JOINT COMMITTEE ON FUTURE STATUS CONGRESS OF MICRONESIA Saipan, Mariana Islands, 96950

Lazarus Salii, Chairman Ekpap Silk, Co-chairman June 27, 1972

Tosiwo Nakayama Andon Amaraich Bailey Olter Roman Tmetuchl Isaac Lanwi Olter Paul John Mangefel Herman Q. Guerrero

Edward DLG. Pangelinan The Honorable Franklin Haydn Williams The President's Personal Representative on Micronesian Status Negotiations Office for Micronesian Status Negotiation Old Exec. Office Bldg. THE WHITE HOUSE Washington, D. C. 20240

Dear Ambassador Williams:

Thank you for your letter of June 16. I welcome the opportunity to clarify our position in order that our work at Washington might be facilitated.

We have apparently agreed that the production of a draft Compact is the primary task which faces us at Washington. As you point out, however, there are many other matters which must also be resolved.

First, let me point out my strong objections to your continued attempts to use the Joint Communique as a basis for the drafting of the Compact. The Joint Communique was intended by our delegation only for use as a press release, and nothing more. That the precise language of a Compact has not yet been agreed upon should be obvious from our inability to reach agreement on a "memorandum of understanding", and in our delegation's release of a communique following the Palau talks; the latter much more closely represents our position than the Joint Communique.

I am agreeable to the idea of you, Bill Crow, Ekpap, and I acting as a drafting committee to draw up the Compact. Any such draft, of course, would have to be subject to the scrutiny of both delegations before it could be referred to either of our respective governments. I would expect that both your side and ours would have the assistance of counsel at all times. We will certainly need counsel ourself. With this arrangement, I see no need for the appointment of any other drafting committee.

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Your statement of the problems connected with termination appears to be a fairly accurate summary of the problems facing us there.

As you also note, the question of finance looms as a major area of inquiry at Washington. Let me take this opportunity to clarify our previous position on this question. Our position on finance was based on our basic acceptance of your position and requirements in the areas of foreign affairs and defense. Thus, we cannot accept any modification of our position on finance at this time, except in very circumscribed areas. Our request for \$100 million annually is and will continue to be based on the military rights which we propose to grant to the United States in Micronesia, as we specified at Koror. I am sure that you will realize how much this simplifies many of the problems which you fear may face us in this area, such as your repeated assertions that the closeness of the future relationship between our two governments may affect the level of support. We are not proposing "support" as such at all, but a mere quid pro quo payment. This, in turn, solves the problem of the necessity for justification of this amount before the United States Congress; since the amount bill not necessarily be based on Micronesia's anticipated needs, there can be no reason why the Congress should require scrutiny of those needs within the context of the budgetary process. As a matter of fact, our delegation will oppose any accountability whatsoever for these payments to the Government of Micronesia. We do not see the need to justify the requested amount beyond what we have already said, and said again in this letter. This position will certainly be easier for you to convey to the United States Congress. In addition to the administrative costs savings I have already mentioned, your acceptance of this approach will save our delegations the considerable time and expense involved in the implementation of your proposal for a joint study of Micronesia's financial situation.

Our position on transition also needs clarification. You understand correctly that I will propose to the Special Session of the Congress of Micronesia in August the creation of an Office of Transition, which will have day-to-day responsibility for the implementation of, the transition-from--trusteeship to self-government. Implicit in our thinking, therefore, is that the ongoing process of self-government cannot wait, either for the creation of the Office, for the drafting of a Compact, for the drafting of a Constitution, or for anything else. The development of Micronesia and

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Micronesians toward self-government is an independent obligation of the United States Government as Administering Authority, and does not depend on any other factor. Thus, we will continue to insist that the United States honor its obligations in this area. I would suggest, accordingly, that we begin to think along those lines. Specifically, we would suggest that changes, either immediate or in the very near future, would be appropriate in the following areas: Congress of Micronesia participation in the selection of the High Commissioner, his Deputy, the Chief Justice, and the Associate Justices of the High Court; 2. Congress of Micronesia appropriation of the annual United States Grant funds to the Trust Territory; and 3. a change in the law of eminent domain. There are other similar topics in this area. We believe that this proposal is entirely consistent with your assertion that "transitional steps in political, administrative, and financial areas should have a clear end purpose in mind." The end purpose is self-government, and these changes are not inconsistent with that purpose.

I also hope that our two sides will reach an accord regarding the manner in which termination of the Compact can be effected.

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Finally, I would be pleased to meet with you in Washington prior to the commencement of the Fifth Round. I expect to arrive there approximately July 7.

Very truly yours,

Lazarus Salii, Chairman Joint Committee on Future Status Congress of Micronesia

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