

OFFICE FOR MICRONESIAN STATUS NEGOTIATIONS

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MEMORANDUM

To: Ambassador F. Haydn Williams

From: Charles A. Schmitz

Subj: Ramifications of Adverse Senate Action on the  
Marianas Covenant

The Senate could take adverse action on the Marianas Covenant in four principal ways - I. Lengthy Delay, II. Lengthy delay terminating in the Burial of any action within the Committee, III. Qualified Rejection of the Covenant for specific reasons amenable to solution by renegotiating the Covenant, and IV. Absolute Rejection for reasons fundamental to the entire concept of the Marianas Commonwealth relationship (i.e., colonialism, Micronesian dismemberment, or U.S. isolationism). The following discussion traces in Part One the probable repercussions of each of these actions on the four principal participants - A. The Marianas, B. Micronesia, C. The United Nations, and D. The Far East. Part Two addresses the reasonable options open to the Executive Branch for each category of adverse action in light of the probable reactions of the other participants.

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Charles A. Schmitz.....  
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PART ONE

1. Caterories:

A. Delay - It is conceivable that either the Foreign Relations Committee or the Armed Services Committee will produce a report (possibly a minority report) calling implicitly or explicitly for a lengthy delay prior to final Senate vote on the Covenant. A delay could be called for implicitly by reports that are less than enthusiastic in support of the Covenant and which note a variety of the now classic concerns with making a territory of the Marianas. In such case the Senate leadership, or possibly the Administration, may wish not to press for an early vote; and the entrenched opponents of the Covenant can be expected to redouble their efforts to keep the matter on the back burner. Either Committee also may explicitly call for delay. The Foreign Relations Committee may base its proposal on the continued pendency of negotiations with the rest of Micronesia, on the continuing work to develop a Micronesian Constitution, or on the stated policy of the Administration not to bring about termination of the Trusteeship until the 1980's. Armed Services may call for greater definition of military intentions in the Marianas, perhaps including a precise formulation of the budget request for planned work on Tinian or a solid DOD decision respecting the land leases. In the event of any of these possibilities, Covenant opponents could be expected to seize the opportunity to work even harder for lengthy delay in bringing the Covenant to the Senate floor for a vote.

E. Burial - Burial of the issue could occur by recommitment of the Covenant to a committee for additional examination without time restrictions or by consensus of the Senate leadership that the issue is not ripe for a Senate vote. The burial category is similar to that of delay except that it would eventually appear that the issue is dead unless and until it is reintroduced. Such could occur if delay subsists until the end of this session of Congress (December, 1976), after which the House, at least, would have to reconsider the Covenant.

C. Qualified Rejection - In the event that either Committee finds it necessary to issue a report recommending against the approval of the Covenant, it is possible that the Committee will outline its reasons for such action. Reasons could reflect considerations susceptible to change by renegotiation of the Covenant, in which the rejection could be called "qualified". If the reasons are based upon considerations fundamental to territorial status for the Marianas, the rejection could be called "absolute".

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1. Military Considerations - Either Committee could indicate its unhappiness with the nature or extent of military involvement as provided by the Covenant or the Technical Agreement. (The Foreign Relations Committee would base its essentially military objection on grounds of "national security" considerations). Armed Services could object to purchase of the land options which, it would be argued, exist by virtue of the residual eminent domain authority in any case.

2. Federal Programs and Citizenship - Although these concerns appear not to fall within the jurisdiction of either Committee, it is conceivable that Committee reports could reflect the undesirability of extension of such programs and citizenship as one reason for Committee objection to the Covenant. Either Committee, therefore, might call for realization of USG policy goals in the Marianas by a mechanism other than one extending citizenship and a full range of Federal programs to the Marianas.

3. United Nations - The Foreign Relations Committee in particular may condition its approval of the Covenant upon an expression by the Trusteeship Council of its acquiescence or approbation of separate political status for the Marianas or advance indication that termination of the Trusteeship would be approved on the basis of the Covenant.

4. Unification with Guam - It might be observed that creation of a separate, small self-governing territory so close to Guam geographically and culturally is wasteful and unwise and that the Covenant should prescribe eventual unification of the two territories.

