

THE WHITE HOUSE  
WASHINGTON

SECRET

July 20, 1971

MEMORANDUM FOR

THE CHAIRMAN, UNDER SECRETARIES COMMITTEE

SUBJECT: Future Political Status of the Trust Territory of  
the Pacific Islands--Negotiating Scenario and Dr.  
Williams' Terms of Reference

The President has approved (a) a negotiating scenario for the next stage of negotiations on the future political status of the TTPI, and (b) the Terms of Reference for his Personal Representative in the negotiations, Dr. Haydn Williams.

Negotiating Scenario

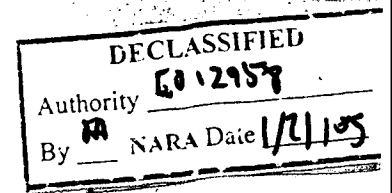
The negotiating scenario will contain an initial position and three successive fall-back positions. If the problem cannot be resolved through any of these four approaches, a new look at the situation and a new authorization for a negotiating position will be sought from the President.

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 will 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--are assured by pre-negotiated arrangements.

-- We will 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 will 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 national emergency. This will also allow for increasing self-government among the Micronesians.

SECRET



SECRET

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.

-- Will 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 will legally survive termination of the association.

Position III - If the Marianas District (and possibly one or more other districts) separately opt for some form of permanent association with the U. S. (territorial or commonwealth association), we will 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 will include negotiation of a compact terminable only by the consent of the U. S. and Micronesia.

-- We will insist on exclusive control over foreign relations and defense and will 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 will insist on pre-negotiated arrangements which will provide for denial and basing rights and which will survive any termination of the "free association" relationship.

Ambassador Williams' Terms of Reference

The President has specifically approved the following as Ambassador Williams' Terms of Reference:

SECRET

SECRET

-- His negotiating authority is provided by the President's 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 the President through the office of the Assistant to the President for National Security Affairs and conduct the negotiations on behalf of the Executive Branch.

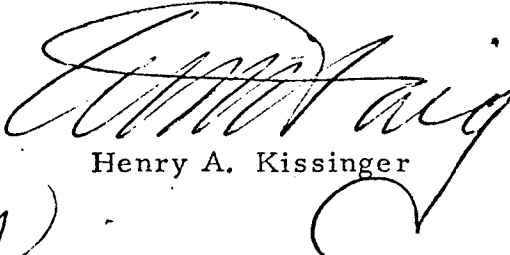
-- He will consult with the Congress on the political status issue in coordination with the Under Secretaries Committee.

-- He will coordinate with the Departments of State, Interior, and Defense and report back to them, as well as to the President, 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.

In addition, and insofar as they do not conflict with the above, Ambassador Williams will also be guided by the Terms of Reference submitted by Assistant Secretary of the Interior Loesch May 25, 1971, and concurred in by the Departments of State and Defense.

Consultations with Congress

The President's Personal Representative and such other representatives of State, Defense, and Interior as necessary will consult with the House Interior Committee and other appropriate Congressional committees and leaders before proceeding with the next stage of negotiations or whenever such consultation is deemed appropriate in the judgment of the Under Secretaries Committee.

  
Henry A. Kissinger  
*fw*

SECRET