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Memo

To: J. M. Wilson, Jr., U.S. DRMSN

From: AdeG., LA

Subj: Views on the compact of Free Association

During the past months there has been a growing number of criticisms directed toward the United States stemming from the partially completed draft Compact for Free Association. As a result of these criticisms, the intentions of the United States in Micronesia have been seriously challenged. This memorandum is an attempt to outline those criticisms and to clarify the distortions and confusion about the future political status of Micronesia and about the mutual responsibilities of the United States and Micronesia that will be undertaken under such a relationship.

Most of the confusion in Micronesia about the draft compact of Free Association relates to whether Micronesia will be completely self-governing. Indeed, critics of the partially drafted Compact, while focusing their attention to issues such as sovereignty and Micronesian control over foreign affairs and defense matters do admit that their preferred political status option is independence. In their view only an independence option at this time can insure that Micronesia will be able to attain a full measure of self-identity and self-government. This inherent bias underlies the sentiments that the Compact of Free Association would deny these objectives forever to Micronesia. This inherent bias also clouds the view that the change in status being negotiated by the United States is in response of the expressed wishes of the highest elective body in Micronesia, and also distorts what the Compact for Free Association is intended to provide for Micronesia in the future.

The Compact for Free Association is intended to provide an interim political status for Micronesia after the Trusteeship Agreement is terminated and is intended to provide those safeguards in international political and economic affairs that Micronesia must have to evolve towards a stable and viable government. The Compact for Free Association is being negotiated with the Micronesian political leadership to reflect both the desires of the Micronesians and the realities of international affairs that surrounded the formation for the trusteeship of these island since the League Of Nations.

The International realities play a vital role in the negotiations in leading to a termination of the Trusteeship arrangement are these: (1) Micronesia is strategically located in the Western Pacific and is militarily important to the United States and to all Western Pacific nations; (2) Micronesia has not yet attained a measured of self-government that is both stable and viable and that is capable of withstanding outside political and military intervention; (3) Micronesia is composed of a myriad of complex cultures and ethnic groups that have an inherent right for development and self-determination; (4) Micronesia does not have those abundant natural resources that could provide at this time the basic economic elements and basic revenues essential for development and for governmental operations independent of outside foreign influences and assistance. Let us see then, how the draft compact reflects these basic realities and accommodated Micronesian expectations.

Title I-Internal Government for Micronesia, has been severely attacked because it does not provide the future Micronesian government, sufficient power to control its future, i.e., the Micronesian Constitution must be consistent with the Compact of Free Association and therefore the Compact, and not the Constitution, is the highest law of Micronesia.

The United States view is that there will be internal self-government for Micronesia and that Micronesia will have full powers to attend to the internal affairs of Micronesia. The primary U.S. interest in having the Compact of Free Association have the prominent legal position that it will have in Micronesia under a future political status is that the particular responsibilities and obligations of each party are clearly set forth and must be mutually enforced. Under Free Association, the United States will continue to exercise primary responsibility in international foreign and defense affairs. The United States believes these responsibilities should not be impaired. By giving the government of Micronesia clear authority in internal matters and the United States clear authority in foreign affairs, there should be no confusion of responsibility. International diplomacy and relations require flexibility and an inherent mutual recognition between world governments of authority and ability to act in matters affecting the relationships between the governments. Provisions in the Compact of Free Association are sufficiently flexible to permit the United States

to exercise this authority, and to also permit Microensia to participate in regional and international organizations that will compliment the internal powers of Micronesia and that will promote internal development towards the establishment of a viable and economically self-reliant government for Micronesia.

Micronesian sovereignty has been a particular point of concern to many of the Compact critics, who note that under a Compact of Free Association Micronesian sovereignty would not be recognized. In response to the demand of the Congress of Micronesia, through the Joint Future Status Committee, that the United States recognize that sovereignty resides in the Micronesian peoples, the United States has in fact recognized the principle of sovereignty for Microensia. It should be noted, however, that while many Micronesian contend that sovereignty has always resided in Microensia, under international law Microensia has never held national sovereignty because <sup>it</sup> has not been self-governing. The principle purpose of the Compact is to promote a self-government for Micronesia during an interim period (the Micronesian desire a 5 year period, the United States a 15 year period) after which Microensia will have attained those attributes of self-government that would enable her people to determine whether to continue the status of free association or to opt for another political status. The United States wishes to permit the Micronesian government to develop during this interim status without outside interference and without foreign government interjecting political, military, or economic policies into Micronesian affairs.

