

DECLASSIFIED
Authority 6012957
By FA NARA Date 1/21/05

MEMORANDUM

THE WHITE HOUSE
WASHINGTON

27204

ACTION

SECRET

June 23, 1971

MEMORANDUM FOR: THE PRESIDENT ^{THE PRESIDENT HAS SEEN...}
FROM: HENRY A. KISSINGER ^{HK}
SUBJECT: Negotiations on the Future Political Status
of the Trust Territory of the Pacific Islands
(Micronesia)

After Micronesian leaders in May 1970 rejected our proposal for Micronesia's permanent association with the U. S. as a commonwealth, you directed last September that the Under Secretaries Committee prepare a new negotiating scenario. The Under Secretaries' recommendations have now been received. In March, you appointed Dr. Franklin Haydn Williams, President of the Asia Foundation, as your personal representative with the rank of Ambassador to undertake the new phase of negotiations. Dr. Williams, in cooperation with Secretary Morton, drafted his terms of reference for the negotiations, and these have now been accepted by Secretary Morton and sent forward by him to you with the concurrence of State and Defense. Dr. Williams' clearances have also just come through. Thus, we are in a position to move ahead on this question.

I have summarized the recommendations of the Under Secretaries Committee and the proposed terms of reference for Dr. Williams in the package for your consideration and approval.

Background

1. Negotiating History and Present Micronesian Political Situation. A brief summary of the history of our negotiations with Micronesian leaders since 1969 and of the present Micronesian political situation is included at Tab A. Of particular importance is the recent strong secessionist sentiment in the Marianas and the small incipient independence movement on Truk.

2. U. S. Interests.

a. Strategic military interests (which support our political-military interest of remaining a Pacific power)

-- Denial of entry to the Territory to potentially hostile powers.

SECRET

SECRET

2

- Retention of ICBM/ABM missile testing facilities in the Marshall Islands.
 - Insuring availability of land for future basing options, especially in the Marianas and Palaus, and for possible use as a nuclear storage area if sites in the Western Pacific are denied to us.
 - b. Political interests. To keep the TTPI clearly associated with us, giving appropriate weight to our obligation under the Trusteeship Agreement "to move the Territory toward self-government or independence as appropriate and in accord with Micronesian wishes."
3. Issues. The negotiations will probably center on the three issues of eminent domain, federal supremacy, and termination of the relationship with the U. S.
- a. Eminent Domain. While assuring us that U. S. land needs can be satisfied, the Micronesians have insisted that they retain ultimate control over their lands. Their position is characteristic of that in agricultural societies: land represents economic security and an ancestral inheritance. But U. S. defense requirements must be met.
 - b. Federal Supremacy. The Micronesians value the benefits they derive from our many Federal programs in the Islands, but are dissatisfied with past U. S. administration of these programs. They allege that "Americanization" is resulting from administration by individuals lacking understanding of the many unique situations in the Trust Territory. They also resent U. S. administration as preventing them from developing self-government. They have therefore insisted that their constitutional convention be free from all outside restrictions and that their constitution and law need not be consistent with the U. S. Constitution and laws. We must find reasonable grounds for accord on this.
 - c. Unilateral Termination of Association with the U. S. The Micronesians demand the right to terminate unilaterally any form of association with the U. S. This reflects most basically their desire for ultimate control over their future, but also their view that termination of the U. S. trusteeship implies a transfer of sovereignty to the Micronesians. But unilateral termination is not acceptable to us.

SECRET

SECRET

3

Negotiating Scenario

The negotiating positions proposed below include an initial position and three successive fall-back positions. State and Defense support this approach, while Interior proposes beginning with an offer of self-government under continued U. S. trusteeship. Interior's option, though, would be a regression from our previous negotiating position, and flies in the face of mounting pressures in the Territory for either an association with the U. S. on favorable terms or complete independence. In other respects, the scenario follows that proposed by the Under Secretaries Committee with which I agree. If we could not resolve the problem through any of these four approaches, we would then probably face the alternatives of attempting to compel some form of permanent association or acceding to a district-by-district solution or even independence. This would probably imply a radical change in our relations with Micronesia, and we would want to seek a new authorization from you before proceeding further.

Position I - Offer a modified commonwealth relationship, with our concessions over our last negotiating position limited to restraint on the exercise of eminent domain and federal supremacy.

- We would agree to limit our right of eminent domain by not exercising it to take private land for public use, provided that our long-term needs for land--particularly in the Marianas and the Marshalls--were assured by pre-negotiated arrangements.
- We would agree to limit Federal supremacy by limiting the application of U. S. Federal laws, regulations and programs where practicable, legal, and not in derogation of U. S. interests. We could also agree to exercise Federal powers only in the fields of foreign relations and defense, except as agreed by the Micronesians or as required by a national emergency. This would also allow for increasing self-government among the Micronesians.

