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Mr. Chairman:

I am pleased to have this opportunity to once again appear before your committee to report on the status of the Micronesian Political Status Talks.

I would like to begin my statement by reviewing a few essential background facts.

The TTPI commonly called Micronesia embraces an area of the Central Pacific larger in fact than the Continental U.S. It is made up of over 2100 islands geograpically comprising three major island groups, the Marshalls, the Carolines and the Marianas (exclusive of Guam which is a U.S. unincorporated territory). The population is roughly 115,000. The peoples of the TT vary greatly in culture, history and language. These islands have been governed by the Spanish, the Germans and the Japanese. The U.S. gained control over the area by force of arms during World War II. Following the war the remaining Japanese were repatriated to Japan.

In 1947 the U.S. on the basis of a joint resolution of the Congress of the United States assumed responsibilities for the administration of Micronesia under a UN Trusteeship Agreement. The Security Council approved its being designated a strategic trusteeship in recognition of the strategic importance of the islands in the Central Pacific. This designation gave the Administering Authority the right to establish and use military facilities in the area for the maintenance of peace and international security.

Under the Trusteeship Agreement the U.S. agreed to foster the development of such political institutions as are suited to the Trust Territory and to promote the development of the inhabitants of the Trust Territory toward self-government or independence as may be appropriate to the particular circumstances of the Trust Territory and its peoples and the freely expressed wishes of the peoples concerned.

The agreement also specified that the terms of the Trusteeship shall not be altered, amended or terminated without the consent of the United States.

In 1969 the U.S. and the COM's Joint Future Status Committee entered into discussions regarding the future political status of the Trust Territory. These talks continued through May 1970 at which time the U.S. presented a draft Commonwealth agreement. This offer was rejected in the form in which it was presented by the JCFS and the COM in a split vote.

The talks resumed some 16 months later at Hana, Maui, Hawaii. During this interim I had been requested by the President to assume responsibilities for the status talks with the Micronesians. My responsibilities are limited to the negotiations. The continuing responsibility and authority for the administration of the TTPI resides in the Department of the Interior.

I would now like to turn to the approach the U.S. that has taken to these talks since Hana, in October 1971. Rather than presenting a U.S. blueprint for the future political status of Micronesia, the U.S. sought to concentrate on those issues which the Micronesian Delegation had said were of the greatest importance to them and their future. These were: control over laws, control over land and control over change in their future status. The U.S. stated that "Micronesia's future should derive from the thought, the discussion and the will of the Micronesian people" - and that it was willing to take up those areas which the Joint Committee on Future Status had listed as being essential to any future agreement between Micronesia and the U.S. leading to the termination of the Trusteeship Agreement.

At the same time, the U.S. set forth its basic interests, against which any future agreement would be tested. They were:

- 1. The U.S. general concern for the long-term welfare of the peoples of Micronesia.
- 2. The U.S. legal and moral obligations as the administering authority under the agreement with the U.N.
- 3. The U.S. larger Pacific role and other commitments with respect to the peace and stability of the Pacific Ocean Area.

At Hana the U.S. also put forward its position on the progressive procedural steps to be taken in reaching an agreement and termination of the trusteesing. First an agreement would have to be worked out between the two delegations. Second this agreement would have to be referred to both the Congress of Micro-nesia and the U.S. Congress | and third the agreement in the end would have to be submitted to the people of Micronesia for their approval as an open and free act of self-determination.

The joint communique ending the Hana talks stated that both sides had "found the open exchange and exploration of each others point of view highly useful and both agreed that substantive progress was made in narrowing differences and in reaching preliminary understandings in some important area."

Continuing progress was made in reaching still further preliminary agreements at the next round of talks held in Koror, Palau in April 1972. In July 1972 the site of the on-going negotiations was Washington, D.C. Both delegations agreed that the time had come to translate the understandings that had been reached into the more precise language of a draft compact. After three weeks a joint draft was agreed to which incorporated the following:

1. The future political relationship between the U.S. and Micronesia would be based on a Compact of Free Association, agreed to by the COM, and the Congress of the U.S., and approved by the People of Micronesia as a sovereign right of self-determination.

- 2. That all powers and responsibilities of both parties would derive from this compact which would vest certain authority in a future government of Micronesia and certain authority in the government of the United States.
- 3. Under the compact the people of Micronesia would have full rights of self-government, including the right to adopt their own constitution and form of government.
- 4. The Government of the United States would have full responsibility and authority for matters which relate to the foreign affairs of Micronesia.
- 5. The U.S. would have full responsibility for and authority for defense.

In addition two draft annexes were agreed to by both delegations. The first outlined those areas of international activity to be undertaken by a future Government of Micronesia. They included membership or associate membership in regional and international organizations, and the conclusion of international agreements of a cultural, educational, scientific, technical and financial nature with appropriate international organizations.

