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United States Department of the Interior

OFFICE OF THE SECRETARY
WASHINGTON, D.C. 20240

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12/8/72

Memorandum

To: NSC Under Secretaries Committee
Attention: Mr. Feldman, Room 7312 New State

From: Assistant Secretary - Public Land Management
Department of the Interior

Subject: Micronesian Status Negotiations

We have carefully reviewed Ambassador Williams' memorandum dated November 22, 1972, to the Chairman of the NSC Under Secretaries Committee on the subject of the Micronesian Status Negotiations. This memorandum was in response to Dr. Kissinger's November 1, 1972 request for a reassessment of the situation and a presentation and analysis of the options available to the USG at this time.

In general, we found that the November 22, 1972 memorandum to the USC did not present the full range of options available at this time to the USG. Rather, it gave inordinate attention to immediate tactical questions within Ambassador Williams' existing mandate, such as, first, whether to seek a seventh round of discussions with the Micronesians in December in hope of completing the Compact; second, how to field queries on the U. S. position on independence in such December meetings; and third, whether to send a land survey team to Palau. Moreover, we found the answers to these questions to be generally vague and non-substantive; subsequent actions will apparently be based on subjective criteria which are not made clear in the memorandum. For these reasons, we do not believe the paper presents sufficient substantive consideration of the courses of action available to the USG at this time to serve as the basis for a decision by the Under Secretaries Committee or the White House.

We are concerned in particular by the lack of serious consideration given to the important question of whether

Declassified/Released on 8/14/89
under provisions of E.O. 12356
by F. Graboske, National Security Council

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we should continue to deal solely with the Congress of Micronesia, or whether it would be preferable to bypass the Congress and seek some other solution not involving a joint negotiating approach. Indeed, the need for such consideration on our part was the principal rationale given by Ambassador Williams at Barbers Point for not going ahead with the drafting of the Compact at that time. There has, to our knowledge, been little in the way of analysis of alternative approaches made in the two months since the Barbers Point talks, despite the fact that the November 22 memorandum recommends resumption of negotiations with the Congress of Micronesia. Indeed, the only discussion of this important issue in the November 22 paper follows the conclusion stated in paragraph (9) on page 6 that we should "continue the joint approach unless it becomes clear that nothing further can be gained thereby." This basis for this conclusion is apparently that we should not risk alienating our friends in the Congress of Micronesia by not finishing the Compact. We believe that this critical issue should be considered in much greater depth, for the very reasons given by Ambassador Williams at Barbers Point.

The foregoing comments have dealt with what we consider to be serious substantive omissions from the November 22 memorandum. We wish now to turn to the two principal areas in which we disagree with the positions taken by that document.

Our first area of concern is with the general position taken on the resumption of talks in December. Although we consider this a tactical matter, as noted before, it comprises most of the paper and we are compelled to comment. We do so even though we believe the subject to be largely academic at this point, due to the passage of time.

In general, Interior has taken the position that it is to the advantage of the U. S. to have fuller discussion of the remaining issues of the Compact with the Micronesians. Interior representatives believed there was benefit to be gained at Barbers Point by discussing, for example, the level of our future financing. More recently, we expressed our support of a Seventh Round with the Micronesians, provided we were pressed to do so by the Chairman of the Micronesian Delegation. And this Interior proviso, which is not addressed in the November 22 memorandum, was added because the U. S. Delegation had taken such a strong position at Barbers Point: to take the initiative in going ahead with negotiations in December could appear to

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be a sign of weakness on our part, which would not establish a good atmosphere for negotiations.

More generally, Interior is concerned by the lack of progress since the July Washington talks in negotiating on the Compact. We believe in particular that if, as Ambassador Williams states, it is extremely important to negotiate the rest of the Compact so as to give ammunition to Free Association advocates in the Congress of Micronesia, then our lack of noticeable movement toward that objective since Barbers Point may create serious problems in the future.

Our second area of great concern is the handling of the independence question in future talks with the Micronesian Delegation, particularly if the USG has not then reached a position on independence. If we do resume talks in December, or before an independence position is approved, it is our thinking that we should avoid altogether any discussion of the independence question, except to say that we never ruled it out and are presently studying its implications. The independence issue is far too sensitive and complex to open up on a piecemeal basis, especially so because Ambassador Williams' present authority to discuss the matter is so limited. It would be most dangerous to try "to paint a stark contrast," as the memorandum suggests. Accordingly, we should not try to describe what an independence option might entail in terms of finance or U. S. strategic requirements without prior development and approval of a position by the White House.

The November 22 memorandum suggests at page 7 that we might discuss independence in terms of the conditions and limitations which would apply following a hypothetical termination of the Compact, i.e., survival of U. S. strategic position and facilities and no financial commitment beyond land rentals. We believe this course is inadvisable for several reasons. First, it draws attention to an unattractive but essential attribute of free association. Second, it implies that we would place serious conditions upon an independence offer, even before our actual position on independence is developed. Such an implication would appear to strengthen the position of independence advocates in Micronesia by assuring them that they too have a bargaining position from which they can deal to obtain financial aid from the United States.

We believe that it is important in any event to get approval of an IAG position on independence from the White House as soon as is realistically possible. From a tactical standpoint, an offer of unconditional independence would greatly benefit our negotiations on free association by providing the stark contrast we all desire. This position, which we all understand to involve some risk, could be improved somewhat if we could assure that our lease of Kwajalein would continue in any event. In that case, the risk would at least be limited to the denial aspect and options in Palau. While we cannot make any recommendations at this point without the benefit of an options paper on independence, we think this approach deserves serious study, as does an independence option with conditions attached. Further, there must be careful study of the strategy for presenting an independence option to the Micronesian delegation.

There is another area in which further study is necessary. We believe there is substantial question as to whether the Congress of Micronesia is institutionally or politically capable at this time or in the near future of endorsing an actual, concrete political status of any sort, be it free association or independence. The members of Congress have favored status alternatives in abstract, but have carefully avoided any commitment to the Compact, for example. We believe there is a basic inability to "bite the bullet" which will continue to make agreement impossible and back the Congress into the more extreme position of independence, despite our belief that there is substantial public sentiment against this alternative.

As a result, at the same time as the independence position is being developed, we believe serious consideration should be given during the next few months to ways in which we can effectively bypass the Congress and get a favorable expression of public opinion, which might indeed help the Congress make up its mind. We believe this is more feasible than before by reason of the equivocal position taken by the Congress in its adoption of SJR 117; the United States has the right now more than ever to ask the people of Micronesia what they want. Possible courses of action which should be considered include the holding of a territory-wide informal straw ballot on the various abstract alternatives, and the holding of a more formal and serious plebiscite based upon a choice of alternatives to be structured and publicized by the United States

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Government. Other similar courses of action should likewise be considered for possible implementation beginning next spring.

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