



OFFICE OF MICRONESIAN STATUS NEGOTIATIONS

Washington, D.C. 20240

January 11, 1974

DRAGG ST
#19
02
5,7

DECLASSIFIED/RELEASED
ON JUN 27 1985 UNDER PRO-
VISIONS OF E.O. 12356 BY
KINGS D. R. DOLAN, USA
SPECIAL ASSISTANT, OMSN

UNCLASSIFIED
SECRET

To: Ambassador F. Haydn Williams, The President's Personal Representative
For Micronesian Status Negotiations
From: Adrian de Graffenried, Legal Advisor

MICRONESIA AND FRAGMENTATION

Issues

1. Has the fragmentation momentum in Micronesia reached such magnitude as to require a U.S. policy decision?
2. Is the fragmentation process in Micronesia inevitable?
3. Is it in the interests of the United States to permit or encourage fragmentation of Micronesia's five remaining districts?
4. If not, should the United States actively block further fragmentation momentum?

Background

Historically, Micronesia has been divided and divisive. This has been due partly to the natural ethnic and lingual diversity (over 9 separate languages) and partly to vast distances separating these culture groups. In no small measure this diversity has been encouraged by lingering cultural perspectives that emphasize island identification and the closed extended family system that in turn reinforce a suspicion of non-islanders. Despite improved outer-island transportation, there is today little political, economic, or social inter-action between districts. Local perspectives are no less rigidly held today by the separate ethnic groups than a hundred years ago as is reflected in (1) the reluctance to marry "off-islanders"; (2) the closed ethnic system which discourages, and in cases prohibits, "off-islanders" from engaging in local business ventures; (3) local discriminatory social and political treatment of "non-local natives"; and (4) the prejudicial and chauvinistic attitude towards non-local customary practices and values.

OMSN-49
03-411525

These local perspectives and attitudes still predominate at all strata of Micronesian society. The Palauans are universally regarded as being too pushy and competitive, they eat sea slugs and are too dark skinned; the Yapese are held in low esteem by being primitive and unsophisticated, they chew bethel nuts and are half-dressed; the Marianas are viewed as being too American and are resented for having sold out their culture and are also regarded as too passionate and ill tempered; the Trukese are viewed as hostile and domineering, they eat termite slugs; the Ponapeans are viewed as lazy and interested in personal pleasures; and, the Marshallese are recognized as being too economically powerful and too self-centered.

Outer islanders of each district are viewed as inferior to the major atoll natives; they are considered children, naive and simple. The older generation still retains the strength of cultural prejudices, but the younger generation has had the opportunity to form new perspectives as a consequence of greater interaction with students from other districts. Yet, there is still friction and rivalry among students at the Micronesian Occupation Center, the Community College of Micronesia, and similar central training centers. Open confrontation between locals and off-islanders is not uncommon and in some instances this has resulted in homicide and acts of retribution, with the ultimate consequence of heightening local tension between competing ethnic groups within a district. Growing insecurity about individual and extended family economic security, loss of cultural values and behavioral guideposts, future political status, and local roles in a new government of Micronesia reinforce a growing tendency for Micronesian cultures to look "inward", to promote and protect local cultural values and political power on the local scene and vis-a-vis the other districts, and to heighten discriminatory practices against "non-island" peoples and interests present within the district.

Decentralization and Micronization of the administration of the TTPI has made its own contribution to fragmentation. It has permitted local views to openly surface and challenge policy of the central government. Currently, local administrations are being forced to share more power with, or at a minimum to consider, local power groups which have their own perspectives of local economic and social objectives that do not parallel Micronesian unity. As new opportunities arise for increasing local economic or political strength, local power groups will push for a larger, more influential role, albeit that individual opportunities often are in the forefront of such moves.

Thus, fragmentation is as much a consequence of historical cultural attitudes as it is a result of growing insecurity about the future political and economic roles of the peoples of Micronesia. These two forces combine to generate a new "national", or perhaps more descriptive - a new "district", attitude that continues to push local issues to the forefront of local concern while at the same time undermining Micronesian unity. The greater the insecurity about the future, the larger the momentum for fragmentation becomes.

