

DRAFT:JMW:1:4/26/74

MEMORANDUM FOR THE RECORD

CARMEL TALKS ON MICRONESIAN STATUS
SECOND MEETING, Tuesday, April 2, 1974
(10:00 a.m.)

Participants:

Micronesia

Senator Sali
Congressman Silk

United States

Ambassador Williams
Mr. Wilson

Ambassador Williams opened the substantive discussion by asking Sali what he considered to be the highlights of the recently concluded session of the Congress of Micronesia. Sali said the first major item was the constitutional convention bill, which had finally passed with a series of amendments. He had opposed some of these personally - the early June date for election of delegates in particular - but had not felt it expedient to oppose them publicly for fear of endangering the bill itself. Silk said the June date was necessary in the Budget Committee's view in order to avoid losing the funds the end of the fiscal year (NOTE: this makes no sense-JMW). Sali also was of the opinion there were too many delegates. He felt the convention itself should not be held until next spring (April) after the new Congressional elections and after the Congress had met in regular session. Meanwhile an intensive program of political education was required. He had already been in touch with the Education For Self Government task force to see what could be done.

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Salii observed that the failure of the House to pass the public land legislation bill was a major disappointment, but he hoped this could be remedied in the special session of the Congress requested for September/October. - Silk blamed part of this failure on the late arrival of the Senate Bill in the House, Salii replied that both houses had started the bill at the same time but the House had waited until the Senate finished. The only really difficult problem he could see was Ataji Balos' insistence on deleting the eminent domain powers of the central government. Wilson said there were other features of the Bill as it had partially emerged which gave us serious difficulties as well, among them the handling of military retention land, the treatment of prior claims, and the delay in completion of military land negotiations until after the Compact of Free Association had been approved in a plebescite. On the latter score, Ambassador Williams reminded Salii of what had been said in previous sessions about no signature of the Compact until U.S. land requirements had been met. He asked what the sentiment was now for having the public lands returned by Secretarial Order rather than COM action. Salii thought it would be preferable to wait and see if the Congress would not pass an acceptable bill in the special session.

Another failure in Salii's opinion was the Congressional inaction on revenue sharing which had resulted in the subsequent resolution of the Marshalls' Nitijela asking for

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separate status negotiations. He felt, however, that the Marshalls could still be brought back in and indicated the COM leadership was prepared to compromise on the revenue sharing issue at least to the extent of a 30-40 per cent return to the districts. Indeed the Senate would be prepared to go along with 50%. Silk, indicating he was prepared to support the COM action on the whole issue, said Donipick would settle for 30-40 per cent in the House. Silk said further that Congress had purposely delayed action on the allocation of funds to the districts this fiscal year in anticipation of the passage of some sort of revenue sharing bill and that all this could now be handled in the special session. (NOTE: this was a different line from that taken by Silk with Ambassador Williams the night before when he had indicated the Marshalls were serious about separate negotiations and that his own personal preference was for the Marshalls' line, suggesting that the Marshalls might in fact prefer not only separate status but a status closer to the U.S. than that being considered by the JCFS).

Ambassador Williams observed that the U.S. position on the matter had not changed from what he had said publicly last May in Majuro and that Mary Trent had just reaffirmed this in a letter to Andon Amaraich in reply to the letter's query on this score. Sali suggested that a positive official U.S. public statement would be very useful. Ambassador Williams said we continued to hope the Marshalls and Carolines would find it possible to stay together and we would continue

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