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NRD/Interior

Report on recent major events related to U.S. negotiations with the Trust Territory concerning its future political relationship to the U.S. as well as recent action on a related Administration draft bill

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The U.S. administers the Trust Territory of the Pacific Islands under a 1947 U.N. trusteeship agreement. Under the terms of the Agreement the U.S. assumed a responsibility to provide the people of the Trust Territory (commonly referred to as Micronesia) an opportunity to choose the form of their future political relationship to the U.S.

During the past year, the negotiators for the U.S. and for the Micronesia appeared to be making major strides toward reaching final agreement on the forms of the political relationships which they would present for approval by their respective congresses. Several events during the past six weeks raise considerable doubt that final agreements will be reached in the near future. These events took place both in Washington and during the recent session of the Congresses of Micronesia held on the Island of Saipan in the Mariana Islands. A brief sketch of the background of the negotiations and the events which have transpired is outlined below.

I. Background

a. Trust Territory of the Pacific Islands: Political Future Negotiations.

- Negotiations have been ongoing since 1969; however, formal negotiations have been adjourned since November 1973.
- Ambassador Franklin Haydon Williams, the President's personal representative, is conducting the negotiations for the U.S. He is supported by the Office of Micronesian Status Negotiations.
- The U.S. and the Congress of Micronesia's Joint Commission on Future Status (JCFS) had reached agreement on most of the major provisions of a draft Compact of Free Association during informal negotiations between the Ambassador and the Chairman of the JCFS during the past year.

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- Because of the progress achieved during these informal negotiations, the Administration, during the last session of the 93rd Congress, recommended a draft bill to increase the 1975 appropriation authorization for the Trust Territory Government for FY 1975 from \$60 million to \$75 million. A new Administration draft bill was transmitted to the 94th Congress on February 26, 1975, which reiterated the 1975 increase and also provides authorizations for appropriations for FY 1976, the Transition Quarter and FY 1977.

b. Mariana Islands District: Separate political future negotiations.

- Separate negotiations commenced in December 1972 at the request of the Marianas Islands District Legislature.
- On February 15, 1975, the Ambassador and representatives of the Marianas Political Future Commission signed a draft covenant which would establish a Northern Marianas Islands Commonwealth with the U.S. (similar to Puerto Rico) if the covenant is subsequently approved by the District Legislature, a U.N. supervised plebiscite of Mariana Islands voters, and the U.S. Congress, and, ultimately, the U.N.
- The 93rd Congress draft bill referred to above included a provision authorizing appropriation of \$1.5 million to help pay the costs of studies and planning which would be necessary for the transition of the Northern Marianas to commonwealth status. This same authorization is included in the draft bill transmitted to the 94th Congress.

II. Senate Debate and Vote on S. 326

- Senator Jackson introduced S. 326 which would authorize an increase of only \$5.6 million in the 1975 appropriation authorization for the Trust Territory Government (instead of the \$15 million provided in the Administration bill).
- As reported out by the Senate Interior Committee, S. 326 was amended to also authorize the appropriation of the \$1.5 million for the Marianas transition costs.

- The bill was considered on March 17 and became the subject of an extended floor debate which focused on the \$1.5 million transition cost authorization.
- In the course of the debate, there was a strong challenge raised concerning the desirability of granting commonwealth status to the Northern Marianas Islands District. In particular, the necessity for acting on this authorization provision in advance of approval by the U.S. Congress of the Commonwealth Covenant was strongly protested.
- On a rollcall vote, the amendment to include the \$1.5 million authorization in S. 326 was approved by the vote of 47 ayes to 39 nays, and subsequently, on a voice vote S. 326, as amended was passed by the Senate.
- The debate by the Senate on S. 326 indicates there may be strong opposition to the commonwealth status for the Northern Marianas which has been negotiated by the Executive Branch. However, the Senate vote was clouded by committee jurisdiction and procedure issues and, therefore, should not be taken as a vote focused clearly on the issue of the desirability of commonwealth status for the Northern Marianas.
- The principal participants in the debate were as follows:

Those in Favor of
\$1.5 M Now

B. Johnston (D, La.)
B. Goldwater (R, Ariz.)
J. McClure (R, Idaho)

Those Opposed
to \$1.5 M Now

Gary Hart (D, Colo.)
Harry Byrd, Jr. (D, WVa.)

III. Non-binding Referendum in Micronesia

- The Congress of Micronesia in its annual session, just adjourned, passed a bill which requires that a non-binding referendum be held throughout the Trust Territory before July 12, 1975 on six alternative possible future political relationships between the Trust Territory and the U.S. Those alternatives are as follows:

- Independence
 - Commonwealth status (for all of Micronesia)
 - Free Association (the alternative which has been under negotiation between U.S. and JCFS)
 - Statehood
 - Association with some nation other than the U.S.
 - Other (voter to indicate).
- The bill makes clear that the results of the referendum are to serve as guidance for the JCFS in future negotiations with the U.S.
 - It appears that any formal negotiations will not be held until after the referendum has been conducted.

IV. Near rejection of current JCFS membership

- The Congress of Micronesia also enacted a bill which would have abolished the current JCFS and would have substituted a new negotiating commission made up of a entirely new body of representatives.
- The bill was recalled after (and) enactment by both houses of the Congress was resubmitted to committees because of (subsequent) objections, raised subsequent to passage, to (about) the inclusion of certain new members.
- The bill could not be reported out for a new vote before the Congress of Micronesia adjourned.

V. Congress of Micronesia rejection of U.S. financial assistance package

- The Congress considered only Title IV of the draft Compact of Free Association which had been informally negotiated by the Ambassador and the Chairman of the JCFS. That title was the one concerning future levels of U.S. financial assistance to Micronesia as outlined on the attached table.

- The Congress of Micronesia passed a joint resolution rejecting as "grossly inadequate" the financial assistance package which had been tentatively agreed upon.
- The Chairman of the JCFS subsequently has written the Ambassador requesting the convening of a new round of informal negotiations commencing about April 12 concerning future U.S. financial assistance. The Ambassador's staff indicates there has been no response yet to that letter.

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cc:

NR Records
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