

United States Department of the Interior

OFFICE OF THE SECRETARY  
WASHINGTON, D.C. 20240

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Memorandum

To: Messrs. Fred Radewagan/Thomas L. Whittington - Interior  
- Captain Gordon M. Schuller/ISL/OSD - OSD  
- LTColonel William R. Kenty/JCS-J-5 -DDJ  
- Mr. Jack Froebe/RSC  
- Mr. John Dorrance/EA/RA-State  
- Mr. Charles Sylvester/JIC/UNP-State

From: Stephen A. Loftus - CMSN

Subject: Long-term U.S.-Micronesian Relations

Attached for your information is a new outline for the USC study on Long-term U.S. relations with Micronesia. The changes reflect a decision to treat all issues having a direct bearing on the negotiations with the JCFS in the second study.

Please let me know if you have any comments or questions.

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Status Negotiations

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REVISED OUTLINE FOR STUDY OF LONG-TERM ASPECTS OF US-MICRONESIAN  
RELATIONSI. Introduction

The primary purposes of the study are to review U.S. programs in the TTPI, to determine the degree to which they are supporting of U.S. interests and objectives; to examine basis policy options, and to recommend comprehensive program guidelines for FY 74-79.

II. Statement of U.S. Objectives

These would be derived from the current inter-agency studies in negotiations with the JCFS and the Marianas and related policy decisions. However, the basic assumptions underlying the 1971 NSSM should be reviewed and revised, as appropriate.

III. Evaluation of Select U.S. Programs and Special Requirements

The Interagency Group has been requested to address the following specific matters:

- (1) Substantive improvement of U.S. sources of information, especially political intelligence.
- (2) Pros and cons of alternative foreign trade and investment policies in the TTPI.
- (3) Means of strengthening the image of the U.S. in Micronesia and improving the negotiating environment for attaining U.S. objectives.
- (4) Evaluation of the following programs; in terms of the extent to which these programs support U.S. objectives: (a) The Leader Grant Program; (b) BOO public impact programs (CATs); (c) The Peace Corps; (d) OEO programs; (e) Micronization of the administration of the TTPI; (f) Public Information programs in the TTPI; (g) land programs; (h) public works; (i) economic development; (j) public education, etc.

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IV. Summary Analysis of the Major Policy Options and Alternative Courses of Action.

- Assuming negotiations are successful, recommended time-table/scenario for the termination of the Trusteeship - transitional measures. e.g., (a) modifications in the U.S. administration and administrative structure in Micronesia, assuming a separate agreement covering the Marianas; (b) the question of which U.S. Department or Agency is best qualified to implement transitional measures; (c) the main outline of transitional measures, including a time-table, e.g., the creation of a "shadow government" and its acquisition of full powers of internal self-government, vis-a-vis residual U.S. powers; (d) determination of which U.S. programs and agencies should remain during the transitional period; (e) a plan for dealing with U.N. and with other foreign policy problems, e.g., the MFN clause and foreign investment; (f) the nature and level of a formal program of "political education" - the role of the COM or other Micronesian institutions in this process; (g) economic and social measures, programs, and priorities. On the other hand, if the negotiations fail or flounder, what additional measures would the U.S. undertake in furtherance of its obligations and interests, e.g., would we delay or speed-up the shift of governmental power to the Micronesians, alter our political education policy, etc.?

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