D. Absolute Rejection - While less likely than a qualified rejection, it is conceivable that either committee, in recommending disapproval of the Covenant would indicate that its reasons were fundamental to the entire idea to the commonwealth relationship to be established by the Covenant. The most likely such objection would seem to be that of the unacceptability of dismembering the Trust Territory by separate negotiations with the Marianas. A second objection might be that any act to terminate the Trusteeship by incorporating even a part of the Trust Territory into the U.S. is a modern form of colonialism which the U.S. must avoid. A third possibility is that already advanced by Senator Pell, to the effect that the U.S. must avoid new entanglements in the Pacific and should terminate the Trusteeship by means dissolving fully our relationship with the territory. These reasons, and possibly others, would appear to make any further, separate negotiations with the Marianas completely fruitless.

## II. Participants

A. Marianas - In the event of any of the adverse actions

described above, we can expect expressions of great disappointment, agitation and hostility in the Marianas. Depending upon the depth of feeling generated, there may be denunciations of the U.S., acts directed against the U.S. Administration, violence against the Carolinian communities in the Marianas (as the major available scape-goat) and declarations and acts directed towards insuring that the Marianas are not reabsorbed into Micronesia. At the same time, there might be initial counter-currents of sentiment towards rebuilding relationships with Micronesia, Guam, or even Palau and the Marshalls.

1. Resigned Acquiescence - After the initial period of agitation it is possible that the Marianas leadership would decide it has no recourse to acceptance of the Senate's actions, and efforts will then turn to building a consensus about practical possibilities apparently remaining open to the Marianas.

a. Status Quo - Possibilities for definitive resolutions to the status problem appearing undesirable or unfeasible, it is possible that the leadership would decide to let the dust settle with the hope that the U.S. either would reverse its policy or, at least, would acknowledge responsibility to prescribe a new solution. This possibility would pose the least concern to U.S., but it is doubtful that such a passive state would endure for more than six months.

b. Independence - The Marianas, having been rejected by the U.S. and having already declared its wish to be separated from the rest of Micronesia, may decide that its only dignified option is to declare independence and to mortgage its assets (land, markets, labor, territorial seas, resource zones, etc.) in exchange for foreign economic and political assistance from any available quarter. If sentiment allowed, the Marianas might even offer to the U.S. base rights in the Marianas in return for guaranteed levels of security, economic assistance and land rentals. No doubt, energetic approaches would be made to the Government of Japan and Japanese commercial interests. Fishing rights and harbor facilities would be at the top of the list of saleable assets, but the Marianas also would be tempted to relax land ownership restrictions and to develop a commercial code to facilitate Japanese commercial and agricultural establishments. It seems likely that efforts directed towards international assistance bodies, such as the UNDP, ADB, and ESCAP, would not bear fruit as long as Third World opinion continued to regard the Marianas as a break-away regime from an otherwise unified Micronesia. It seems doubtful also that the Marianas, at least in the short term, would succeed in selling military rights to any other nation, with the possible exception of the Soviet Union.

c. Rapprochement with Micronesia - It would be difficult but not impossible for the Marianas leadership to

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swallow its pride and to treat with the Micronesian leadership for acceptable conditions under which the Marianas could again be associated with Micronesia. The most likely form of association would appear to be a separate, confederated "state" in equal partnership with the other Districts. It is conceivable but less likely that the Marianas would accept an associated status akin to that of "territory", entailing a less-than-equal status with the other Districts comprising a unified or federated Micronesia. Owing to the strong Carolinian minority in the Marianas, a basis for such rapprochement already exists; and there may be some attractiveness for Chamorros in returning to a familiar situation rather than striking out on their own. It is an open question, however, whether Carolinian attitudes and latent Chamorro sentiment favorable to re-Micronization could overcome the initial anti-Carolinian hostility immediately following Senate adverse action and the contrary disposition for preserving "macho" by fierce independence.

d. Association with Japan - While the Marianas leadership is not enamored of Japan, some sort of protected association with Japan might seem much more attractive than either stark independence or reabsorption into Micronesia. In the absence of any other country with both a substantial interest in Micronesia and economic strength, the Marianas may wish to explore with Japan the restoration of an economic, and possibly a modified political, arrangement that nevertheless would appear to guarantee protection of established Marianas' culture and society. While it would be extremely difficult for Japan to respond favorably to any request for explicit political linkages, if Japan were assured of the extinction of U.S. political interests in the Marianas, it would seem likely that the Japanese would be willing to explore a type of economic and commercial relationship that would be supported and subsidized by the Japanese Government. It is not clear, moreover, that such a relationship would be antithetical to residual U.S. interests in the Marianas, at least as long as U.S.-Japan relations remain firm.

