



~~SECRET~~ SENSITIVE

THE DEPUTY SECRETARY OF DEFENSE
WASHINGTON, D. C. 20301

1 DEC 1972

MEMORANDUM FOR THE CHAIRMAN, UNDER SECRETARIES COMMITTEE

SUBJECT: Micronesian Status Negotiations

The Chairman of the Joint Chiefs of Staff and I have reviewed Ambassador Williams' re-assessment of the Micronesian Status question and recommendations for the next steps to be taken in the negotiating process as contained in NSC U/SM 86N of November 24, 1972.

With exceptions in specific areas, the general content of the paper presents an accurate description of the overall situation. We cannot, however, concur with the recommendation and supporting rationale with respect to Ambassador Williams' desire ". . .to complete, if possible, a draft Compact of Free Association within his present terms of reference." Such a recommendation represents a fall-back position from that taken by the United States at the sixth round of status negotiations in Hawaii. As a result of Senate Joint Resolution-117, passed by the Congress of Micronesia (COM) in August 1972, the Micronesian Joint Future Status Committee (JFSC) expressed a desire to address an Independence Option along with Free Association at the sixth round. Since Ambassador Williams did not have the authority to discuss such an option, the talks were recessed in order for the United States Government (USG) to develop a position on this subject. No change in the Ambassador's instructions or in a USG position has occurred since then. Since a USG position on Independence is yet to be developed, we believe it is premature to meet for another round of talks. Due to the multiplicity and complexity of the problem, we further feel that it will be impossible to resolve the issue prior to the COM's opening session on January 8, 1973. The pros and cons that were considered in arriving at this conclusion are contained in the attachment.

In addition, the successful outcome of any future negotiations with the JFSC is contingent upon the guarantee of the availability of minimum military land requirements, as specified and jointly agreed in Title III, Annex B, of the draft Compact of Free Association. The recent anti-military declaration by the majority of High Chiefs,

Classified by Dir, EAPR

SUBJECT TO GENERAL DECLASSIFICATION SCHEDULE OF
EXECUTIVE ORDER 11652. AUTOMATICALLY DECLASSIFIED
AT TWO YEAR INTERVALS. DECLASSIFIED ON 31 Dec 80

~~SECRET~~


Sec Def Cont No. X-5714

10-431772

~~SECRET SENSITIVE~~

Magistrates, and Legislators in Palau casts a reasonable doubt on the ability of the JFSC, with their current powers and authority, to guarantee delivery of Department of Defense minimum land requirements in Micronesia. The solution of this basic problem is considered critical prior to any resumption of talks.

We recommend, therefore, that the seventh round of status negotiations with the JFSC be held in abeyance until such time as the USG has developed a position on Independence and new instructions are provided to Ambassador Williams.


Kenneth Rush

Attachment

~~SECRET~~

10-431773

~~SECRET-SENSITIVE~~

PROS AND CONS FOR HOLDING SEVENTH ROUND BEFORE
THE INDEPENDENCE ISSUE IS RESOLVED

Pros

- Would aid Senator Salii, Chairman of the JFSC, and satisfy the desire of the pro-Free Association advocates of the Joint Future Status Committee (JFSC) to move forward without delay so that they will have a complete Draft Compact for Free Association to present to the Congress of Micronesia (COM) in January 1973.

- Majority of members of JFSC indicated a desire to complete work on Draft Compact at the Sixth Round of talks.

- US refusal to negotiate during Sixth Round may have impressed upon JFSC the fact that there are limits beyond which the US delegation will not go.

- Will maintain momentum of the talks and pattern of progress accomplished to date.

- Uses pressure of time to accelerate negotiating process.

- Would counter the influence of the pro-Independence coalition in COM.

- Important for US to work cooperatively with and strengthen position of pro-Free Association members of JFSC.

Cons

- Would represent reversal of strong position US took during Sixth Round that we could not go ahead until independence issue resolved by USG.

- Could appear as a sign of weakness and misgiving on part of US by revising position taken at Sixth Round.

~~SECRET-SENSITIVE~~

Enclosure

10-431774

~~SECRET-SENSITIVE~~

- US bargaining position on Free Association could be severely undermined and conceivably the Micronesians could view our strong desire to negotiate in December as a last ditch salvage operation, hardly the atmosphere in which to negotiate rest of compact which includes sensitive discussions on financing, land requirements, and termination.

- Independence issue far too sensitive and complex to open up on a piecemeal basis.

- Should not try to describe what an independence option might or might not entail in terms of finance or US strategic requirements without prior development and approval of a position by the White House.

- Doubtful whether compact could actually be completed since talks would resume under same conditions which led to breakup of last round; i.e., no real US position on independence and no commitment on part of JFSC to endorse results of negotiations.

- Further discussion of implications of independence in negotiating context will lead to extensive discussion by JFSC of implied or actual US position on Independence Option.

- Could lead to inflated levels of financial support due to pressure to obtain JFSC endorsement of the compact.

- JFSC, faced with newly elected COM and containing two lame duck members itself, may not be in position to complete drafting of compact on terms acceptable to US; an additional fruitless negotiating session would put advocates of free association under pressure to compromise their positions at the January 1973 COM session.

- Senator Salii has recently expressed doubts about advisability of attempting a seventh round prior to opening of the January session of the COM.

- Recent anti-military declaration by High Chiefs, Magistrates and Legislators in Palau casts a reasonable doubt on the ability of JFSC, with current powers, to guarantee delivery of Department of Defense minimum land requirements in Micronesia.

~~SECRET-SENSITIVE~~