I. Discussion

1. Has the fragmentation momentum in Micronesia reached such magnitude as to require a U.S. policy decision?

The factors outlined in the Background section underlie recent political and social movements by individual ethnic groups towards further fragmentation. The factors contributing to fragmentation have reached a level that warrants a U.S. policy decision on future courses of action both for the future status negotiations and for the administration of the TTPI until the Trusteeship is terminated.

SECRET
UNCLASSIFIED

The request of the Mariana Islands district for separate political status negotiations and the United States acquiescence for such talks has acted as a new incisive factor. The request was no doubt anticipated by the political elite of Micronesia. However, these leaders have worked hard in private and public forums to block the Marianas separatism. It can be expected that overtures by the Congress of Micronesia (COM) will be made to the Marianas leadership to persuade them to terminate their separate status talks and remain with the larger Micronesian political family. Failing this, the COM may initiate legislative or legal action to test the legal basis for separate Marianas negotiations. Nevertheless, the separate talks have generated sufficient interest for other local districts to examine their own future in the Micronesian political family. The failure of the COM to prevent separate negotiations may convince other interested districts that they may be successful should they pursue their own status objectives separately.

The Marshall Islands District Legislature has created a local political status group. It has not pursued separate talks, but has informally sounded out the U.S. on whether it would be receptive to this move. It is now holding the status group in abeyance. The Marshall Islands decision arose primarily over a dispute with the COM on the distribution of revenues owed the COM but collected locally. The Marshalls have threatened to initiate formally their own status talks should the COM fail to allocate at least 50% of all locally collected revenues to the district from which they were derived. While the Marshallese leadership, particularly Amata Kabua, has in the past expressed their desire to affiliate with Nauru and the Gilbert and Ellice Islands, it was only recently confirmed that these desires were more than speculation. It is

UNCLASSIFIED
SECRET

~~U~~SECRET A S S I F I E D

noteworthy that the Prime Minister of Nauru is a close relative of Kabua and their business relationship over the past two years has grown. Nauru has now established or is seeking to establish air and sea commerce ties with the Marshalls as well as local business ventures in trade and wholesaling. Senator Olympia Borja recently reported

that the Marshalls were indeed serious in seeking separate status negotiations, and more importantly, not necessarily with the United States. Such a request may be forwarded to the U.S. during or at the close of this January session, depending on COM receptivity to revenue sharing proposals of the Marshall Islands leadership.

On the other extreme of Micronesia, Palau has continued to maintain informal social and economic ties with their former administering authority, Japan. Most recently, the Palau district legislature requested Government of Japan assistance in road construction and also received assurances of financing for construction of the Babelthaup-Koror Bridge from private Japanese businessmen. Japanese economic penetration into the district is extensive at all levels - marine resources, wholesaling and retailing and construction, and the local and Congressional leadership frequently serves to make these investment possible. The traditional leadership is also becoming increasingly connected to these influences. Frequent visits are made by the Reklai and Ibedul, as well as COM and district leaders, to Japan for undisclosed reasons. More recently, liberal Diet members in Japan have made overtures to the traditional Palauan leadership; they have also voiced their desire for the Government of Japan to take a more active interest in Palau and Micronesia, especially as relates to war claims. Following the Marshall example, the Palau District Legislature created a separate status commission in 1972, and empowered it

~~U~~SECRET A S S I F I E D

SECRET
UNCLASSIFIED

to examine Palau's role in a future GOM and to examine other governmental systems in the South Pacific and East Asian areas. The group was led by Senator Tmetchul, a leader for Micronesian (and more recently Palauan) independence. The report of that group has not been publicly released, but reliable information indicates that local political interests will certainly use the commission as a vehicle to (1) insure a prominent position in the future political power structure of Micronesia, or failing to assure such a role, to (2) press for a loose confederation of semi-autonomous entities with a weak central government of structure so as to enable each district, and especially Palau, to exert maximum local self-government. It is not inconceivable that the fragmentation process could witness the Commission as a vehicle for encouraging independence after termination of the Trusteeship Agreement. The local political and economic power groups in Palau are particularly interested in maintaining their Japanese ties and their new local roles.

