLE OF MICRONESIA WOULD VEST SOME POWERS IN THE GOVERNMENT OF MICRONESIA AND OTHERS (UNSPECIFIED) WOULD BE VESTED IN THE USG. AFTER MAKING THIS CONCESSION, HOWEVER, STATUS COMMITTEE WENT ON TO EMPLOY EXPLANATORY LANGUAGE WHICH VITIATED PRINCIPLE WHICH THEY HAD JUST ENUNCIATED AND INDICATED THAT USG POWERS IN FOREIGN AFFAIRS WOULD BE AS AGENT OF GOVERNMENT OF MICRONESIA.

10. U.S. REPLY (APRIL 11) ACCEPTED THE PRINCIPLE DESCRIBED BY STATUS COMMITTEE THE PRECEDING DAY BUT TOOK EXCEPTION TO QUALIFICATIONS AND CAVEATS WHICH THE MICRONESIANS HAD ADDED. WE SAID THAT IF WE WERE CORRECT IN OUR INTERPRETATION, THEN WE BELIEVED THE MICRONESIANS HAD MET OUR FUNDAMENTAL REQUIREMENT FOR FULL CONTROL OVER FOREIGN AFFAIRS AND DEFENSE. IF THIS WAS IN FACT THE CASE, WE WOULD BE PREPARED TO WORK OUT A UNILATERAL TERMINATION PROCEDURE, TO BECOME EFFECTIVE FIFTEEN YEARS AFTER THE COMPACT ENTERS INTO FORCE, ALTHOUGH WE HAD SAID AT HANA, AND

CONFIDENTIAL

03150700

05- 421613



DEPARTMENT OF STATE
Department of State

TELEGRAM

CONFIDENTIAL

PAGE 05 150445Z

CONTINUED TO BELIEVE, THAT TERMINATION BY MUTUAL CONSENT PROVIDED IMPORTANT SAFEGUARDS FOR BOTH SIDES.

11. AT FOLLOWING SESSION (APRIL 12) STATUS COMMITTEE STATED ITS BELIEF THAT "GENERAL AGREEMENT IN PRINCIPLE HAS BEEN REACHED IN THE AREAS OF FOREIGN AFFAIRS AND DEFENSE," THOUGH DETAILS AND NUANCES OF
GP-4

EOT

CONFIDENTIAL

0315507030

OS- 421614



APR 19 1972
Department of State
TELEGRAM

CONFIDENTIAL 472

PAGE 01 150439Z

14
ACTION INT-08

INFO OCT-01 EA-11 IO-12 PM-06 SS-14 SA-03 L-03 H-02 P-03
PRS-01 USIE-00 CIAE-00 INR-06 NSAE-00 RSC-01 E-11
ACDA-19 GAC-01 AID-20 TRSE-00 OMB-01 RSR-01 /124
..... 039955

P 142149Z APR 72
FM CINCPACREP GUAM/TTPI
TO SECSTATE
INFO SEC DEFENSE
WHITE HOUSE

C O N F I D E N T I A L SECTION TWO OF TWO
POSSIBLE DIFFERENCES REMAINED WHICH WOULD BE BETTER EXPLORED IN FURTHER
NEGOTIATIONS ON DOCUMENTS WHICH WILL BECOME PART OF OVERALL AGREEMENT.

COMMITTEE WENT ON, HOWEVER, TO PRESENT ITS "SUMMARY OF AGREEMENT"
WHICH BACKTRACKED ON FOREIGN AFFAIRS ACTIVITIES WHICH AFFECTED IT,
AND INCLUDED A NUMBER OF "AGREEMENTS" ON AREAS NOT DISCUSSED OR ON WHICH

WE HAD EXPLICITLY DISAGREED. JOIN SUBCOMMITTEE EFFORT TO MODIFY
LANGUAGE FAILED, AND SENATOR SALII INSISTED ON CHARACTERIZING HIS
UNILATERAL SUMMARY AS MICRONESIAN VIEW AS TO AGREEMENT REACHED.

