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ASSISTANT SECRETARY OF DEFENSE  
WASHINGTON, D.C. 20301

17 APR 1974

In reply refer to:  
I-3361/74

INTERNATIONAL  
SECURITY AFFAIRS

MEMORANDUM OF CONVERSATION

SUBJECT: Visit of Ambassador Haydn Williams, the President's Personal Representative for Micronesian Status Negotiations, with Deputy Secretary of Defense Clements (U)

Participants: Deputy Secretary of Defense - William P. Clements, Jr.  
President's Personal Representative for Micronesian Status Negotiations - Ambassador Haydn Williams  
Deputy to the President's Personal Representative for Micronesian Status Negotiations - James Wilson  
Director, East Asia & Pacific Region, ISA - RADM T. J. Bigley

Time: 1105-1150, 9 April 1974

Place: Secretary Clements' office, Pentagon

1. Ambassador Williams reported on his successful meeting at Carmel, California, during the period 1-5 April with a Micronesian delegation to discuss the remaining issues of the Compact of Free Association prior to scheduling a possible 8th round of formal negotiations. Ambassador Williams said that the Carmel session was set up because of the breakdown of formal talks in Washington last November. The Micronesians at that time had put forth financial demands which the United States could not meet. Since the November talks, the Congress of Micronesia had formally endorsed the Micronesian position and the outlook for the Carmel talks was not bright. However, the attitude of the Micronesians at Carmel was a complete reversal from last November, and a spirit of cooperation and appreciation for the United States' position was evident from the outset.

2. Ambassador Williams reported that a financial settlement was agreed upon as well as the termination provisions for the Compact. It was agreed that the Compact may be terminated at any time by mutual consent of the Government of Micronesia and the Government of the United States. The Compact would have a fifteen-year effective period. Financial arrangements for the transition period between now and the end of the trusteeship were also agreed. This transition period would last for six years at which time the fifteen-year term of the Compact would commence. During a period of two years prior to the effective date of termination set forth under the provisions of the Compact, any District in which a majority of the voters had voted against termination shall be given the opportunity to negotiate with the United States with respect to that District's future political

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status. Upon the effective date of termination, if an agreement has not been concluded with respect to the future of the political status of any such District, the Compact shall continue in full force. It was further agreed that before the Compact could be terminated, a mutual security agreement between the Micronesians and the United States would have to be established. Ambassador Williams pointed out that this was quite a remarkable change in the Micronesians' former position which had been a unilateral termination option.

3. Ambassador Williams believed that the change in the Micronesians' position since November is attributed in part to their assessment of the considerable economic assistance they could derive until 1997 from the association with the United States, and also that the threat of the Marshalls or Palau opting for separate negotiations similar to those granted the Marianas gave the time advantage to the United States and not, as some had advised him before the Carmel talks, to the Micronesians. In summary, Ambassador Williams stated that we came out of the Carmel talks with all of our minimums met and there was no question raised by the Micronesians regarding our military land requirements in the Palau or Marshall Districts. He did caution, however, that the Micronesian delegation would have to clear these agreements with the entire Joint Committee on Future Status which is scheduled to meet 17-18 April, and although he did not expect a rejection of the Carmel agreement, anything could happen in Micronesia. Assuming approval by the Joint Committee this month, the prospects for a successful 8th round of formal negotiations looked good.

4. Ambassador Williams also informed Secretary Clements that he would meet with the Marianas group on 15 May for another round of those talks. He stated that agreement on status had already been reached with the Marianas, but the big issue remaining is the land requirements and proposed base on Tinian. He also stated it would not be easy to relocate the people from the town of San Jose, and that in discussions he already had with Senator Jackson, the Senator indicated he would oppose relocating the people against their will. Secretary Clements suggested a plebiscite be conducted on this issue. Ambassador Williams said it was the plan to do this later on, after the broader issue of land requirements was settled. Ambassador Williams said there was an anti-military campaign under way to turn the minds of the Tinians against the U.S. presence and the majority of the anti-military were Americans. He said there will be some difficult negotiations ahead on the military land requirements.

5. Ambassador Williams provided a draft of the Carmel agreement which he asked Defense to review before it is put in final form. Secretary Clements congratulated Ambassador Williams on his accomplishments and said that Defense would carefully review the agreed draft.

Memorandum of Conversation  
Prepared by: RADM T. J. Bigley

Approved by: [Signature]

Date: April 17, 1974

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