At the geographic center of Micronesia, Truk has the most potential for discord and divisive action on Micronesia. The district is the center for the Micronesian independence movement, and Truk has consistently maintained powerful, sophisticated Micronesian leadership in the COM, that in turn decisively influences all major COM legislation. Truk's high population ensures its dominance of power in any future GOM. Truk, however, has yet to openly address its role in the future GOM, although it does favor Micronesian unity and a strong central government. Privately the local leadership seems assured of favorable treatment for Truk through continued economic development and through local ties with prominent Japanese business leaders, which resembles but is not to the same extent as the Palauan leadership. Internal political rivalries appear to have the attention of the local people,

UNCLASSIFIED
SECRET

U N S E C R E T A S S I F I E D

and factions of the independence movement are making a strong bid to retain their power in light of new challenges from commonwealth and free association advocates. Much of this conflict derives from traditional power conflicts and is yet to be resolved. If fragmentation gains momentum Truk may shift dramatically towards whatever status best protects local power groups. This in turn would make unity difficult for Micronesia.

Yap and Ponape appear to be undergoing their own local internal reassessment of their political futures. Both districts still retain strong vestiges of cultural power and influence and both recognize their potential loss of influence in a future GOM that does not retain a strong central government which would incorporate an opportunity for equality of treatment in policy determination and distribution of revenues. Currently, the traditional leaders appear to be making moves to strengthen their control over local politics. This in turn strengthens advocates of strong district governments at the expense of a strong unifying central government. These districts make insignificant political contributions to the COM and to the internal revenue collection system. Their small population base does not contribute more than token representation in the COM and consequently is a primary source for their lack of political power in the Micronesian political circles. At the same time, these areas do not hold the same potentials for economic growth and for diverse reasons are not amenable to exploitation of their natural resources or potentials. Yap cultural perspectives preclude tourist development which is Yap's major potential for growth and self-sufficiency because it lacks abundant arable land and marine resources. Ponape has agricultural and tourist potential but is too remote from market sources for realization of full economic development. Yap and Ponape may determine that fragmentation is desirable if

U N C L A S S I F I E D

SECRET

411531

UNCLASSIFIED

they become convinced that the more populous centers (Truk, Marshalls, and Palau) will not accord them ample protections against political abuse and will not permit equal access to the policy making process or to GOM revenues. The greater their uncertainty about their roles, the greater potential for local interests to dominate political issues at the expense of their unity with the other districts. If the COM or the future Constitutional Convention does not allay these fears, these two districts may opt for their own status talks with the United States for assurances of continued growth and development, although they would prefer to remain associated to some degree with the Micronesian political family.

Thus, it appears that there is a built-in fragmentation process in each of the districts and a fragmentation process attached to actions of the COM. These are self-generating, although it is accurate to say each is influenced to various degrees by both historical and recent political perspectives of one another and by local political, social, and economic objectives. Given the current political atmosphere and developments arising from separate status negotiations with the Mariana Islands and from increasing rivalry between the districts as a consequence of TTPI decentralization and Micronesian processes, it would appear that the fragmentation process warrants a U.S. policy determination on how best to approach the issues involved and how best to protect U.S. interests in Micronesia.

2. Is the fragmentation process in Micronesia inevitable?

While the fragmentation process in Micronesia appears well established, the COM still plays a determinative role in whether the momentum will become uncontrollable. It has become the focal point for the new Micronesian political and economic elite that have become increasingly more identified with

UNCLASSIFIED

local interests while professing Micronesian "unity". A decisive move towards fragmentation by the leadership in the forthcoming session of the COM as a consequence of local pressures could lead to quick moves by several districts to further their separate status objectives and could lead to rapid disintegration of the little political and economic cohesiveness that remains as a consequence of the U.S. presence and enforced control over the central government.

The COM will be confronted by highly sensitive issues this January session.

Among those issues are: (1) transfer of public lands; (2) distribution of COM revenues; (3) Marianas separatism; (4) the GOM constitutional convention; (5) chartering district governments and establishing more self-government (for the central vs the district governments); (6) review of the Seventh Round of status talks and policy decisions regarding future talks; and (7) foreign investment. These topics may result in such pressures on the COM from the district levels to protect local interests that the broader more unifying objectives may be lost. Similarly, failure by the COM to protect local interests may convince the district leaderships of the bias and impotence of the COM and may result in actions by the district leadership to continue to strengthen local initiatives and interests despite COM objectives.

