

# Negotiators Drafting Micro Pact

Gannett News Service

WASHINGTON — U.S. and Micronesian negotiators, taking advantage of the apparently harmonious atmosphere surrounding the seventh round

of their status talks here, may finish drafting a "compact of free association" by late next week.

Both sides have said that the working sessions, now concentrating on the question

of financial support for the Trust Territory under its proposed new relationship with the United States have been moving smoothly. The Micronesians, who receive about \$60 million a year in

congressional appropriations through the Interior Department, have proposed a \$100 million financing package, about half of which would be lent, in effect, for the U.S. leasing land for military security there.

The U.S. negotiators believe \$100 million is a lot to swallow, but U.S. spokesmen say the climate of discussion currently is such that a successful compromise is likely.

As a condition of opening round of talks last week, the U.S. agreed to return to local control ownership of "public lands" in the six island groups of Micronesia, although the U.S. would not own any of the land under such an arrangement, it is understood that the Defense Department would lease some of it for bases.

The negotiators met Saturday morning and afternoon to pursue their discussions of financing question. Spokesmen described the sessions as productive. Drafting committees resumed work Monday and members of both teams said they expected only a one-week break for thanksgiving. There was a good chance of meeting Friday and possibly Saturday before heading into next week.

Besides the money issue, there also are the questions of transition into the "free

association" relationship and the terms under which such a compact could be dissolved.

There is no official deadline for completing this round, but a separate round of negotiations with the Mariana Islands is scheduled to start Dec. 6 on Saipan. The pressure of preparing for those talks is having an impact on attempts to bring these discussions to a head soon. U.S. officials hope to start leaving for the Marianas talks in two weeks and want to be cleared up here in time to go.

The negotiations with the Marianas also involve the questions of a new relationship with the U.S. How it will be financed, and the likely use of land on Tinian for military purposes.

U.S. Ambassador Franklin Hayden Williams and Sen. Lazarus Salii of the Micronesian Congress are the leaders of the respective negotiating panels. Their private meeting Friday, which led to the busy sessions Saturday, was generally believed to be a sign that the talks were progressing and that morale on both sides is high.

Other officials of Micronesia, including High Commissioner Edward E. Johnston, are also funds from Congress for the islands.