The second annex concerned the right of the U.S. to use Micronesian land and waters in order to carry out its defense responsibilities. This annex set forth the minimum U.S. military land requirements.

As agreed to they are:

## 1. Marshall Islands

Within the Kwajalein Atoll, continuing rights for the use of those lands and waters currently controlled as part of the Kwajalein Missile Range.

Also in the Bikini and Eniewtok Atolls we have asked for some very minor use rights.

- 2. <u>Palau Islands</u>. Our primary requirements are in the nature of options and are fourfold:
- a. Access and anchorage rights in Malakal Harbor and adjacent waters, together with the right to acquire 40 acres for use within the Malakal Harbor area for a small naval facility.
- b. On the island of Babelthaup the right to acquire 2000 acres for exclusive use in order to build a logistics installation if required at some time in the future.
- c. Also on Babelthaup the right for non-exclusive use of an area encompassing some 30,000 acres from intermittent ground force and training and maneuvers.
- d. Rights for the joint use of the civil airfield and the right to improve that airfield to meet military requirements. This right would only be exercised if the land options just discussed were exercised.

At the conclusion of the Washington talk last summer, the Chairman of the Micronesian Delegation, Senator Salii said in the final plenary session "Our delegation believes that very gratifying progress has been made toward the creation of a new relationship between Micronesia and the U.S." He added, "At all stages of the drafting --- the tentative proposals have been reviewed thoroughly and approved by our full delegation".

Subsequently at a special session of the Congress of Micronesia in Ponape a month later, Senator Salii recommending on behalf of the JCFS approval of those provisions of the partial draft compact said "the partial draft compact represents --- an agreement which meets and exceeds all of our minimum requirements, if not our every desire." It is a "compact --- which we can recommend to the Congress and ultimately to the people of Micronesia."

This is where we stood at the end of last summer. We had made progress as far as reaching agreements with the Micronesian JCFS in a number of important areas. Our work, however, was only partially finished. Remaining agreement had to be reached in the areas of finance, trade and commerce, nationality, transition and termination. In addition further negotiations with respect to U.S. military land needs in the Palau District in particular had to be completed before signing the Compact.

With respect to termination preliminary agreement was reached at Koror last April that the Compact could be terminated by unilateral action of either party after it had been in effect of an agreed number of years. The exact number of years has not been established, and this matter along with procedural questions related to termination was left for further discussion. However, it has been agreed that the Compact will provide for a continuation of U.S. base rights and other security interests in the event of and following a termination of the Free Association relationship between Micronesian and the U.S.

In brief Mr. Chairman we have made considerable progress in reaching agreements with the JCFS but as you and the members of your committee can see our work is far from finished. Now I would like to turn my attention to the Marianas. The talks at Hana had brought out the desire of the Marianas for a close and permanent association with the U.S. This had been acknowledged by the Micronesian Delegation, and the prospect that a separate status would be negotiated for the Marianas had been openly recognized by the Chairman of the Micronesian Joint Committee. Subsequently during the Fourth Round at Koror the representatives of the Marianas on the Joint Committee officially requested separate status negotiations with the United States. In response the U.S. stated:

"As the record shows, U.S. policy as the Administering Authority for the Trust Territory of the Pacific Islands has been to develop Micronesia toward a common status upon termination of the Trusteeship Agreement and our efforts have been directed toward this end. ...

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"The further pursuit and implementation of this objective, against the expressed will of the people of the Marianas, would deny them their right of self-determination and impose upon them a future political status which they have said is unacceptable.

"Under these circumstances, I would like to state that my Government is willing to respond affirmatively to the request that has been formally presented to us today to enter into separate negotiations with the representatives of the Marianas in order to satisfy a desire which the Joint Committee has already recognized."

The Marianas' request by no means represented a new development. Time and again in the past they and their leaders had expressed dissatisfaction with the "accident of history" which after the U.S. acquisition of Guam at the end of the Spanish-American War had lumped the rest of the Marianas with the Carolines and Marshalls, first under the Germans and then under the Japanese and Americans. The people of the Northern Marianas by history, tradition, language and ethnic and family ties had been linked with Guam from time immemorial. Historically speaking they had little in common with the rest of Micronesia.

Their initial desire, expressed in a long series of votes and petitions to the United States and the United Nations, was for reunification with Guam. This appeared to be the easiest method of achieving their long sought after goal of becoming a part of the American family. Guam, however, was not so enthusiastic back in 1969, rejecting the idea of unification in a preliminary close vote. Therefore, when it appeared that the rest of Micronesia had a chance to become part of the U.S. family under the initial U.S. territorial and commonwealth proposals, the Marianas had been willing to go along. But when it became clear in the summer of 1970 that the rest of Micronesia was bent on a much looser form of free association the Marianas drew back and asked to be considered for a different and closer future political status with the U.S.

