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DEPARTMENT OF STATE

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Memorandum of Conversation

DATE: January 21, 1975
Time: 2:30 P.M.
Place: Mr. Ingersoll's Office

SUBJECT: Micronesia Negotiations

PARTICIPANTS:

Robert Ingersoll, Chairman, NSC Under Secretaries Committee
Ambassador F. Haydn Williams, President's Personal Representative
to the Micronesia Status Negotiations
J. Owen Zurhellen, Deputy Assistant Secretary, EA.
Robert Duemling, Executive Assistant to the Deputy Secretary
John F. Knowles, Deputy Director, EA/ANP
James Wilson, Deputy to Ambassador Williams

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Ambassador Williams reported that in the most recent round of negotiations on Saipan in December a provisional agreement had been reached whereby the Northern Mariana Islands would become a Commonwealth upon termination of the Trusteeship Agreement, assuming the agreement received the necessary approval. He noted that the task of negotiations had been made somewhat more complicated by DOD's notification, on the eve of his departure for Saipan, that DOD plans for Tinian had changed.

The Ambassador said he had reserved three points in the provisional agreement for further consultation with the Congress. Initial consultations suggested, however, that these points would not be bothersome.

The Ambassador also mentioned that he had gone beyond his negotiating instructions in two respects. First, he had agreed to a level of \$14 million a year in the seven-year program of direct grant assistance to the Northern Marianas. The ceiling in his instructions was \$12 million. He had previously gone up to \$13.5 million in the last round of negotiations in May 1974.

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(In reply to a question from Mr. Ingersoll, he noted that he had agreed to constant dollars on the basis of authority provided in his negotiating instructions.) Secondly, he had agreed to a payment of \$2 million for a memorial park on Saipan, as part of the lump-sum payment to be paid for the lease of land for military purposes. In the past, the Department of the Interior had said the proposed memorial park was a fine idea but that Interior could not take responsibility since it would not qualify as a National Park. DOD had also approved of the park but had said that DOD was not in the business of handling memorial parks. The Ambassador believed that handling the matter by a direct Congressional appropriation would overcome the problem.

The Ambassador then briefly outlined the optimum timetable which he had reported in his letter to the President. He hoped to be able to sign the Covenant in early February. The Covenant would then be submitted to the Marianas District Legislature for approval at its regular session in February and March. An intensive political education program would be conducted preparatory to the UN-observed plebiscite in late June or early July at which the Covenant would be submitted to the people of the Northern Mariana Islands for their approval.

Mr. Ingersoll asked whether there were special reasons for holding a plebiscite in late June or early July. Mr. Knowles explained that arrangements for a UN observation of the plebiscite had to be made through the UN Trusteeship Council. Arrangements would be made at the TC's annual session, which convenes in the latter part of May and which could last as late as say June 20. We had little control over the timing of the TC session. USUN had strongly recommended against the alternative of asking for a special session of the Trusteeship Council, which would focus exclusively on the Marianas plebiscite to our serious disadvantage. We could well be faced with the situation where we could arrange for a UN-observed plebiscite either in late June or early July or not until early 1976. Ambassador Williams explained that we wished to hold the plebiscite and establish a separate administration for the Northern Mariana Islands before July 12 when the Constitutional Convention of the Congress of Micronesia was scheduled to open on Saipan.

Mr. Ingersoll asked whether we were obligated to obtain Trusteeship Council approval to hold a plebiscite. The Ambassador replied that, strictly speaking, the Marianas did not fall within the jurisdiction of the Trusteeship Council but were

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the responsibility of the Security Council. Nonetheless, for political reasons we had gone along with the Trusteeship Council. There was of course considerable opposition within the UN to a separate status for the Marianas. He pointed out his instructions from the President stated that the primary objective of US policy toward the Marianas was the fulfillment of our obligations under the Trusteeship Agreement through an act of self-determination.

Mr. Ingersoll inquired whether there were any Congressional objections to the Marianas agreement. The Ambassador replied that, while the Congress had expressed reservations on certain aspects, he had found no Congressional opposition to the Northern Marianas becoming a Commonwealth. Senator Jackson was strongly in favor and had urged that we give priority to the matter. Congressman Burton had expressed strong encouragement. The Ambassador added that there may be certain problems on the military side with the appropriations subcommittees. DOD might have some problems in view of the change in its plans for Tinian and the fact that there is no immediate requirement for a base.

The Ambassador went on to say that, since his instructions called for discussing the subject of Congressional presentation with the Chairman of the NSC Under Secretaries Committee, he wished to raise this matter with Mr. Ingersoll. So far, on White House instruction, he had limited his consultations to the Interior committees of the Senate and the House. He had queried the White House in August and had been given the same guidance. He wondered if he should raise the question of broader consultation with the Congress with the White House again.

Mr. Ingersoll said he thought the Ambassador should raise the question of Congressional consultation with the White House again. He thought the White House would probably call the shots on the timing of such consultations.

The Ambassador said he thought we would have to get a green light to consult with other parts of the Congress from Jackson and Burton, as chairmen of the Interior committees. If we obtained their strong support, there was a good chance of getting the Marianas Covenant through the Congress. He noted that both houses of the Congress would have to approve the Covenant.

Mr. Zurhellen suggested that it might be best to take a passive approach in which we would consult with other committees of the Congress but only if they asked for consultations.

