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DEPARTMENT OF STATE

July 15, 1972

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MEMORANDUM FOR MR. HENRY A. KISSINGER THE WHITE HOUSE

DIST: 10 S/PC U RF

Subject: U.S. Financial Assistance to Micronesia

The Under Secretaries Committee met July 13 to consider Ambassador Williams' request for authority to discuss with the Micronesian Delegation a possible level of U.S. financial support in the period following the termination of the Trustceship. Senior representatives of the Departments of State, Defense, Interior, and Justice and the Office of Management and Budget, the Joint Chiefs of Staff and the Central Intelligence Agency and a senior staff member of the National Security Council were present.

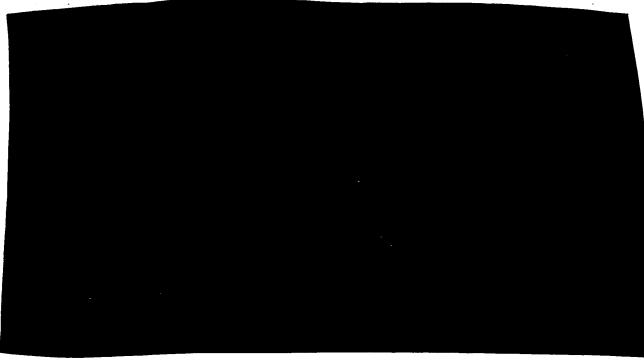
Ambassador Williams indicated that he hoped that the negotiations now in progress could produce an agreed draft compact which would define the political relationship of the United States and Micronesia in accordance with existing policy guidelines. He noted that the negotiations were now addressing a key issue of full United States responsibility in the areas of foreign affairs and defense.

stressed that he would at this point need to be able to discuss future U.S. financial support in reasonably concrete terms with the clear understanding that any agreemont on financial assistance would require subsequent Congressional approval.

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The Committee agreed that



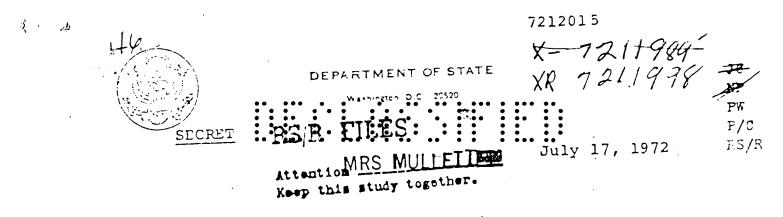
Do you believe the President would wish to have the proposal of U.S. financial support

committee? If not, in the light of the inter-agency agreement, I would propose to authorize Ambassador Williams to proceed on this basis, because the negotiations are at a point where Ambassador Williams may at any time need such authorization in order to continue the negotiations.

token-. Acting Secretary

<u>SECRUP</u>

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NSC Secretariat Memorandum For: The White House

Dist to: S/S - Mr. Platt Subject: U.S. Financial Assistance to Micronesia 10 In accordance with Mr. Platt's telephone RF conversation with Mr. Murphy, I attach a corrected page 2 of the memo to Mr. Kissinger from the Acting Secretary

on U.S. financial assistance to Micronesia (S/S 7211998).

Secretariat Staff

Attachment:

S/S: Gritt

Corrected page 2 of memo

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