The formal opening of separate status talks took place in Saipan last December with a Marianas Political Status Commission established by a resolution of the Marianas District Legislature. Its Chairman, Senator Edward Pangelinan, is the senior Marianas representative on the Micronesian Joint Status Committee. Its co-chairman is the President of the Marianas District Legislature. The other 13 members represent a cross section of various groups and opinions in the Marianas, both governmental and non-governmental.

The meetings themselves were largely ceremonial in nature, with an opening ceremony followed by plenary and working sessions of the two delegations. The results are reflected in the joint communique issued at the close of the talks, copies of which have been made available to this sub-committee. The two delegations agreed to meet again in the spring - possibly as early as April - after the Marianas delegation had a chance to study the details of its position.

The <u>forthcoming discussions</u> will undoubtedly concentrate on three major areas:

- 1. The form of political association, i.e. whether the Marianas will have some form of modified commonwealth or territorial status or some other, which will be put to the U.S. Congress for its approval and also the people of the Marianas;
- 2. The land question: U.S. military requirements (primarily on the Island of Tinian) on the one hand, and the desire of the Marianas for return of all public trust and military retention lands on the other, together with some sort of arrangement -as yet unspecified- which will provide protection to the residents of the Marianas against the future alienation of their land; and
- 3. Financial and economic arrangements to apply in the future, whether through the extension of Federal programs or through some form of grants in aid or both. 03462

I would like to conclude my remarks this afternoon with  $\underline{a}$  few general observations before inviting your questions.

First while I have reported that considerable progress has been made toward reaching an agreement with the JCFS I must also report that the Congress of Micronesia has neither approved nor rejected our joint agreements as reflected in the partial draft compact Opposition to the terms has been voiced to the Congress by certain individuals and groups in Micronesia. Some opponents want greater future Micronesian control over foreign affairs and defense and some object to any future U.S. military presence in Micronesia. Other opponents also strongly favor having more alternatives to free association put to the people of Micronesia in the same plebiscite.

Second it is not easy to determine what the people of Micronesia really want. There are wide differences of opinion on the future political status question within Micronesia. Some want to maintain the status quo, the Trusteeship, feeling that they are not as yet ready to decide on their future. Some want close association with the U.S. and have asked that the commonwealth offer be reconsidered. Some want a looser relationship than Free Association. Some want a permanent association. Some want only a short term association enroute to still another status and some want full independence now. These differences between districts and within districts is mirrored in the Congress of Micronesia and even within the JCFS itself. This situation makes the talks more difficult both for the Micronesian delegation as well as ours.

In a political sense these islands have never been united. In fact more than one Micronesian leader has said that the major unity force in Micronesia today is the U.S. Another has said that "today there is no Micronesia - if there is to be one tomorrow we will have to create it". The U.S. has sought to find a common solution for all of Micronesia. It has acceded to the freely expressed wishes of the people of the Marianas for good reasons. The U.S. hopes that the other five districts will be able to find the basis to go forward in union toward a common future.

In this regard the U.S. since Koror has invited and urged the Congress of Micronesia to move forward with the convening of a Constitutional Convention. The U.S. has repeated its invitation to the leaders and people to begin the process of framing its own future governmental institutions, its own law-making procedures, it own concepts of division of powers, its own design for a future central government and the relationships between the central government and the district governments, its own laws with respect to land, etc.,etc.

The last two sessions of the Congress of Micronesia for internal reasons have failed to pass bills creating a Constitutional Convention. This we regret since we have advised the JCFS that regardless of the precise nature of the future relationship with the U.S., There can be no termination of the Trusteeship Agreement until a successor government to the present TTPI Administration is in place based on a Constitution approved by the people of Micronesia.

Finally and in summary, Mr. Chairman the objectives of the U.S. in these negotiations will continue to be directed toward a reasonable and equitable solution, toward a new political status for Micronesia and a new relationship with the U.S. freely entered into by the peoples of the TTPI - a solution which will best serve and protect their interests as well as ours.

Toward this end I am now in correspondence with the Chairman of the Micronesian Delegation about the next steps and the continuation of our joint effort to complete a draft compact of Free Association.

Simultaneously we will continue to pursue separate talks with the Marianas Future Status Committee leading toward an agreement which will satisfy the wishes of the people of those islands for a close and permanent political association with the U.S.

Thank You.

NOTE: No mention of

- com Resolution re: single regotiating authority.
- Termination of UN Trusteestup