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The Ambassador then referred to the draft Memorandum for the President which had been circulated to the members of the NSC Under Secretaries Committee for comments and/or concurrence. He needed a green light as soon as possible in order that he could proceed with the resumption of negotiations on February 3. Mr. Ingersoll said he understood that the Memorandum for the President would be ready for forwarding to the White House by the end of the week.

Mr. Ingersoll said he understood that there was some concern about Guam and its relationship to the resumption of the Marianas negotiations. The Ambassador noted that in his letter to the President he had recommended that there be no delay in the Marianas negotiations because of Guam. This was his present view, notwithstanding his own recommendation some months earlier that the future status of Guam be resolved before a Marianas agreement was concluded. He noted that the Marianas Covenant had been deliberately designed to permit a merger with Guam in the future. Mr. Knowles inquired as to the Ambassador's views in the event that Presidential decisions on Guam policy could be obtained within a few weeks' time. The Ambassador reiterated his belief that there should be no delay in the Marianas negotiations. The Marianas had asked that negotiations be resumed on February 3 and we should meet their request. The Ambassador observed that there had been delays in the negotiations in the past because of Guam.

The Ambassador explained that Guam was an unincorporated territory, like the Virgin Islands but not like Puerto Rico which was a Commonwealth with its own Constitution. An unincorporated territory was governed by an Organic Act.

Mr. Zurhellen pointed out that the major difference in the case of the Marianas was that this would be the first time that a territory had become a part of the United States political structure at the request of its inhabitants.

The Ambassador explained that a very vocal minority in the Northern Marianas still opposed a Commonwealth status. Some were businessmen who liked the status quo and the protection it afforded their interests. Some were younger people. In addition, Congress of Micronesia members, such as President of the Senate Nakayama and Speaker of the House Henry with whom Mr. Ingersoll had recently met, were opposed for many reasons: political, economic and psychological.

Mr. Ingersoll inquired about the status of negotiations with the Congress of Micronesia on the future of the rest of the Trust

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Territory. The Ambassador said that we had a draft Compact of Free Association which had a few gaps to be filled in such as the Palau land options. We were ready to move ahead, but first there were steps which had to be taken on Palau. He described some of the background to the controversy on the return of public lands. The Congress of Micronesia had passed legislation last year to accomplish this objective. However, the legislation had contained provisions unacceptable to the United States, and it had been vetoed by the High Commissioner. After efforts were made to obtain the understanding of the Congress of Micronesia, Secretary Morton had issued a Secretarial Order on the return of public lands. The Congress of Micronesia had taken this as a direct slap in the face or say they do. This has been used as an excuse for not going ahead with the status negotiations. Senator Sali had publicly threatened to break off negotiations. On the other hand, in a press interview a few days ago, Sali spoke of reconvening the negotiations in March. In sum, there was a great deal of instability in the situation. For example, the Marshalls have been threatening to peel off and request separate negotiations with the United States. The Ambassador understood that the State Department had always opposed separate status for the Marshalls. However, we may be faced with a difficult decision in the future should the Marshalls make such a request. Speaking of the Trust Territory as a whole, the Ambassador said the number one problem was the internal one of unity. There were a lot of uncertainties in the situation.

Mr. Ingersoll remarked that the Ambassador had expressed much more optimism about the situation at their last meeting in November. The Ambassador explained that events since then have clouded the picture; for example, Secretary Morton's issuance of the Secretarial Order on the return of public lands. Mr. Wilson added that Senator Sali had changed his position 180 degrees. The Ambassador remarked that there were a lot of "bad actors" in Micronesia including Americans who drafted letters for the Congress of Micronesia.

Mr. Ingersoll remarked that some people wonder if we shouldn't wait and deal with Guam and perhaps the rest of the TTPI at the same time as the Marianas. Mr. Knowles pointed out that all USG agencies concerned had expressed agreement that we should not hold up the Marianas negotiations -- aside from a NSC staff view that perhaps we should not resume negotiations until we have touched base with Guam in some fashion. The Ambassador commented that it might have been better originally, after World War II, to have dealt with all of Micronesia as part of Guam. It was very late in the day to try and take one approach to the entire area now.

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Mr. Ingersoll asked whether there were any advocates in the Congress for such a unified approach. The Ambassador replied that Congressman Burton took the position on the question of a non-voting delegate for the Northern Marianas that if this were what the Marianas wanted, they should be told to go to Guam. Burton had also recommended that the Marianas Covenant be modeled after Guam to facilitate a merger in the future. Senator Jackson had cautioned the Ambassador not to come up with a Puerto Rico-type arrangement with its ambiguity over US sovereignty and its possibility for unilateral termination.

Mr. Duemling inquired about the status of a SOFA. The Ambassador noted that this did not involve the Marianas. We had told the Congress of Micronesia in the other negotiations that a SOFA would be required before the negotiations could be completed. DOD had been asked to provide a draft SOFA which has not been agreed to within the US Government. The Ambassador remarked that the SOFA question was not a big issue.

There then ensued a further discussion of the question of touching base with Guam before resuming the Marianas negotiations. Mr. Knowles recommended that if the anticipated Presidential decisions were forthcoming and if the necessary arrangements to hold discussions with Guam could be worked out before February 3, then prior discussions with Guam should be held -- however, this aspect should not be allowed to cause a delay in opening the Marianas negotiations on February 3.

Mr. Ingersoll concluded the discussion by saying that he thought the Ambassador should proceed as planned and that the Memorandum for the President would be forwarded to the White House this week.

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