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DEPARTMENT OF STATE AUTH. ____ REAL

Washington, D.C. 20520

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RELEASE DENTED

August 30, 1973

PA or FOI EXEMPTIONS

SECRET MEMORANDUM

Chairman, Interagency Group on TO

Micronesian Status

Department of State - Arthur W. Hummel FROM

Interagency Study on Micronesian Future SUBJECT:

Political Status Negotiations

On August 27 Ambassador Williams submitted to the NSC Under Secretaries an interagency study on the Micronesian future political status negotiations. Accompanying the study is a series of recommendations. Among these is one that requests that the Under Secretaries recommend to the President that Ambassador Williams be authorized, at his discretion, to offer an "independence option" to the Micronesians.

Although State did with some reluctance clear the study for submission to the NSC Under Secretaries Committee, we wish to note that the study is deficient in several important respects. It:

- understates the important legal, political, moral, and tactical considerations arguing for an independence option;
- understates the strains in our relationships with the political elite in Micronesia, and over-emphasizes the political role of the so-called "silent majority" and second-echelon leadership of Micronesia;
- overstates the possibilities for again testing the 1970 Commonwealth proposal; and
- -- overstates the strategic importance of Micronesia in general and of the Palau options in particular.

For all of the above reasons, State has found it necessary to footnote the study in many places,

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and to annex to the study separate position papers on (a) the independence question, and (b) the strategic importance of Micronesia and of the Palau options.

Of particular and immediate concern, however, is the wording of the study recommendation on the use of an independence option, and the language in the draft negotiating instructions on that option. In essence, it is recommended that Ambassador Williams be given full discretion not only on when but also on whether an independence option will be offered to the Micronesians. State believes that this recommendation is inadequate, and not fully reflective of the study's consideration of the legal, political, tactical, and moral factors arguing for an independence option.

We do agree that the Ambassador, because of tactical considerations related to the status negotiations, should have discretion with respect to timing and manner of initial presentation of the independence option. But we strongly disagree with the language of the draft negotiating instruction which also provides full discretion as to whether an independence option will be offered.

We believe that the study and the State annex on the independence question make clear that an independence option must be offered in a Micronesian act of self-determination to: (a) maximize the prospects for a stable and enduring free association relationship through early resolution of the independence question; (b) fulfill UB obligations under the UN Charter and Trusteeship Agreement; and (c) best assure UN approval of termination of the trusteeship agreement. The importance of the latter requirement is detailed in the study, and again in the State annex on the independence question.

State therefore urges that the language in the draft negotiating instructions (Page 14 of draft instructions) relating to the independence option be replaced with the following:

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"In addition to the negotiated free association compact, and possibly other status arrangements that might be appropriate, Micronesia's ultimate act of self-determination should include an independence option. That option will be qualified only by retention of U.S. basing rights in the Kwajalein atoll in the Marshall Islands, and by denial of access to Micronesia by third countries for military purposes. The manner and timing of discussion of the independence option, within the context of the Micronesian status negotiations, is a tactical consideration to be determined at your discretion."

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