

# Micronesian status talks collapse over the pot of gold at rainbow's end

*From a Washington correspondent*

The seventh round of talks on Micronesia's future status, which opened in Washington (DC) on November 13, closed abruptly, but without rancour, in the second week.

Senator Lazarus Salii and his team from the Congress of Micronesia's Joint Committee on Future Status, and President Nixon's personal ambassador Mr Franklin Haydn Williams heading the United States delegation called it a day when they deadlocked. They couldn't bridge a \$40 million gap between what the Micronesians want in future US aid and what the United States is prepared to give.

The islanders wanted \$100 million a year—later cut to \$80 million. Ambassador Williams offered only half that. And neither side would budge. The United States contingent was prepared to shelve that problem for the time being, and tackle some of the other portions of the draft compact of free association, but Senator Salii laid the whole future of the talks on the line.

"We cannot usefully proceed with the discussions of the remaining sections of a compact of free association until this gap is substantially narrowed," he said.

There was all round disappointment. Before the talks opened, it was known it would be a long haul. Some even thought the talks wouldn't start because of the Palauan land problem, but the two teams, with the support

of five Palauans, who had been invited to give their views on American proposals for the return of the land, soared over that hurdle. The United States agreed to return the land immediately and then talk with the title holders through the Palau legislature about the US need for some of the land for "defence purposes". The Palauans, after obtaining a few concessions, mainly dealing with hand-over and land administration procedures, agreed to the proposals.

Everybody, Senator Salii included, was optimistic about a successful and speedy ending to the talks. "Now that the land question is out of the way," he said ". . . there is no reason that this task (the drafting of the compact) cannot be completed in a short period of time."

But they quickly discovered that 40 million American greenbacks were reason enough to put a spoke in the wheel.

For several days behind closed doors, the two sides argued about how much money would be needed to run Micronesia after the Americans relinquished the trusteeship job.

The Micronesians, at first, stuck to their guns fired 18 months ago in the talks at Koror when they asked for an overall figure of \$100 million annually for the first 10 years plus the spending on existing federal programmes earmarked for the territory.

America, apparently, was silent over this until the seventh round of

talks had begun when they produced a figure of between \$40 million and \$41 million a year for the six districts of Micronesia plus the cost of the federal aviation administration and the postal and weather bureau services.

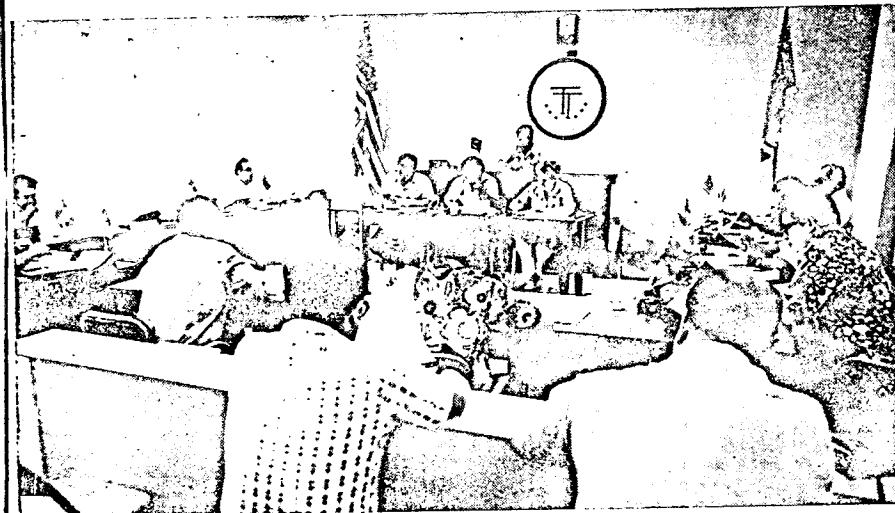
That shook the Micronesians who, when the United States' team refused to budge, drew their horns in to the extent of \$20 million along with a "significant diminution in the federal programme."

There was no significant reaction from the home team so the Micronesians presented alternatives which contained a neat piece of blackmail. The Micronesians said, in effect, "The payment you propose is totally inadequate to justify the degree of continuing association between us. If you don't pay what we ask then we must revalue the nature of our association and contemplate a significant curtailment in the degree of authority to be delegated to the United States in foreign affairs and defence."

In the existing compact, full authority is given to the United States "over all matters which relate to defence in Micronesia", and this includes "rights and uses in the lands and waters" and the "exclusion of any other country from the right to conduct military activities or establish military facilities," the suggestion being that anything less than the original compact would give the Micronesians the right to invite other powers to establish bases in the territory. The Americans couldn't possibly wear that one.

