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WASHINGTON  
Old Executive Office Building  
Room 361  
Washington, D.C. 20506

February 21, 1974

MEMORANDUM

To: The Chairman, National Security Council, Under Secretaries Committee

From: The President's Personal Representative for Micronesian Status Negotiations

Subj: Recent Developments re Micronesia/Marianas Political Status Matters

The following is a brief summary of developments since my meetings with you on January 5 and January 11, 1974.

1. My meetings with Senator Salii, Chairman of the Joint Committee on Future Status and Senator Pangelinan, Chairman of the Marianas Political Status Commission, January 29, 30, 1974.

- The purpose of these separate meetings was (1) to pave the way for a series of informal sessions between a three man U.S. team headed by James Wilson and members of the Micronesian Joint Committee on Future Status (JCFS) and the Marianas Political Status Commission (MPSC) on matters concerning finance and transition and (2) to explore and to reach tentative agreements on the next steps to be taken in both sets of negotiations.

- Tentative agreements reached with Senator Salii:

- A formal eighth round of negotiations would not be scheduled until prior informal agreements had been reached on all remaining substantive issues.
- These informal talks would begin shortly after the adjournment of the current session of the Congress of Micronesia (COM) in early March.
- Salii to seek approval of full JCFS on tentative agreements reached during month of April.
- Assuming approval above, Round VIII to be scheduled for May prior to the convening of the U.N. Trusteeship Council.

- Tentative agreements reached with Senator Pangelinan:

- Principals (Chairman Pangelinan and Vice Chairman Santos and Ambassador Williams and Mr. Wilson) to meet in early April to review the report of the U.S. Marianas Ad Hoc Committee on Transition to review agenda for the Fourth Session of the separate

Marianas talks and to set firm dates and place for the next full negotiating session.

-- Tentatively set last week of April and first week of May as target dates for Round IV.

## 2. The Wilson Mission to Saipan February 1 - 16

- Purpose was (1) to follow-up on agreement reached with Salii in December for informal consultations on finance and Micronesia's future economic needs and preparation for further negotiations on financial provisions of draft compact and (2) to explore further transition planning needs in economic area with Marianas Political Status Commission and members District Administration.

- Conversations were slow but most useful in bringing problems and issues into focus. Joint consultations held with members of the TTPI staff, JCFS advisers and District Administrators and their budget and planning people.

- Lists of needs considered to be "basic requirements" obviously gold plated. Conversations led many to conclusion that U.S. agreement to Micronesian budgetary projections would only add to Micronesian economic dependence on outside assistance. Subsequent frank exchanges in terms reality of Micronesian economy and revenue sources constituted a salutary exercise.

- Members Wilson team also collected more basic material on physical planning for economic projects in the Marianas to be used in the on-going discussions here of the ad hoc committee on transition planning. Jim Wilson had several private sessions with Senator Pangelinan and met informally last Thursday afternoon with most of the Marianas Political Status Commission where principal topics of conversation were the activities of the ad hoc committee and the problems of Tinian land.

## 3. Current session of Congress of Micronesia

- JCFS reports on sub-committee visits and hearings in the Eastern and Western districts and report on Seventh Round submitted to full COM. To date no COM follow-up statements or actions taken. These first documents bear little relationship to the actual transcripts of the hearings and are said to be the products of two expatriate former peace corps lawyers. The report of the Seventh Round also takes liberties with respect to the actual proceedings.

- Important legislation pertaining to public land, constitutional convention and foreign investment tied up in committee hearings. Some concern being expressed that COM will adjourn without having taken final action on these important matters.

- The most critical and hostile statements and resolutions to date have centered on the Marianas separate talks and attacks on the United States for the so-called moratorium on Tinian's economic development and homesteading while the negotiations are in process.

- Actions by COM during remaining eleven days of 50 day session hard to predict. Seeds of disunity and strong personal rivalries and animosities still present and could surface. It would appear that there is real evidence that COM will duck some of the hottest issues asking that they be put over to a special session in June or July.

