

768371
Rep 1624
EAP

DECLASSIFIED

250103
R7

SECRET

EA - Mr. Sneider
Mr. Hummel

Mar. 13, 1974

EA/ANP - John C. Dorrance

Micronesian Status Negotiations -- The Deputy Secretary's Request for Recommendations

Deputy Secretary Rush's February 22 memorandum (copy attached) requested recommendations on the matter of State/Defense differences with respect to the strategic importance of Micronesia, and on the handling of the independence option.

Attached is a draft package for the Deputy Secretary. It is lengthy -- but for good reason. The recommendations I have prepared for the Deputy Secretary are wide-ranging and radical. In these circumstances, full backup is needed to convince all concerned of the seriousness of the current situation, and of the need for an entirely new approach to the status question.

Regarding the "seriousness of the situation", I am convinced that we are now at the most critical turning point in the negotiations since the breakdown of the status talks in May, 1970 over the question of Commonwealth vs. Free association status. I would additionally stake my reputation as a "Micronesian expert" on my assessment that only drastic action along the lines proposed has any hope of stemming the present draft away from a free association arrangement acceptable to us. With considerable immodesty, I would also point out that my track record in the past four years, with respect to guesswork on the Micronesian situation, has been close to perfect.

I should note that the attached package as yet has no clearances -- I first would like to have your overall impressions. The section on strategic interests and the Palau options does accurately reflect the long-standing views of PM on those matters. The general thrust of my assessment of the political situation has been discussed with Tom Johnson in L, and with the OMSN staff (other than Jim Wilson), who share my general views. Lastly, I have

SECRET
GDS

DECLASSIFIED

DEPARTMENT OF STATE A/CDC/MR	
REVIEWED BY <u>B. H. TRAVIS</u>	DATE <u>3/25/87</u>
RDS <input type="checkbox"/> or KDS <input type="checkbox"/> EXT. DATE _____	REASON(S) _____
TS AUTH. _____	ENDORSE EXISTING MARKINGS <input type="checkbox"/>
DECLASSIFIED <input checked="" type="checkbox"/> RELEASABLE <input checked="" type="checkbox"/>	RELEASE DENIED <input type="checkbox"/>
or FOI EXEMPTIONS _____	<u>05 423024</u>

DECLASSIFIED

SECRET

2.

tried my recommendations in a general way on Tom Johnson. He concurs but should have a shot at the package in written form.

Lastly, we have a time problem. Ambassador Williams is scheduled to meet with the Micronesian negotiators in early April. Many of the recommendations in the attached package are written with a view to implementation at that meeting.

Attachment:
As stated

EA/ANP:JCDorrance:mhs
3/13/74 - X20870

SECRET

DECLASSIFIED

05 423025