12. FOLLOWING THAT STATEMENT BOTH DELEGATIONS WENT INTO
EXECUTIVE SESSION TO DISCUSS MARIANAS REQUEST FOR SEPARATE STATUS
NEGOTIATIONS. WE READ MARIANAS STATEMENT AND U.S. REPLY TO STATUS
COMMITTEE REQUESTED THEY BE INSERTED INTO RECORD.

13. LAST DAY OF TALKS (APRIL 13) PRODUCED JOINT COMMUNIQUE
WHICH ACKNOWLEDGED THAT CMPACT WILL VEST AUTHORITY OVER FOREIGN
AFFAIRS AND DEFENSE IN U.S. AND MUTUAL SECURITY AGREEMENT IN EVENT
OF TERMINATION. TEXT BY SEPTEL.

III. CONCLUSION AND COMMENT

14. OUR TENTATIVE JUDGMENT AT CONCLUSION OF PALAU TALKS IS THAT
BOTH SIDES HAVE MOVED LONG WAY TOWARDS GENUINE ACCORD. AGREEMENT IN
PRINCIPLE ON FOREIGN AFFAIRS, DEFENSE, AND TERMINATION REPRESENTS

CONFIDENTIAL

031507030

OS- 421615



DECLASSIFIED
Department of State

TELEGRAM

CONFIDENTIAL

PAGE 02 150439Z

PAGE TWO RUHNSAA1412 C O N F I D E N T I A L
MAJOR ACCOMMODATION OF INTERESTS BOTH SIDES. MICRONESIAN CONCESSIONS
ON FOREIGN AFFAIRS AND DEFENSE SUGGEST THEY GENUINELY WANT A FINAL
ACCORD. NUANCES, QUALIFICATIONS, AND CAVEATS, NOT TO MENTION FINANCIAL

QUESTION, ALL OF WHICH THEY HAVE WRITTEN INTO THE RECORD, INDICATE
THERE ARE MAJOR, BUT NOT NECESSARILY INSOLUBLE, ARGUMENTS LYING AHEAD
OF US. OUR DEALING WITH THESE ISSUES SHOULD BE CONSIDERABLE SIMPLIFIED

HOWEVER, NOT THAT MARIANAS HAVE BEEN FACTORED OUT OF THE EQUATION.

15. SENATOR SALII HAS HAD A TOUGH TIME KEEPING STATUS COMMITTEE
IN LINE, WHAT WITH MARIANAS DELEGATION VEERING OFF IN ONE DIRECTION
AND "INDEPENDENCE" FACTION, LED BY TRUKESE, IN ANOTHER. THESE DIVERGENT

TENDENCIES NO DOUBT ACCOUNT FOR THE CONSTANT REAPPEARANCE OF QUALIFYING

STATEMENTS WHICH HAVE BEEN SLIPPED INTO THEIR PRESENTATIONS AFTER
WHAT APPEARS TO BE A PLAIN STATEMENT OF PRINCIPLE. FACT THAT
SALII HAS MANAGED AS WELL AS HE HAS IS NO MEAN TRIBUTE TO HIS PER-
SEVERANCE AND SKILL UNDER WHAT WE THINK HAVE BEEN STRONG PRESSURES
HAVING ARRIVED AT "AGREEMENT IN PRINCIPLE" HE SEEMS EAGER TO MOVE
ON TO TECHNICAL DISCUSSIONS AND DOCUMENT DRAFTING BY SUB-GROUPS
AS SOON AS POSSIBLE IN WASHINGTON, POSSIBLY BEGINNING IN JUNE. THIS
DESIRE AUGURS WELL FOR THE FUTURE IN THAT WE COULD GET AWAY FROM THE
STEREOTYPED FORMALISM OF MEETINGS WITH THE ENTIRE STATUS COMMITTEE

PAGE THREE RUHNSAA1412 C O N F I D E N T I A L
AND INTO A FORUM WHERE DISCUSSION AND NEGOTIATION OF PRECISE INTENT
AND LANGUAGE WOULD BE POSSIBLE. AMBASSADOR WILLIAMS SENDS.
GP-4

EOT

CONFIDENTIAL

DECLASSIFIED

CS- 421616