Another turn of the screw suggested that the Micronesians, without the payments demanded, couldn't afford the intimacy of a continuing relationship which would be close and lasting but which restricted Micronesia's ability to attract investment from other countries and the creation of profitable trade relationships with other countries. Maybe, they had Japan in mind. The inference was obvious—Pay what we ask for

*The Congress of Micronesia . . . how will it react to the breakdown in the talks?*



or we invite other countries to the party."

The Micronesians said they were prepared to continue negotiations "on the assumption of a lower level of financial support" but it would have to be recognised that the status to be developed "would be one of far looser association than that which we have thus far envisaged."

To give the Americans full rights over defence matters and over military land would be giving too much for too little return, the Micronesians argued, and then asked the United States to present a new proposal before the Joint Committee had to report to the next session of the Congress of Micronesia which opens on January 13.

"In the absence of some proposal from you which affords such promise, it will be the responsibility of the committee to advise Congress that talks on free association have proved to be unproductive, and that some other course should now be considered," was the Micronesians' final shaft.

Ambassador Williams was obviously a disappointed man when he replied for the United States.

He had hoped, he said, that they could have shelved the financial problems and got down to agreeing on the remainder of the compact, but failure to do so, he conceded, was due to "honest conceptual differences."

It was obvious that the ambassador was fighting a rearguard action when he revealed that, although the



When 40 families, exiled to the island of Rongerik and later to Kili from their home on Bikini Atoll, return to their nuclear-bombed home, they will find these new houses waiting for them. Forty houses, built of concrete with iron roofs, toilet, laundry and cooking outbuildings and a large water-catchment tank, were scheduled for occupation by Christmas. Representatives of the Bikini people approved the design and inspected the completed dwellings during a special visit in November.

Joint Committee had agreed that in the transition period before the end of the trusteeship, Micronesia's expenses would be lower than at present, America was prepared to finance them at the current level and pay a fair market value for the use of public land.

Then came a surprise. That money, he said, added up to \$43 million, a figure considerably higher, proportionately, than the figure of \$40 million to \$41 million quoted by the Joint Committee for the six districts because it was for only five districts.

Which looks as if the Joint Committee was being pressed, at a price, to agree to separate status for the Marianas. And that total did not include for major projects which the United States intended to complete before the trusteeship ended.

The American offer, the ambassador pointed out, provided for steady forward progress in government services and a gradual movement towards greater economic self-sufficiency and economic independence.

But the Joint Committee's figure of \$100 million for six districts would lead Micronesia to greater dependency and away from its stated goal of self-sufficiency.

"We feel that the figures you presented and the justification are unconvincing," he said, and then did a little screw turning himself by adding, "The willingness of the US to commit itself to continuing financial support to a future Micronesia would depend on the nature of the relationship. You have recognised that what you might expect under alternative forms of future association are very different things indeed. At one end of the scale is commonwealth or membership of the American family with all its obligations and benefits including the widest range of federal programmes and services. At the other end is independence with no US financial obligations."

But the ambassador softened towards the end of his speech and left the door open with, "I hope that we will keep in touch over the next weeks. Our objectives will not change. We will continue to seek a proper way to end our trusteeship over the TTPI in a manner consistent with our legal obligations and our moral commitment to the people of Micronesia."

Earlier in the piece Senator Salii, breathing the air of optimism engendered when the land obstacle was so quickly hurdled, said Washington's weather was a bit too cold for their warm blood and they could be assured the Joint Committee was prepared to wind up the session in the shortest possible time.

It looks as if the Micronesians will have to endure more icy winds before the compact is completed.

## NIUE'S BOUQUET FOR NEW ZEALAND

*The usual brickbats thrown at colonial powers in the United Nations Trusteeship Committee meetings turned into a bouquet for New Zealand when Niue Island's Leader of Government Business, Mr Robert Rex, appeared before the committee on November 27.*

*For more than 70 years, Mr Rex said, New Zealand had "treated us Niueans with kindness, respect, generosity and forebearance". He and his compatriots were very fortunate people in having a friend in New Zealand.*

*Mr Rex did throw a brickbat, however, when he said: "Many of my people severely criticise New Zealand and the United Nations for deliberately trying to push Niue into self-government."*

*But, he said, for practical reasons of survival in a world getting smaller by the day Niue had voluntarily given up independence to become part of New Zealand.*

*They had agreed a formal act of self-determination should be conducted next July or August. The outcome should lead to a self-governing Niue in free association with New Zealand by the end of 1974.*

*The Niueans were looking forward to receiving a United Nations mission to observe the referendum.*

*Mr Rex and two other members of the Niue mission Mr Young Vivian, of the executive committee, and Mr Terry Chapman, clerk of the Legislative Assembly, were introduced by NZ Ambassador Malcolm Templeton, who told the committee that "Niue has New Zealand's assurance that Niueans will remain New Zealand citizens and that economic assistance will continue".*