

POSITION PAPER

TALKING POINTS ON TRANSITION MATTERS

If a chance to discuss transition matters arises during the Guam talks, I suggest that you sound out Salii and his colleagues regarding the following problems:

1. Timing of the constitutional convention, the constitutional referendum, and the status plebiscite.

Recommend you stress the desirability of having a COM approved compact of free association prior to convening of the constitutional convention in order to provide proper framework for consultations deliberations and to avoid any possible conflicts. Note that ideally results of the status plebiscite should be available to the convention, but this not possible unless convention delayed. Question, would the leaders of Micronesia reconsider the timing of the convention to permit people to vote on status prior to drafting constitution?

Comment - Consensus at staff level - (3rd study WG) - is that it is in best interests of the U.S. to get Micronesians to decide status issue prior to attempting to grapple seriously in a constitutional convention with explosive constitutional issues. There are some real dangers in coupling referendum with status plebiscite, e.g., aside from possibility that convention will abort, traditional leaders may rebel against certain provisions of the proposed constitution thus causing spill-over into status area in one or more districts. Also, chances of convention reaching agreement first time around are not good. Several years may be needed for the leadership to reach a compromise on the major issues confronting the convention, and any substantial delay in getting the people to vote on a COM approved status

agreement might jeopardize its chances of gaining popular approval, either as a result of a reaction to a prolonged campaign of political education or by providing additional time to those opposed to association to exploit the ambiguities or alleged disadvantages of the draft compact.

2. If Salii reacts favorably to the idea of postponing the convention, suggest you recommend following as optimum schedule:

- a. Completion of draft compact by no later than.....Jan '75;
- b. COM approval draft compact by end next regular session..1 March '75
- c. Organization joint U.S.-Micronesian Commission on Transition..3/75;
- d. Initiation joint or cooperative program of political education..3/7
- e. Status plebiscite.....Aug-Sept '75;
- f. Stage I of transition period commences.....Sept '75;
- g. Full Constitutional Convention convenes.....Oct '75;
- h. Constitution referendum.....April-May '76;
- i. Capital of Micronesia relocated.....June '76;
- j. Organization of new Government of Micronesia in accordance with terms of the constitution and bilateral transition agreements.....July '76;
- k. Stage II transition commences.....July '76;
- l. U.S. Congressional review and approval of compact.....1976-77;
- m. U.S. action in U.N. to terminate Trusteeship.....1978;
- n. U.N. approval.....1978-79;
- o. End of Trusteeship.....June 30, 1980.

If he balks, suggest you recommend that further thought be given to scheduling plebiscite before the constitutional referendum - i.e., prior to end 1975.

3. Status choices to be offered.

Recommend you explore with Salii and the others the pros and cons of simple yes-no vote on compact of free association, citing general expectation that plebiscite will include at least two choices - draft compact of free association or independence. Express view that Salii formula might result in those favoring a closer form of association with U.S. to vote with those favoring status quo, independence or a looser agreement. Also, suggest you point out that international reception of vote (U.N. acceptance) likely to be negative unless it is made clear that independence now is one of several options available to the people as an alternative to free association.

Comment - Even DOD - staff level- now supports including qualified independence option as tactic to increase chances of obtaining favorable vote for free association in plebiscite. Salii two-stage formula tied to referendum is generally regarded by staff here as "non-starter" - too risky in view of the divisions in the electorate over status quo, commonwealth, free association and independence. They feel that best tactic is to isolate the independence advocates, i.e., force those in favor of Commonwealth or status quo to vote for free association or abstain. But there may well be other means of accomplishing this same objective.

4. Funding of Transition studies.

If Salii raises the matter of a special U.S. grant to meet the costs of hiring a firm or consultants to do development planning, suggest you remain non-committal or recommend that the COM work something out on a cost-sharing basis with the TT Administration. Fallback, suggest this matter be put to the Commission on Transition for recommendations.