The transfer of public lands to Micronesian control will undoubtedly serve to exemplify the diverse Micronesian approaches and objectives to each district leadership. This new awareness could add to the fragmentation process if the COM does not satisfactorily enact the appropriate legislation. The distribution of revenues will serve to illustrate the inequitable use of revenues and the comparative contribution each district makes towards the central government. These issues should demonstrate the relative district strengths and weaknesses especially in light of COM statements for a self-sufficie

UNCLASSIFIED

SECRET

GOM and may reinforce local insecurities about their future roles in the GOM. As the discussion expands, each district may move to preserve the status quo to protect a continuance of influence in policy determination and flow of COM revenues for local projects, which would in turn force the Marshall Islands to take steps to protect its revenue sources and to seek separate status talks. The COM constitutional convention will be the first instance where all local leaderships will gather to express their local objectives and plans for a future GOM. This exposure to diverse and divergent objectives could reawaken historical cultural suspicions and antagonisms that could lead to an unproductive convention or to further fragmentation by insistence upon a "Federation" of semi-autonomous Micronesian political entities. Because Micronesia works on a consensus system for resolving outstanding issues, each district will be asking others to make concessions for its interests. Yet, each will be asked to make concessions for the preservation of Micronesian unity. The failure to identify a sufficient number of common interests among the districts and the failure to fashion a sufficiently flexible but cohesive central structure may make Micronesian unity only a distant vision. Marianas separatism is uniformly opposed in the COM, but impotent action by the COM may reassure other similar minded districts of their own ability to engage in separate status talks.

The opening of Micronesia to foreign investment may result in increasing competition between districts for this new source of capital. It may also contribute to increasing local competition, to widening the gap between rich and poor, and to local disenchantment and disorientation as foreign investment reduces local competition and increases local dependency on the foreign capital for employment. This could result in moves by non-elitist local groups to preserve local interests. Foreign investment will inevitably find it necessary to assure local stability

SECRET
UNCLASSIFIED

for their capital investments by exerting increased influence over local power groups. This could in turn increase local nationalistic pressures and attention to matters of purely local concern.

Added to this factor is the increasing tendency of the COM to politicize issues and to act in such a manner on them so as to force the TTPI administration to either accuiese to the COM and lose further influence and initiative over Micronesian issues and actions, or to confront the COM on these issues, but on grounds established by the COM. This confrontation approach has been utilized by the COM in the past to gain time and leverage vis-a-vis the TTPI administration and to redirect local pressures from the COM to the administering authority. It has also served to "unify" Micronesia against a common enemy. If local pressures on the COM on key topics listed above prove unbearable, the COM may again choose to politicize the issues. This could result in forcing the TTPI to adopt actions that reinforce unification objectives at the expense of local interests so as to add to the fragmentation momentum by alienating local districts in handling the issues to their dissatisfaction. Considering the diversity of local interests involved in each issue, it would appear that the TTPI action could not serve as a unifying factor except for a commonly shared dissatisfaction of TTPI action. It would rather result in local leaderships moving to protect strictly local interests outside the COM framework.

The intensity of the fragmentation momentum is also related to the disenchant~~ment~~ with local conditions - economic, social and political. From the Micronesian view, these conditions have been purposely fostered by the TTPI through its administrative policies and personnel so as to keep Micronesia dependent on the U.S. The growing Micronesian insecurity complex continues

UNCLASSIFIED
SECRET

to contribute to a suspicion that U.S. policy is designed to promote Micronesian disunity and undermine self-sufficiency. Conversely, each advancement in the political, economic or social life of Micronesia is viewed with suspicion as an attempt by the U.S. to implant American values and standards on the Micronesian people. The more complex these issues become the greater the disorientation and frustration at local levels. This can but only add to local moves to strengthen local culture and traditional values and objectives at the expense of the larger issue of Micronesian unity.

Additionally, local status commissions will continue to serve multifunctional purposes apart from status issues. These commissions serve as a focal point for nationalistic-minded groups and as a source for diverting attention away from other controversial issues in the district legislatures. They permit local leaders to enhance their prestige and visibility among the local population. The commissions could serve as levers with the district administration of the TTPI by serving as a reminder of potential separatism from the Micronesian political family. It does not appear likely these commissions will be dissolved in the near foreseeable future as their existence serves several purposes and evidences local concerns about the districts' role in the future GOM.

