

-- Letter (Attachment 2 to Enclosure 2) of 11 April 1974 from Ambassador Williams to the President which reports on the progress in the latest round of informal talks held in Carmel, California with Senator Salii.

DISCUSSION:

- It is recognized that the agreements reached at Carmel with regard to termination and the survival of US defense interests exceeded the letter, but not the spirit of Ambassador Williams' current negotiating instructions (15 year unilateral termination and 99-50 year survivability of defense rights). However, under the Carmel agreement, US defense interests and the survival of such interests should be reasonably protected because the Compact of Free Association could be terminated only by mutual agreement during the first 15 years. Thereafter, it may be terminated unilaterally with a two year waiting period during which time both parties would be committed by the Compact to negotiate a mutual security agreement which would embody the military rights and denial as set forth in the Compact. The security agreement guaranteeing the survival of US base and denial rights would have to be concluded before termination of the Compact could become effective, thus in effect making termination possible only by mutual consent after the first 15 years also.
- The subject correspondence to the President basically supports the views and interests of the Defense Department. However, there are certain concerns of the Defense Department which are reflected in the attached proposed memorandum (Enclosure 1) to the Chairman, USC which should be included in the proposed USC memorandum to the President (Attachment 1 to Enclosure 2).

(U) RECOMMENDATION: That you sign the attached proposed memorandum with attachment (Enclosure 1) to the Chairman, USC which provides the Deputy Secretary of Defense and the Chairman, Joint Chiefs of Staff concurrence with the subject correspondence to the President provided that certain important concerns of the Defense Department are included in the proposed Chairman, USC memorandum to the President.

Amos Jordan
Assistant Secretary of Defense (ISA)

John
Director, Joint Staff

Chairman, Joint Chiefs of Staff: Approved [Signature]
 Disapproved _____

Deputy Secretary of Defense: Approved W.P. Clement 1 MAY 1974
 Disapproved _____

Enclosures
a/s

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