DEPARTMENT OF STATE

Washington, D.C.

June 21, 1974

I should also note that

MEMORANDUM

PM - Mr. West CT

PM/ISO - Jonathan D. Stoddar FROM

SUBJECT: Your Meeting with Ambassador Williams

Friday, June 21, 11:30 a.m.

You have agreed to meet F. Haydn Williams, the President's Special Negotiator for Micronesia since the spring of 1971. Ambassador Williams is two-hatted. When he is not engaged in trying to extract us from the UN Strategic Trust we hold for Micronesia (also known as the Trust Territory of the Pacific Islands or TTPI), he is President of the Asia Foundation located in San Francisco. Haydn Williams served as Deputy Assistant Secretary for Policy Planning and NSC Affairs in ISA under Jack Irwin and Paul Nitze from 1958 - 1962. For what it is worth, he is also a close personal friend of mine dating back to our ဋ္ဌ graduate days at the Fletcher School of Law and Diplomacy 5 in 1946.

Williams has by any objective standard one of the most complex and thankless negotiating tasks imaginable. only redeeming feature is that his efforts and problems have been only marginally visible and unpublicized, except for a small body of people here, in DOD and the Department of Interior who have been involved in the TTPI problem.

As for background. In view of strong political pressures from the (UN Committee of 24, etc.) and from within Micronesia itself, and to a secondary extent from the Hill, the President decided in early 1969 that we should disengage from our strategic trust arrangement and in lieu of same offer the TTPI some form of associated Commonwealth status with the U.S. I should add that the TTPI has been administered since World War II by the Department of the Interior in a singularly maladroit fashion. As Williams himself has said on several occasions, our policy in the TTPI can best be characterized as one of not "benign" but "criminal neglect."

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Considerable interdépartmental fissures emerged as soon as Williams proceeded into negotiations with the TTPI in DOD has taken a consistently tough line that the islands were vital to US security interests and that the first priority in the negotiations should be assurance that all DOD contingency land requirements for basing would be secured concurrent with acceptance by the TTPI of denial of their real estate to third, and presumably hostile, parties. DOD at the same time consistently has been most unreceptive to picking up any of the quid costs associated with conversion of the TTPI from Strategic Trust to Commonwealth Status. Within the Department, PM's view (usually shared by EA) has been that the DOD land requirements were over-inflated and the strategic rationale advanced by DOD on why the TTPI is the first line of our continental defense murky at best. IO has been persistently concerned with the UN implications, I think overly so at Interior has compounded the negotiating tableau as its focus basically centers on its Congressional constitu-There are a number of key Congressmen on the House and Senate Interior Committees who recall the blcod spilled at places like Saipan in World War II and who generally are supportive of DOD's thesis that our security interests are paramount. Ergo, up the status quo.

Williams has just returned from Saipan, having concluded a successful round of negotiations with the Marianas Islanders who seceded de facto from the other five districts of the TTPI over a year ago. The Marianas have been willing to accept Commonwealth status while there is considerable and growing sentiment in the other 5 districts for independence. Fortunately, the Marianas contain the essence of DOD's contingency base right requirements, primarily on the island of Tinian. The communique of the recent talks which is attached amplifies on these requirements. It is of interest to note that we have tentatively agreed to provide the Marianas \$13.5 million a year over the next 7 years. Not a bad subvention for 12,000 people; \$1,000 per capita.

I suggest you make the following points to Ambassador Williams:

- 1. Thank him for coming by to brief you on an area heretofore most unfamiliar to you.
- 2. Say that you understand that the recent round of negotiations in Saipan went exceedingly well. You might also ask for his assessment as to the future scenario for concluding the Marianas negotiations.



3. Along the same line, ask for the Ambassador's views on the prospects for negotiating a satisfactory arrangement with the other 5 districts of the TTPI. In this connection, are DOD and the Navy in particular still insistent on negotiating extensive contingency land requirements at Palau?

Morton Dworken and I plan to sit in.

Attachments:

Recent Communique plus map.

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CC: PM - Mr. Sloss Mr. Brown