Approved by D - Mr. Duemling

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Memorandum of Conversation

DATE: November 22, 1974 Time: 2:30 P.M.

SUBJECT:

Micronesian Negotiations

PARTICIPANTS:

Robert S. Ingersoll, Deputy Secretary

Leo J. Moser, Director, EA/ANP Robert Duemling, Executive Assistant to the Deputy Secretary

Franklin H. Williams, President's Personal

Representative for Micronesian Status Negotiations,

James Wilson, Office of Micronesian Status Negotiations,

Interior

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Ambassador Williams reported that he would be departing the day after Thanksgiving for the Fifth Round of Marianas talks at Salpan. The last round had been in May; since then there had only been informal conversations. Ambassador Williams discussed the defeat of the Popular Party in the Marianas at the last elections. He stressed that and leadership there would have to so. ... their problems and decide how they wished to proceed on the negotiations. He said, however, that both parties (the Popular Party and the winning Territorial Party) were in favor of commonwealth status and both wished to go ahead with discussions in early December. There were a couple of "lame ducks" in the group of negotiators that would be meeting in December (one Senator and one Congressman), but he did not see this as a major problem.

Ambassador Williams said that he felt that the serious issue before the negotiators would be how the US is to acquire land in the Marianas and how it would pay. He referred to Deputy Secretary of Defense Clements' letter of November 19, saying that Defense had "reopened" the issue of whether he could go along with some sort of a lease agreement as a last resort.

EA/ANP:LJMoser:rlw 11/26/74 (Drafting Office and Officer)

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Mr. Ingersoll indicated that he had read Mr. Clement's letter and Ambassador Williams' proposed response and that he agreed in principle with the position Ambassador Williams intended to take in his response. He hopes, however, that Ambassador Williams would not have to give in on the issue (of leasing rather than buying) unless that concession were the crucial element needed to close the overall deal with the Marianas and successfully conclude the negotiations. Ambassador Williams stated that he felt the concept of a 100-year lease with the US holding eminent domain would be acceptable in fact to members of the US Congress. The problem in DOD was with the "real estate" people in INL.

Ambassader Williams stated that he foresaw some problems also developing on the timing of a plebiscite and the establishment of a separate jurisdiction for the Marianas. He reported that the Department of State continued to feel that because of UN considerations we should not move toward a separate jurisdiction before a plebiscite. Meanwhile, the Congress of Micronesia is continuing to try to prevent a separation of the Marianas by its tactics.

Ambassador Williams reported that he considered the Compact with the remainder of Micronesia pretty well buttoned up" at the recent meeting in Hawaii. Only the matter of the Palau options remains to be resolved. This was however a very complicated issue. He felt it ironic that all this effort should have to be made for options that "might never have to be exercised." Mr. Ingersoll asked about DOD interest in a SOFA agreement. Williams I he thought that was not any longer a major issue. DOD had proposed a SOFA program before the agreement was signed. But Williams felt it would be sifficient that there be a SOFA agreement before the Compact should come into force. Mr. Wilson added that there were only 15 uniformed officers in Micronesia (on Kwajalein).

Ambassador Williams reviewed again the problems he foresaw in the upcoming talks on the Marianas:

- 1. The issue of US powers in the area (including the ability of Congress to legislate unilaterally for the area).
  - 2. Some remaining difficulties in the tax area.
  - 3. The question of membership in international organizations.

On the latter issue, Ambassador Williams said he felt it dangerous to encourage Guam and other US territories and

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possessions to participate in international organizations as if they considered themselves semi-independent.

In summary, Ambassador Williams said that he had hoped to resolve the remaining issues in the Marianas talks during December. This still remained the US hope. There were indications, however, that the newly elected people in the Marianas might hope to drag their feet. Ambassador Williams mentioned that one of his roles would have to be to bring the various Micronesians together so they would not form a coalition against US interests. Mr. Ingersoll wished Ambassador Williams luck in his efforts at Saipan.

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