The momentum towards Micronesia fragmentation appears to be at a crucial stage. Should the COM fail to play a decisive role to assuage local fears should the Constitutional Convention in establishing the future GOM structure fail to provide sufficient cohesiveness, and should local concerns and ethnic pride continue to grow, then fragmentation may grow with its own uncontrolled momentum.

3. Is it in the interests of the United States to permit or encourage fragmentation of Micronesia's five remaining districts?

In addressing this issue, it is essential to determine whether U.S. objectives can be met under fragmentation.

A. Continued ability to deny access to Micronesia by foreign powers for military purposes.

Fragmentation of Micronesia into separate political entities could result in some districts opting for an independent status (Palau and/or Truk) or some districts seeking political relationships with other foreign powers (Palau and/or Truk with Japan; the Marshall Islands with Nauru and/or the Gilbert Islands). This strategic objective would not therefore be met unless the United States obtained assurances of those districts that the areas would not be open to military forces of foreign powers. This might be accomplished after the end of the Trusteeship by a separate defense treaty or agreement; by unilateral declaration of the U.S. objective; by joint agreement establishing those areas as "neutral"; or by agreement with the foreign powers with which the district will be associated that the areas will be utilized only for non-military purposes. Those districts most likely to opt for independence or association with other foreign powers have informally endorsed a neutrality status for Micronesia, and have also recognized that the introduction of foreign military forces could lead to a confrontation in which the local district will exert little or no control, a poignant reminder of the consequences of WW II which they wish to avoid.

B. Continued access to the military facilities on Kwajalein Atoll.

The Marshall Islands District derives over 95% of all local revenues from U.S. activities on Kwajalein Atoll. It is unlikely that the district will precipitate action to interrupt this flow of revenue. It is a more likely consequence that the Marshall Islands might seek methods to insure

the continued presence (perhaps enlarged) of the military on the atoll and to seek methods to increase local revenues from the activity by lease renegotiation and through increased local taxation. It is unlikely the local leadership would attempt to replace the U.S. presence with another foreign military power because of the ever present reminder of the effects of WW II on the islands and of U.S. power as was demonstrated in nuclear tests in the district.

C. An ability to project and support U.S. military power throughout the Western Pacific.

If the U.S. is assured of denial rights as postulated in (a) above, then this objective should seem no less attainable. The vast airlift and fleet capacity of the U.S. should enable a continued protection of U.S. activities through and in this area if events so require. In essence, hostile activity against the U.S. in situations requiring U.S. presence in the area should be expected under any future political status if a foreign power determines it is essential to their objectives. The requirements for a continued U.S. military presence would, of course, have to be met; these are set forth in the U.S. land requirements. U.S. land agreements would be met as a precondition to U.S. agreement to the status sought by the various districts. Since only the Marshall Islands and Palau are involved in these requirements, it should be assumed that the U.S. will meet no greater obstacle to use and obtain areas under a separate status than will be required under a free association status.

D. A stable, friendly, and peaceful Micronesia.

The future stability of Micronesia may be fostered by formation of a loose confederation of independent or semi-autonomous political entities.

The highly complex demands of self-government may prove too difficult for a

UNCLASSIFIED

new GOM under a strong central government. Indeed, recent public positions by the leadership of the districts and of the GOM indicate a desire to form a weak central government structure and strong local governments and a desire to form a Federated state of Micronesia. Federation after a full fragmentation would be a more clear and concise definition of what appears to be a growing consensus of Micronesian objectives. The early intervening years after termination of the Trusteeship will no doubt witness a growing degree of local insecurity and ensuing nationalism by the individual districts that would work against a closely unified Micronesian political family. On the other hand fragmentation and separate status relationships would enable each diverse ethnic group to establish the degree of closeness and the type of relationship with the U.S. which it now perceives in its best interests and would avoid the necessity of compromising diverse local objectives for a unified approach in a future political relationship with the U.S. This would remove a major obstacle to consensus government in Micronesia and would provide a degree of security and stability to each district to enable it to approach a future GOM on more equal footings. This in turn should promote more internal harmony among the diverse districts and enable them to identify and promote common interests more readily.