#### 4. The Burton Sub-Committee visit to Saipan 4-9 January

- Congressman Burton accompanied by Congressmen Foley and Ketchum and Guam delegate to Congress, Mr. Won Pat and Mr. DeLugo, delegate from the Virgin Islands.

- Congressman Burton debriefed me on the visit upon his return to San Francisco. Highlights of this debriefing were:

- Spent most of time talking about Marianas talks. Seemed miffed with Salii for standing him up and the JCFS in general. Said "they have an American mouthpiece". (Michael White, former Peace Corps lawyer now legal counsel to the COM)
- Generally optimistic about Marianas negotiations but warned against giving them privileges which could prejudice U.S. position with respect to U.S. "offshore territories" (Guam, Samoa, Virgin Islands).
- Said he thought we could get the land needed on Tinian for a joint-services base complex but that people there and on MPSC strongly opposed to purchase.
- Warned Pangelinan and other members of MPSC not to be too greedy and not to let their lawyers "screw up the agreement by a host of special exceptions and favors". Otherwise it would have no chance of passage through the House. He said he told them "We will welcome you as our brothers but not our brothers plus 50%".

#### 5. Salii Seven Year Plan

- In a speech to the COM on February 1 urging passage of a Constitutional Convention Bill, Salii outlined following timetable:

- November 1974 election of delegates to Micronesian Constitutional Convention.
- April 1975 convening Constitutional Convention.
- April 1976 referendum on Micronesian Constitution
- 1976 to 1981 gradual implementation of constitution leading to full self-government by July 1981

- He said in the meanwhile the status negotiations will be intensified but that movement toward self-government did not need await the results of the status negotiations.

- With regard to finance, Salii said that during the period of transition the U.S. should fulfill its obligations by completing a basic infrastructure system. He said that after 1981 future U.S. financial commitments need not be as high as during final transition period.

- Salii's timetable and thrust of his remarks fully consistent with U.S. invitation and exhortations to COM to "get on with forming own government" and U.S. statement that regardless of form of future relationship between U.S. and Micronesia, Trusteeship Agreement will not be terminated until there is a successor government in place.

- Commentary. To date Salii's transition timetable has not elicited any formal response from members of COM. Privately President of Senate, Senator Nakayama, said he was thinking in terms of shorter time span. Other members of JCFS have on other occasions said longer period of transition prior to termination needed. Paul Warnke said some members of Congress of Micronesia frightened at thought of being put on their own "too soon" and that some guarantee that transition will be a gradual effort spread over several years would go a long way toward calming them down and even lowering the levels of their financial demands. I believe Secretary Morton's message of January 23 may have in part accomplished this end.

#### 6. My letter to the President of January 25, 1974

- We will not be able to proceed in a meaningful way with the informal March talks with the JCFS without an amendment of my instructions in the area of finance. I therefore appreciated the NSC Under Secretaries Committee's speedy endorsement of my recommendations.

- As a special matter I believe the Guam political status question is of such importance that it should continue to be given priority attention by the NSC Under Secretaries Committee.

#### 7. Possible Changes in Spring timetable of talks with the Micronesians and the Marianas.

- The series of informal talks followed by formal negotiating sessions with the Marianas and the Micronesians as now tentatively scheduled is a tight one and some slippage is possible.

- The possibility of the failure of the COM to pass legislation on the return of public land could hold up our planned land survey to Palau in March and this could in turn delay the March talks with Salii.

- Conversations with Ambassador Barbara White of the USUN Mission also have raised one possibility that in terms of our interests it might be best to time the next formal session with the Micronesians toward the end or immediately following the close of the Trusteeship Council meeting in June.

- All of this suggests the need to be somewhat flexible. Much will depend on the outcome of the last ten days of the COM and Senator Salii's will and determination to proceed per our current understandings. The implementation