e. Unification with Guam - Given that a great deal of sentiment towards association with the United States will have been built up in the Marianas, Marianas leadership probably will be drawn to reassess the desirability of unification with Guam. Since association with the United States on a basis more favorable than that enjoyed by Guam may appear to have been foreclosed, and since Guam probably will be engaged in drafting its own constitution for self-government, Marianan fear of being dominated by Guamanians may well appear to be of relatively smaller importance than the advantages to be gained by affiliation. The Marianans, therefore, may come to see unification with Guam as an alternate means of achieving their ultimate

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goal of U.S. territorial status, and they may feel that their experience of having negotiated, at least with the U.S. Executive Branch, and the availability of undeveloped land and marine resources in the Marianas would provide them valuable bargaining leverage with Guam.

2. Renegotiation - In the event that the Senate's adverse action is not completely devastating to the Marianas leadership, they probably will wish to exhaust every feasible course of action to recapture eventual territorial status. Most of the Marianas leadership has too much at stake in eventual territorial status to allow Senate adverse action to be considered conclusive before all possible avenues are explored. The leadership will test at least the following five feasible courses of action.

a. Lobbying with the Congress - Having little to lose by direct action, Marianas leaders probably will wish to engage individual Senators and Congressmen in a dialogue as to how the Covenant can be adjusted to remedy the apparent concerns of the Senate.

b. Representation to the President - After the initial period of shock and agitation, the leadership undoubtedly will approach the President's Personal Representative to explore the reopening of discussions. If negotiations can be reopened, Marianas negotiations probably would be both chastened by the Senate action from exaggerating their demands and guarded against the possibility of again investing in a major emotional commitment to Commonwealth status.

c. Recourse to the Media - If the Senate's action is definitive, the Marianas suddenly will become subjects of intense media interest as the "rejected territory". Marianas undoubtedly will unburden their bitterness in interviews, leveling accusations against U.S. negotiators, the Congress, the Congress of Micronesia, and the Carolinian minority. The effect of such bitter denunciations may be to make it more difficult for the Marianas to rebuild relations with those attacked. The Marianas leadership probably will wish to use the media to build international sympathy for the plight of the Marianas and to organize international pressure to alter U.S. Congressional and public attitudes. Since the Marianas will become a principal subject of immediate interest also for U.S. audiences, it is not inconceivable that the attitudes of Americans in fact may be altered by an effective Marianas campaign. Moreover, sympathetic representation of the Marianas in the world press may result in a softened attitude in the Trusteeship Council respecting eventual Marianas separation from Micronesia.



d. Recourse to the United Nations - Definitive rejection by the U.S. Senate of the Marianas would alter suddenly the apparent character of the Marianas from that of a spoilen of Micronesian unity to one of victim of U.S. indecision. It would seem, therefore, that Marianas representatives would receive a much warmer welcome in the U.N. than ever before. The Marianas may be successful in having themselves accepted as candidates for consideration by a variety of the U.N. specialized agencies as well as for sympathetic attention by the Trusteeship Council. There is no doubt that the United States will be roundly excoriated by the world community in this process of greeting the Marianas as a new and disadvantaged casualty of U.S. confusion and bumbling.

E. Micronesia - Attitudes in Micronesia will be strongly affected by any adverse action by the Senate against the Marianas Covenant. The nature and direction of that impact will vary depending upon whether Micronesia is able to sustain itself as a more or less unified territory or is torn apart by the strong centrifugal pressures now operating upon it.

1. Unified Micronesia - Within a unified Micronesia, it appears likely that the Compact of Free Association will remain the basis for future discussions, notwithstanding the necessity for substantial amendments to portions of it. Independence will seem no more desirable to Micronesia than it does now, and rejection of the Covenant will not necessarily be perceived as augury of similar disposition of the Compact, which does not contain most of the likely causes for Congressional objection. Depending upon the nature of the Senate's action, however, Micronesian negotiators are likely to be more prudent and conservative in their negotiating demands so as to minimize possibilities for similar U.S. Congressional action respecting the Compact. In regard to the Marianas, despite temptation to give vent to anti-Chamorro feeling, it seems, on balance, likely that the Micronesian leadership will attempt to create conditions under which the Marianas might be re-attracted into association with Micronesia. Such would seem particularly likely if the proposed Constitution provides for a system of loosely federated, self-governing districts. It seems unlikely that the Micronesian leadership would find it necessary or desirable to make this process difficult for the Marianas. Instead, it seems rather more likely that the Marianas will be accepted as a prodigal son. The Micronesian leadership probably would perceive a Micronesia strengthened by the addition of the Marianas as being in better negotiating position with the United States concerning Free Association status than otherwise would be the case. Ironically, therefore, Senate rejection of the Covenant may temper Micronesian moves towards independence and rekindle interest in Compact negotiations.