*U.S. v. Micronesia*

Title II of the Compact relating to foreign affairs responsibilities does not, as some have attempted to note, provide a complex procedure for thwarting Micronesian interests in foreign affairs. As noted earlier, the United States is to continue to exercise <sup>over Micronesia</sup> the authorities and responsibilities <sup>U.S. for</sup> in foreign affairs. It has agreed to give every consideration to Micronesian interests. The United States has agreed that no international agreement or treaty that will substantially affect Micronesia can be applied to Micronesia unless the government of Micronesia approves. This veto power over international affairs responsibilities of the United States that affect Micronesia sufficiently protects Micronesia from any action she may feel conflicts with her primary interests. Additionally, the United States has assured, and is bound under the Compact, to give every consideration to Micronesian interests in all international negotiations that may or may not affect Micronesia. Critics note that under the Compact all international treaties and agreements entered into by the United States will also be followed by Micronesia. While this is true, the main motive as agreed to by the Micronesian negotiating team is to present uniform and consistent approach to international agreement. All should agree that the veto power over treaties substantially affecting Micronesia provide sufficient safeguards to Micronesia. Admittedly, if Micronesia were independent it could negotiate its own treaties freely and without regard to required other interests, but the Compact forms a status relationship that requires the United States to utilize its experienced diplomatic and commercial expertise to <sup>further</sup> ~~fuether~~ the interests of Micronesia in foreign affairs matters.

Defense responsibilities are a central issue in the status negotiations and Title III that outlines the authorities of the United States in this area has been severely distorted. First, there are only two areas where the United States government desires land area to fulfill its military commitment, areas in the Marshall Islands already acquired and used by the United States and areas in the Palau district. Yap, Truk, and Ponape districts will not have any connection with United States military forces except in time of war when their harbors and airfields may be used. Considering the limited size of these harbors and airfields, however, it must be realized that their use would be limited, temporary, and transient in nature, and that modern technology does not lead itself to using these areas as offensive military sites. The United States has noted in the negotiations, however, that it is primarily interested in preventing other foreign powers from utilizing Micronesia for offensive military purposes against the United States and other Western Pacific powers. Thus, the principle military motive is not military occupation of Micronesia, but of denial of military <sup>occupation</sup> ~~operation~~ to foreign military forces.

As in exercising its foreign affairs responsibilities and authority the United States must have unrestricted freedom of action to properly conduct its military authority and to enforce the denial provisions of the Compact. Although many opponents of a U.S. military presence in Micronesia base their objections on the possibility of another war in Micronesia, these same critics ignore that the primary motive of the U.S. Government is to prevent a future war in the Western Pacific. The danger of the probabilities of such a war come not from U.S. presence, but from the power vacuum that would result if the U.S. were not present,

from the strategic location of Micronesia, and from Micronesia's inability to prevent foreign powers from imposing their presence and utilizing these islands for their own hostile purposes. As in foreign affairs areas, the United States has obligated itself in the Compact to give *serious* ~~every~~ consideration to Micronesian requests for action or inaction in military matters *affecting the Microneseans*.

The remaining areas of the Compact deal with financial commitments by the United States to Micronesia and with such other major topics as commerce and trade, immigration, applicable laws, and transition procedures. No agreement has yet been reached such as in the first three Titles, but again the primary concern of the United States is the viability of the future government for Micronesia. Of these the only area discussed so far has been finance. The JFSC has proposed an annual contribution of \$100 million. In addition to this level would come payments for the use of lands in Palau and the Marshall Islands for military purposes and payments to Micronesia for denying other foreign governments the right to use Micronesia for military purposes.

The USG has attempted to insure the JFSC that future financial assistance will be forthcoming. The USG desires to insure that Micronesia will have an infrastructure system on which future economic growth can be founded, to insure that the districts will have steady source of revenues and to insure that the future central governmental operations will be sufficient to meet the development needs of the peoples of Micronesia. At the same time, however, the United States has noted

that the overall level of financial assistance under Free Association will more approximate the level of financial assistance now received by the Trust Territory and will be inclusive of all assistance. No funds will be paid for the right to deny base areas to foreign governments. Payments for the use of lands by the United States military will be made within the overall financial <sup>commitment</sup> ~~commitment~~ of the USG. The JFSC has insisted that these payments accrue to the Congress of Micronesia. The United States has not put forward any detailed method of distributing these land rental payments, but would welcome a method whereby the land owners and district governments in which the bases are located receive a substantial portion of the revenues. However, the exact method of revenue sharing is a Micronesian affair and the United States will not seek to impose one or another approach.