E. A continuing close and amicable relationship with Micronesia to protect U.S. interests elsewhere in the Pacific.

Consensus politics as practiced in Micronesia requires the compromise and sacrifice of some district interests to promote the continued harmony of all districts. Growing island identification and a desire to protect purely local interests will serve to make consensus government all the more difficult to maintain. Micronesia is less likely to maintain a continuing

close and amicable relationship with the U.S. under circumstances where the GOM is forced to take positions vis-a-vie U.S. interests as a result of attempts to promote and protect all the diverse interests of the separate district governments. The most recent example of this is found in the demand for the transfer of public lands as promoted first by the Palauan traditional leadership and subsequently endorsed by the JCFS which resulted in similar demands by the remaining districts and in some opposition by other power groups, i.e., Truk independence groups. It is not inconceivable that strong local interest minded groups would exploit U.S. desires for continued unity and harmony. The groups could require U.S. action to meet a purely local interest demand that may conceivably be opposed by other districts. This would place the U.S. in the difficult position of acting to promote a single interest so as to alienate the remaining districts or to refuse and prompt the individual district to take extreme action, i.e., immediate independence and separation from the other districts. Continued harmony and amicable relations between a future GOM and the U.S. would appear to be better insured by establishing stable, individual relationships with each district and by enabling these districts to then establish their own inter-relationships. This is similar to England's relations with U.S. colonies prior to the separation from England and to the subsequent formation of a single national entity, which initially was itself a confederation of separate interests and objectives. This approach would nevertheless require patience and flexibility by the U.S. Government and an ability to maintain sufficient common, identifiable interests with all the districts to facilitate a uniform approach to general U.S. interests while tailoring these interests to meet specific, individual district objectives.

F. Satisfaction of U.S. objectives relating to termination of the Trusteeship Agreement.

The primary thrust of the Trusteeship obligations is to promote Micronesia toward self-government and self-sufficiency. Satisfaction of these obligations should be made by successful conclusion of political status negotiations or failing this, recognition of a newly formed internal Micronesian government by the United States. This, of course, is dependent in no small measure upon the willingness of the COM or the individual districts, with which we are or will be negotiating, to concur in the terms of their new political status and to be assured that their status objectives have been met. Fragmentation would permit each district to more readily visualize and accommodate its own goals and status objectives. Fragmentation and the resulting separate status relationships each district would negotiate would, in the final analysis, be a true reflection of the desires and endorsement of the people and should satisfy the Trusteeship obligation to promote "self-government or independence as is appropriate to the circumstances". It is nonetheless true that U.N. approval of separate status relationships would be difficult, especially in light of the U.N. expressed desire for Micronesian unity. However, that position runs contra to past Trusteeship experiences (i.e., the Cameroons) and to the U.N. Charter to promote self-government and self-determination for dependent peoples. More importantly, a keystone to U.S. foreign policy is the desire to promote and protect self-determination in developing countries. Fragmentation and separate political status objectives of the individual districts would be acceptance by the U.S. that each district has its own separate political, economic and social goals and that it has, to no less degree than the Marianas, a right to pursue those objectives through separate political relationships.

UNCLASSIFIED

It would therefore appear that U.S. objectives and interests in Micronesia could be adequately met if fragmentation results in a multi-status situation provided the U.S. could obtain adequate protection for its national interests by defense treaty or agreement with the individual entities.

Among other factors to consider in determining whether it is in the interests of the U.S. to permit or encourage fragmentation of the five remaining districts is the complexity involved in conducting separate status talks simultaneously and the time factors required. Undoubtedly, simultaneous separate talks would delay termination of the Trusteeship agreement. However, it would also permit the U.S. to fashion political relationships with each separate group on a more concise scale of the value of that relationship and would permit the U.S. to take advantage of the delay to implement a more productive development and political education programs.

Fragmentation would also enable the U.S. to avoid having to assure equal financial and development programs to each entity. It could permit the U.S. to encourage closer ties with some districts than that which is now contemplated under free association and permit the more radical districts to establish their own objectives but within a relationship with the U.S. that assures complete satisfaction of the U.S. objectives.

