

12/8/72

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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.

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11-432 Enclosure

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- 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.

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