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Authority E.O. 12958

By AB NARA Date 1/19/05

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THE WHITE HOUSE

WASHINGTON THE PRESIDENT HAS SEEN...

November 24, 1971

Dear Mr. President:

I am pleased to report that the third round of talks on the future political status of the Trust Territory of the Pacific Islands was held with the Joint Committee on Future Status of the Congress of Micronesia at Hana, Maui, Hawaii, on October 4-12, 1971. A summary of the talks and a full record of the proceedings are enclosed.

Within the framework of negotiating instructions, which you approved, a number of new proposals were introduced by the American Delegation for the consideration of the Micronesian Joint Status Committee. In keeping with your concern that agreement on a new status for Micronesia should serve the long-term welfare and needs of the Micronesian people, our new proposals centered on those issues which the Micronesians themselves had said were of the greatest importance to them and to their future.

At Hana, the U.S. Delegation did not present a comprehensive American plan or blueprint for Micronesia's future political status. To the contrary, we stated that Micronesia's future should indeed derive from the thought, the discussion, and the will of the Micronesian people. What was discussed was a Compact of Association which would be freely entered into by the people of Micronesia through a sovereign act of self-determination. This Compact would define the terms of association between the United States and Micronesia, including the rights and responsibilities of both parties.

The United States stated that in accordance with the Compact, the rights of the Micronesian people to govern their own internal affairs would be fully recognized and protected. This would include the right to write and adopt their own constitution and their own laws. U.S. responsibilities, laws, and programs would apply to Micronesia only as agreed to by the Micronesians and as detailed in the Compact, or as subsequently agreed upon by mutual consent.

In the areas of foreign affairs and defense, the American position was similar to the statement contained in the July 1970 Report of the Political Status Delegation of the Congress of Micronesia which had proposed that "the responsibility for external affairs and defense

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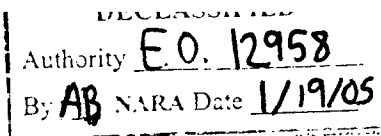
would be handled by the United States and it would therefore be necessary for the United States to retain sufficient powers in those areas to enable it to fulfill its responsibilities." These powers would be defined in the Compact.

The vital importance of land to the Micronesians was fully recognized and acknowledged in the new proposals put forward by the U.S. Delegation. Under the terms of the proposed Compact of Association, all Micronesian land would be under the control of Micronesians, and the U.S. would commit itself not to exercise any powers of eminent domain. The U.S. further proposed that private ownership of land by non-Micronesians should be determined by the Micronesians and that any future acquisition of land would only be in accordance with Micronesian law.

With respect to the continuing need for land in Micronesia to meet our defense responsibilities, the American Delegation outlined the foreseeable limited and definable U.S. requirements which included the continued use of the present military land holdings in the Marshalls, additional land needs in the Marianas, and options for possible future use of some land in Palau. It was stated that the U.S. had no needs for land for military purposes in the other three Districts--Yap; Truk; and Ponape--and had no other military land requirements not outlined at the Hana talks.

The U.S. proposed that land lease arrangements and options to meet the limited military land use requirements be concluded as part of the Compact of Association. The U.S. Delegation also stated that after the Compact comes into force the United States would acquire land, including the emergency use of land to meet future contingencies, only in accordance with the Compact, with Micronesian laws, and with mutually agreed procedures. It was further stated that the U.S. expected to pay fair compensation for all leased land and that all such land not being used would be made available to Micronesians under lease-back arrangements.

The talks did not define specific levels of financial need or potential sources of income or funding, but concentrated instead on general questions of possible future financial relationships between Micronesia and the United States, and certain procedural matters. Future financing will be determined in part by the extent to which a Micronesian government may request the extension of U.S. services and programs to Micronesia and future authorizations and appropriations to cover such activities.



The Micronesian Delegation asked what assurances could be given that U.S. financial support would be maintained over a period of years. Understandably, they stated that such assurances would be necessary to orderly budget and development planning and requested that agreement on this matter be incorporated as part of the Compact of Association. Consideration of this important question will certainly be taken up at the next round of talks as well as other matters relating to Micronesian economic self-development.

We stated our belief that the future direction of Micronesian growth should derive from their own ideas, initiatives, and wishes, and that economic progress should be for the benefit and well-being of all Micronesians. Our proposals envisaged that under a new Compact of Association control over financial and budgetary affairs and foreign investment in Micronesia would reside in Micronesian hands.

In the concluding session, the Micronesian Delegation stated: "We believe there has been a genuine effort on both sides to resolve existing differences." In the words of the final Joint Communiqué ending the talks "both sides expressed appreciation for the spirit and atmosphere surrounding the Third Round of Talks on Micronesian Future Political Status," and

"Both the Micronesian and the American sides found the open exchange and the exploration of each other's points of view highly useful and both agreed that substantive progress was made in narrowing differences and in reaching preliminary understandings in some important areas."

Both parties also agreed, however, that there were certain remaining divergencies to be resolved prior to the conclusion of an agreement that would form the basis for the termination of the present trusteeship, and would fulfill our responsibilities under the Trusteeship Agreement between the U.S. and the Security Council of the U.N. The principal issue yet to be resolved concerns the method by which a future relationship between Micronesia and the United States might be modified or terminated. This matter undoubtedly will be one of the most important questions to be taken up in subsequent negotiations.

The American Delegation appreciated your personal interest, encouragement and guidance. This enabled us to present new proposals which were designed to meet the understandable desires of the people of Micronesia to control their own destiny, to govern themselves in the future, and to preserve and protect their own cultural values and traditions.

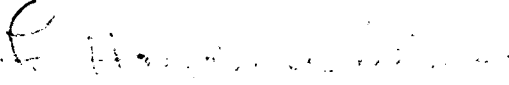
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We believe that the basis for a mutually beneficial and enduring relationship between the United States and Micronesia exists. We will, therefore, continue to work for an agreement which will recognize, respect, and further the long-term interests and welfare of the people of Micronesia and which will also serve our own requirements and obligations in the Pacific Ocean Area in the years ahead.

If you have no objection I plan to arrange for reproduction and public distribution of this letter and its enclosures, for the information of interested persons in Micronesia and in the United States.

Respectfully yours,


Franklin Haydn Williams

Enclosures

The President
The White House
Washington, D.C.