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November 29, 1974

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TO:

DEFARTMENT OF STATE A/CDC/MR

EA - Mr. Gleysteen

FROM:

EA/ANP - Leo J. Moser

SUBJECT:

ANZUS OFFICIAL TALKS: Background for Discussion of Micronesian Negotiations

You may wish to draw on the following background information in the event that the Australians or New Zealanders wish to have any extended discussion of our Micronesian negotiations during the ANZUS Officials' Talks, December 2-3. There is no agenda item on Micronesia. In our background paper on the agenda item entitled "Pacific Islands", we did not go into any detail but simply emphasized the need to retain Australian support of our basic policies and

of our tactics in the UN, at least so long as Australia

remains a member of the UN Trusteeship Council.

Marianas Negotiations

1. When the Congress of Micronesia in 1971 rejected a U.S. offer of commonwealth status for all of the Trust Territory, the Mariana Islands District Legislature formally asked for separate negotiations to bring the North Mariana Islands into a close political relationship with the United States and established a Marianas Political Status Commission to negotiate with the United States.

2. We have been engaged since December 1972 in negotiations with the Marianas Political Status Commission to establish, upon termination of the UN Trusteeship, a self-governing Commonwealth of the Northern Mariana Islands in political union with the United States. The Mariana Islands District Legislature reaffirmed this objective in a resolution passed unanimously on September 7, 1974.

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- 3. Another round of negotiations will be held on Saipan, beginning December 5. The last round was held in Saipan May 15-31, 1974. In the interim, Ambassador Franklyn Haydn Williams has held informal talks with Senator Pangelinan, Chairman of the Marianas Political Status Commission. The most recent of such talks were in Honolulu in late October.
- 4. Senator Pangelinan and the other incumbents from the Marianas were defeated in the biennial elections for the Congress of Micronesia held November 5. As a consequence, Senator Pangelinan and one colleague will lose their positions on the Marianas Political Status Commission as representatives of the Congress of Micronesia.
- 5. The goal of Commonwealth status was, however, not at issue in the November 5 elections. The head of the victorious Territorial Party has agreed, as have the members of the Marianas Political Status Commission, that the negotiations should be held in December as previously planned.
- 6. At these negotiations in December, we hope to narrow and if possible resolve outstanding differences and to be in a position to sign an agreement early next year -- after the Marianas Political Status Commission has undergone whatever reorganization might be required as a result of the November 5 elections.
- 7. Principal outstanding differences concern the price to be paid by the United States for land required, mostly on the island of Tinian, for possible future military use; the method of acquiring such land (purchase versus lease); and the applicability of United States legislation to the Northern Marianas.
- 8. There is a possibility that the Marianas represenatatives will drag their heels in the December negotiations. The Territorial Party criticized the "fast pace" of the negotiations during the November 5 election campaign.

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- 9. Upon conclusion, a Marianas agreement would be submitted for approval first to the Marianas District Legislature, then to the people of the Northern Marianas in a plebiscite, and then to the United States Congress.
- We expect and will welcome a UN presence at a plebiscite in the Marianas. No decision has been made on the timing of a plebiscite. We will need the full support of Australia, as a member of the UN Trusteeship Council, in arranging for a UN presence. FYI ONLY: OMSN does not wish us to disclose to the Australians at this time the timetable we have in mind, which would require Trusteeship Council agreement to send a Visiting Mission immediately after its regular session ends in late June to observe a plebiscite which we believe must be held in the Marianas not later than July 11. The Congress of Micronesia has just announced that it will open its Constitutional Convention in Saipan on July 12; and we see serious political risks in holding a plebiscite in the Marianas (including Saipan) during the 2-3 months that the Constitutional Convention is in session. It would be difficult if not impossible to arrange for a UN presence at a plebiscite sometime later in 1975 when the UN General Assembly is in session. We would not wish to defer a plebiscite until as late as 1976.

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- 11. We haveinformed the Trusteeship Council that the United States intends to terminate the Trusteeship Agreement simultaneously for all parts of Micronesia and not for one part separately.
- 12. The Trusteeship Council has acknowledged that part of the Trust Territory might be administered separately before the termination of the Trusteeship Agreement. The Mariana Islands District Legislature, in a resolution passed unanimously on September 7, requested that a separate administration for the Marianas be instituted "as soon as possible after the approval of the Agreement





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concerning the future political status of the district by the people thereof".

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13. The Mayor of Tinian sent a letter on August 29 to the UN Trusteeship Council seeking the Council's help "to reduce the military taking of Tinian". The Mayor's letter attracted some press attention and queries in early November, following its publication as a UN document. Ambassador Williams and OMSN have responded to all queries, pointing out that we are negotiating with the Marianas Political Status Commission which includes two representatives from Tinian and that the views of Tinian should be expressed through that channel. In his letter, the Mayor agreed to the establishment of a military base on Tinian but wished it limited to one-third of the island rather than the two-thirds agreed to by the Commission in our last negotiations in May 1974.

Negotiations with Congress of Micronesia

- 1. We are making progress in our negotiations with the Joint Committee on Future Status (JCFS) of the Congress of Micronesia, but it is hard to say when we might be able to conclude an agreement.
- 2. Ambassador Williams and Senator Lazarus Salii, Chairman of the JCFS, reached tentative agreement on a draft Compact of Free Association in informal talks held in Guam on July 12. Senator Salii





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- 3. Ambassador Williams and Senator Salii met in Honolulu on October 29-30 and reached agreement on some changes to the draft Compact.
- 4. The main remaining task is the negotiation for the land options in Palau. An annex providing for United States military lands is an integral part of the Compact; and it will be necessary to conclude these land sub-negotiations before the Compact can be signed. This could be a long drawn out process given the complexities of land ownership in Palau and the problems related to the transfer of title to public lands from the TTPI Government to the Districts.

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- 5. Another round of negotiations has not been scheduled at present.
- 6. The November 5 elections strengthened the position of Marshallese separatists, who have advocated separate negotiations with the United States. However, the Marshalls have not to date asked the United States for separate negotiations.
- 7. When an agreement has been concluded, it will be submitted for approval to the Congress of Micronesia, to a plebiscite and to the United States Congress. We expect and will welcome a UN presence at a plebiscite.

EA/ANP:JKnowles:chg 11/29/74