



United States Department of the Interior

OFFICE OF THE SECRETARY
-WASHINGTON, D.C. 20240

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June 12, 1972

Dear Mr. President:

I am pleased to forward to you a report on the Fourth Round of talks on the future political status of the Trust Territory of the Pacific Islands. These talks with the Congress of Micronesia's Joint Committee on Future Status were held in Koror, Palau, April 2-13, 1972. In addition to this report, a copy of which has already gone to the Under Secretaries Committee of the National Security Council, I am enclosing the official records of the meetings.

As you will see from the documents themselves, the Palau talks built on the substantial progress we had already achieved at Hana in October 1971 and produced preliminary agreement on the principles which would define the future relationship between the United States and Micronesia. These principles can be briefly summarized:

1. Authority and responsibilities of the parties will be defined in and flow from a Compact.
2. The United States will exercise authority in foreign affairs and defense. The future government of Micronesia will exercise authority for internal affairs.
3. Following an initial period when mutual consent will be required to terminate the Compact, termination on a unilateral basis will be permissible.
4. U.S. defense authority and responsibilities, as well as land leases and options, would survive any termination of the Compact.

These principles provide the framework for a final agreement with Micronesia, but the difficulty of translating these general principles into the concrete language of a mutually-acceptable Compact must not be underestimated. The Micronesians have made it clear that some of these principles

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are subject to varying interpretations which may not always be consistent with the best interests of the United States. Consequently, much hard bargaining can be expected before there is a final resolution of the status question.

One highly significant event which occurred during the Palau talks was the request of the Mariana Islands district for separate negotiations leading to a close and permanent political relationship with the United States, a tie which would make the Marianas a part of the American political family. I replied affirmatively to the request, and we are now in touch with the Marianas' representatives about separate negotiations with a broadly representative group to be appointed in accordance with a recently enacted bill by the Marianas District Legislature.

Respectfully yours,

Franklin Haydn Williams
Franklin Haydn Williams

Enclosures

The President
The White House
Washington, D.C.

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