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2. Parts of Micronesia - In the event that the Constitutional Convention is unsuccessful in welding together even a loosely confederated Micronesia, Micronesian attitudes towards Marianas Covenant rejection will differ from district to district.

a. Palau - If Micronesia flies apart, Palauans probably will have contributed most to the proximate cause. They will have sought to assert their autonomy either by separate negotiations with the U.S. for territorial status or by stating an intention to carry out negotiations with other countries and international organizations to sustain their survival as an independent territory. Palauans probably will be sobered by Senate adverse action on the Covenant and may be unwilling to risk their own dignity by submitting to a process which may have the same result. Accordingly, Palauan aspirations for permanent association with the U.S. will be chilled; and Palau very likely will step up efforts to re-interest Japanese in economic and commercial investment in Palau. Indeed, if Palau wishes to keep alive the hope of developing a superbport complex in Palau, without the U.S. umbrella it would have to surrender a substantial portion of its sovereignty to satisfy investors that the risks of effective nationalization are minimal. Palau, therefore, would be driven strongly in the direction of the Japanese.

b. Marshalls - The Marshalls are less likely to view a Japanese alternative as realistic. They may be marginally stimulated to invite an increase in Nauruan involvement in the Marshalls. At the same time, the Marshallese are more likely than the Palauans to consider that they can avoid the pitfalls of the Marianas Covenant and still drive a sufficiently attractive bargain with the U.S. Consequently, it is likely that the Marshallese leadership would seek to test the water with U.S. negotiators and the Congress before embarking on any alternative course. The Marshallese also would be in a better position to attempt to reconstitute a unified Micronesia, with the Marianas even in the absence of Palau.

c. Yap - The yapese leadership would continue to wish for permanent relationship with the U.S. and would be deterred only if the Senate action were an absolute rejection. (The Yapese situation is uncomplicated by military considerations, and the Yapese have no great desire to be considered full U.S. citizens nor to be the beneficiaries of the full range of U.S. federal programs and services).

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c. Truk-Ponape - Truk and Ponape, either separately or in tandem are likely to wish to continue negotiations for Free Association with the U.S., and neither would be inclined to evaluate rejection of the Marianas Covenant as a necessary impediment to their negotiations since the status of Free Association can avoid the most likely reasons for Senate rejection of the Covenant. However, negotiators for Truk and Ponape may be somewhat more modest in their demands than heretofore. It is not inconceivable that Truk and Ponape would invite a rejected Marianas to make common cause with them for Free Associated status. Both Truk and Ponape would see the addition of the Marianas as strengthening their negotiating leverage with the United States without necessarily destroying the political balance holding together their loose association, if any.

C. Guam - Guamanians understandably will feel the greatest uneasiness with Senate adverse action on the Covenant since the international status of its nearest neighbor (both geographically and culturally) will have been thrown into great uncertainty. At the same time, Guam may well view this turn of events as presenting substantial opportunity for Guam; namely, reunification of the entire Marianas Island chain under essentially unchallenged Guamanian leadership. Guam probably would view with satisfaction the possibility of reestablishing an economic hinterland for Guam and increasing its negotiating leverage on the United States by increasing the population and territory to be covered by the new Guamanian constitution and organic relationship with the United States. Accordingly, we can expect that the Guamanian leadership would be susceptible to an approach by the Marianas to reexamine the possibility of political affiliation between the two.

D. United Nations - For purposes of this memorandum, the United Nations effectively is the Trusteeship Council, composed of the UK, France, and the USSR [It seems unlikely that the considerations which have kept the PRC from filling its seat in the Trusteeship Council will be decisively affected by adverse Senate action on the Covenant]. Since the Trusteeship Council has gone along with U.S. negotiations with the Marianas only reluctantly, we cannot anticipate that the Trusteeship Council will be vastly disappointed by an unsuccessful termination or indefinite prolongation of that effort. No doubt, our friends on the Council will be somewhat embarrassed by the inability of the Administering Authority to bring the discussions to a smooth and effective close; and, depending upon the current state of detente, we can expect the USSR more or less to take advantage of our

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to involve the U.S. in consultations respecting any steps it may wish to undertake. In the event of an otherwise independent Marianas, however, the Japanese may see it beneficial for the U.S. as well as Japan for Japan to have commercial involvement there. To some degree, such an involvement would have to be accompanied by greater Japanese political involvement to protect its commercial interests.