4. If (fragmentation is not in the interests of the U.S.), should the United States actively block further fragmentation momentum?

Fragmentation would not be in the best interests of the United States if U.S. objectives in Micronesia were not satisfied. However, it appears that these objectives could be satisfied, albeit through extended negotiation with the separate district entities. A more important issue is if the fragmentation process is against the interest of the U.S. what could the United States do to successfully inhibit or block the movement? The U.S. could, of course, refuse to undertake separate negotiations with any other district and should the district then undertake separate talks with other foreign nations, the U.S. could persuade those nations to refuse separate talks by utilizing the Trusteeship mandates. Consequently, it would seem that political association by districts with other foreign powers could be prevented, but this would certainly not work to establishing more cordial and stable relations between that district and the U.S. over the long-run as it may be viewed as an attempt by the U.S. to impose its own national objectives at the expense of the district aspirations. Furthermore, a district could opt for complete independence and no political relationship with other foreign powers. The district could obtain financial assistance without incurring excessive foreign obligations and could thereby insure a desired level of continued economic and political growth. While the Trusteeship Agreement could be used by the U.S. to block such moves, for all practical purposes blocking independence of a district would require forceful U.S. intervention and occupation which would in itself generate local animosity against the U.S. Political repercussions would seem to prohibit active U.S. encouragement for fragmentation absent a request by a district for separate political negotiations with the United States and would prohibit active U.S. action to block a natural course of fragmentation beyond a refusal to negotiate separately with other districts.

It therefore appears appropriate for the U.S. to permit a natural course of fragmentation, but only after assuring that U.S. objectives can be met.

Conclusions

It would appear that the fragmentation process has become self-generating and an inevitable consequence of historical diversity between the various ethnic groups. Fragmentation appears to have little relationship to whether or not the individual districts are within a common political relationship with the United States. Indeed, the free association relationship envisions that the internal affairs of Micronesia are strictly a Micronesian affair, but was fashioned in contemplation that a unified Micronesia was in the best interests of both parties. This fact is no less true today; however, the fragmentation process may negate that premise. Moreover, the U.S. could not successfully block fragmentation prior to termination of the Trusteeship other than by a U.S. refusal to terminate the Trusteeship Agreement if fragmentation occurs. A refusal by the U.S. to engage in other separate negotiations would temporarily postpone full implementation of fragmentation. Furthermore, implementation of a political status agreement that is common to all the remaining districts may not be successful if upon termination of the Trusteeship the districts later fragment. In such circumstances, U.S. objectives and interests may even be jeopardized absent forceful U.S. action to safeguard the common agreement provisions relative to U.S. interests. The major issue appears to be - how to utilize fragmentation to the best interests of the United States.

Recommendations

1. The United States should not actively promote further fragmentation. Such a move may otherwise be interpreted as an attempt to divide and weaken

UNCLASSIFIED

Micronesia to the advantage of the United States objective and may be met with more radical moves by the COM and Micronesian leadership.

2. The United States should continue to emphasize the importance to Micronesia to remain united and should continue to promote those development projects and programs which while increasing the potentials for social, political, and economic development, contribute to greater inter-relationships between the districts.

3. The United States should not rule out separate negotiations with other districts. However, a request from another district made for separate negotiations should not be accepted at this time. Attempts should be made to persuade the district to attempt to resolve its disputes with the COM and other districts at the forthcoming Constitutional Convention.

4. If the Constitutional Convention does not then satisfy the district objectives and aspirations, then the U.S. would sympathetically consider another request for separate negotiations. In undertaking separate status negotiations with each individual district, the U.S. should attempt to identify common Micronesian interests to permit a later federation of these entities into a single political relationship and to facilitate U.S. national interests in the area.

5. The United States should move decisively to block a district from declaring full independence and separation from the other districts prior to the termination of the Trusteeship. It should undertake direct intervention to protect American personnel and to establish order.

6. If Micronesia does not fragment after the Constitutional Convention, the U.S. should continue Free Association negotiations with the districts and should emphasize the common interests of Micronesia and the United States.

Some attempt should be made to openly discuss fragmentation possibilities with the JCFS at the next round to indicate our concern for the survivability and viability of the U.S. relationship to the future GOM.