THE WHITE HOUSE WASHINGTON



July 10, 1974

MEMORANDUM FOR

Ambassador F. Haydn Williams
The President's Personal Representative for
Micronesian Status Negotiations

SUBJECT:

Supplementary Instructions Concerning Status Negotiations with the Five Districts of Micronesia

The President has reviewed the recommendations contained in your letter of April 12, 1974, and the comments of the concerned departments and agencies on those recommendations. The President has in consequence decided the following:

--That, as regards any termination of the Compact of Free Association during the first 15 years after it goes into force, you are authorized to commit the United States to agree to any such termination only by mutual consent. Thereafter, the United States would be willing to agree that the Compact could be terminated unilaterally, but only after a two-year waiting period, and then only if during that waiting period both parties had successfully concluded a mutual security agreement embodying the military rights and uses in lands covered by then-existing leases and rights of denial as set forth in the Compact.

--That you are authorized to commit the United States to a Capital Improvements Program during the transition period in the amounts proposed in your letter of April 12, 1974, contingent



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during the last four years upon Micronesian approval of the Compact of Free Association. These amounts should be reviewed periodically to consider such adjustments as may be required by changes in the value of the U.S. dollar.

Henry A. Kissinger

CC: The Secretary of the Treasury

The Secretary of Defense

The Secretary of the Interior

The Deputy Secretary of State

The Director, Office of Management and Budget