2. The USSR - Not only would the USSR seek to take advantage of the situation by embarrassing the U.S. in the U.N., depending on the state of detente, it may wish to increase the irritation factor for the U.S. and the PRC by working out with the Marianas arrangements to facilitate Soviet commercial and military presence in the West Pacific. Presumably, the USSR would be willing to make attractive offers to the Marianas leadership for port services and fishing and transient rights within territorial waters or within the Marianas economic zone. The USSR thereby would be in better position to maintain surveillance on U.S. military activities in the West Pacific, especially those involving Guam, and to assert increased psychological pressure on PRC by appearing to have turned the Chinese maritime flank. In addition, the Soviets would be in position to portray themselves as the friend and saviour of the underdeveloped peoples of the Pacific, where Russia has had little influence since the start of the twentieth century.

3. China and Other Asian Nations - Other nations in Asia would share Japan's uneasiness with a "floating" Marianas owing to their shared concerns with the motives of the Soviet Union. Each would be critical of the U.S. for having mishandled the Marianas issue and each would hope for the restoration of political stability. To a somewhat lesser degree than their concern for the Soviet Union, the Asian nations would be concerned with the portent of renewed Japanese interests in the Marianas. Respecting China's interest in particular, while the Marianas do not hold the same sort of interest as does, for example, Africa, China's elaborate concerns for its security from the USSR and its doctrinal opposition to hegemonism probably would cause it to be in the forefront of those seeking to guard against a Soviet incursion. Probably, therefore, the PRC would direct its efforts towards achieving the reabsorption of the Marianas into Micronesia.

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4. The Pacific Community - With the exception of Nauru, the Pacific community probably would remain essentially unconcerned with the state of the Marianas, which are distant and ethnically dissimilar from themselves. Consequently, the Pacific community probably would restrain its enthusiasm for a new, independent state in the Pacific and probably would not feel moved to try to encourage Marianan reunification with Micronesia. Nauru, on the other hand, may welcome the likelihood of another independent nation, susceptible to Nauruan economic influence and having the power to grant additional traffic and commercial rights to Air Nauru.

PART TWO

As indicated above, non-U.S. reaction to Senate adverse action on the Marianas Covenant promises to be varied and conflicting. The U.S. will be ridiculed and importuned from a number of directions, new interests of Japan and the other super powers in the West Pacific will be kindled, and the Marianas will become not only an embarrassment to the United States but a political pressure point as well. The outcome of these various pressures and the basic inclinations of the participants in the system are predictable in only a general way. The end result may be disastrous for U.S. policy in the Pacific or merely inconvenient and embarrassing. The only certainty is that instability and unease will be created in an area which has been both strategically important to the United States and politically stable since the end of World War II. A rejected Marianas could turn into an apple of discord on the fringes of Asia.

In light of the outlook for the area following an adverse Senate action on the Covenant, what should be the options pursued by the United States? It appears that there are four basic options -- 1) recapture the initiative and restore stability by finding a formula to reopen negotiations with the Marianas for a political status with the United States meeting the announced or likely concerns of the Senate; 2) encourage discussions between the Marianas and Guam to bring about a unified territory of the U.S.; 3) encourage a rapprochement between the Marianas and the rest of Micronesia; and 4) assist in the stabilization of an independent Marianas with which the U.S. can negotiate a reliable security relationship. Respecting the first option, the possibilities of success obviously depend on the type and degree of Senate adverse action. Perhaps the

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Marianas would be satisfied with a status of free association or some other territorial status not carrying with it full attributes of citizenship and participation in federal programs. The Guam option is a potentially attractive one in that it has had viability in the past, it would truly reunify the Mariana Islands group, and it promises administrative simplicity relative to two separate administrative units in the area. The Micronesian option (3) probably would be less attractive to both the Marianas and the U.S. since both would have to reverse established policies and since the status of Micronesia itself is yet to be fully determined. The final option is the least desirable of all, partly because it does not cure the central instability of an independent Marianas, which would continue to consider itself insecure and in need of guarantees against a new reversal in U.S. policy. Furthermore, since the U.S. in negotiating a security arrangement with the Marianas implicitly would be in competition with both Japan and the Soviet Union for benefits of Marianan facilities and services, the cost of such a relationship may well be higher to the U.S. than corresponding costs under Commonwealth of Free Association.

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