Position II - The same as Position I, except to offer in addition a provision for unilateral termination of the relationship, the offer being carefully circumscribed possibly through a complex procedure and becoming effective only after a specified period of years.

- Would depend on (a) Micronesian acceptance of the provisions of Position I and of this offer of unilateral termination as a basis for final agreement, and (b) pre-negotiation of strategic arrangements (denial and basing rights) that would legally survive termination of the association.

SECRET

SECRET

4

Position III - If the Marianas District (and possibly one or more other districts) separately opted for some form of permanent association with the U. S. (territorial or commonwealth association), offer to the remaining districts as a group (a) a modified commonwealth association as defined in Positions I or II, or (b) a relationship of "free association" as defined in Position IV below.

Position IV - Offer a relationship of "free association" which would include negotiation of a compact terminable only by the consent of the U. S. and Micronesia.

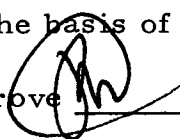
- Would abandon our goal of bringing the TTPI under U. S. sovereignty.
- We would insist on exclusive control over foreign relations and defense and would seek a close relationship similar to that under a modified commonwealth to build up vested Micronesian interests in the association--participation in Federal domestic programs, access to the U. S. judicial system, rights of U. S. nationality, etc.
- We would insist on pre-negotiated arrangements which would provide for denial and basing rights and which would survive any termination of the "free association" relationship.

Consultations with Congress

We are committed to consult with the House Interior Committee before proceeding with the next stage of the negotiations, and would probably find it useful to do so also with certain Congressional leaders and other committees directly involved in the question. Ambassador Williams and representatives from State, Defense, and Interior could carry out these consultations under the direction of the Under Secretaries Committee and the NSC Staff.

Recommendations:

1. That Dr. Williams negotiate on the basis of the scenario defined above.

Approve  Disapprove _____

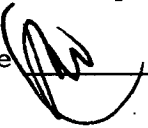
SECRET

SECRET

5

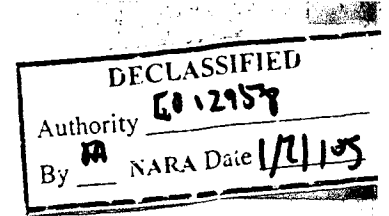
2. That Dr. Williams' terms of reference be as follows:

- His negotiating authority is provided by your approval of the above positions, of these terms of reference, and of any subsequent negotiating instructions. His negotiating authority will extend to include tactics, composition of the U. S. delegation, and procedural arrangements.
- He will make recommendations on the negotiations directly to you through my office and conduct the negotiations on behalf of the Executive Branch.
- He will consult with the Congress on the political status issue in coordination with the Under Secretaries Committee.
- He will coordinate with the Departments of State, Interior, and Defense and report back to them, as well as to you, the progress of the negotiations. He will be administratively supported by the Department of Interior and draw on the three Departments for staff. In effect, he will work more closely with Interior than the others, though their interests will also be protected.

Approve  Disapprove _____

Attachment

SECRET



SECRET

Negotiating History and Present Micronesian Political Situation

1. Negotiating History. Negotiations with the Micronesians since 1969 on the political status question have failed to produce agreement. Micronesian leaders rejected any proposal that would make Micronesia a US possession through an organic act. (In April 1969, you approved a position that would have extended US sovereignty over Micronesia, preferably by means of an organic act by the Congress; no option of independence or unilaterally terminated free association was included.) In May 1970, the Micronesians also rejected our next proposal for permanent association with the US as a commonwealth with internal self-government under a Micronesian-drafted constitution approved by them and consistent with US enabling legislation. They objected strongly to the lack of a unilateral termination provision, US retention of the power of eminent domain, and the vague but implicitly broad powers reserved to the US. They expressed their preference rather for a form of "free association" with the US and enunciated "Four Principles," which included recognition of Micronesian sovereignty, the right unilaterally to opt for independence, and the right to adopt their own constitution.

2. Micronesian Political Situation. The Micronesian drive for a new political status, the leading political issue in the Trust Territory, continues to consist of the following main elements:

- An awareness that most dependent territories around the world have been granted independence and that virtually all have been given broad powers of self-government.
- A belief that US administration of Micronesia since World War II has been characterized by neglect, indifference, and arbitrary decisions. (Our new development programs of the past three years have attenuated this sentiment to some extent.)
- A desire to continue the economic benefits of association with the US.

Two new developments of the past year have been (1) a public hardening of Micronesian leaders' positions on the status question and the emergence of a small independence movement centered on Truk (prodded by a new-leftish American political adviser, Dr. Gladwin); and (2) a strong secessionist movement in the Marianas, where political leaders want permanent association with the US.

SECRET