

Authority E.O. 12958
 By AB NARA Date 1/19/05

MEMORANDUM

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THE WHITE HOUSE
 WASHINGTON

INFORMATION

December 23, 1971

CONFIDENTIALTHE PRESIDENT HAS SEEN... *AK*

MEMORANDUM FOR:

THE PRESIDENT

FROM:

HENRY A. KISSINGER *AK*

SUBJECT:

Good

Ambassador Williams' Progress Report
 to You on Third Round of Talks with
 Micronesian Leaders on the Future
 Political Status of Micronesia

At Tab A is a letter to you from Ambassador Franklin Haydn Williams, your Personal Representative for Micronesian Status Negotiations, describing the progress he made in the third round of talks with Micronesian leaders on the future political status of Micronesia (Trust Territory of the Pacific Islands). The talks, held at Hana, Maui, Hawaii, October 4-12, were intended to clarify the differences and lay the groundwork for a settlement. Ambassador Williams succeeded in keeping the discussions focussed on the practicalities of the central issues -- land, Federal powers, and unilateral termination -- and avoiding a confrontation on the Micronesians' Four Demands (more importantly on the question of unilateral termination), thus frustrating the efforts of radicals in the islands.

Ambassador Williams carried on the discussions within the framework of the instructions you approved last July, and did not find it necessary to go beyond the first of the four positions included in your instructions: A modified commonwealth relationship, with our concessions over our last negotiating position limited to restraint on the exercise of eminent domain and federal supremacy.

The discussions resulted in some narrowing of differences on the central issues, with the major differences continuing to be the question of unilateral termination. More specifically:

-- Ambassador Williams proposed a Compact of Association between ourselves and Micronesia, which would spell out the terms of our relationship, would be freely entered into by the people of Micronesia through a sovereign act of self-determination, and would provide the basis for ending our trusteeship over the territory.

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-- On land, Ambassador Williams said we would forego the exercise of our right of eminent domain, but that we wanted to negotiate, in advance of a change of status, land arrangements and options covering our military land requirements, which he defined. The Micronesians, while welcoming the U. S. position on eminent domain, asked agreement that U. S. leases and options become void if the Compact of Association were terminated.

-- On Federal supremacy, Ambassador Williams proposed that the Micronesians have full authority in all areas of internal self-government, but that the U. S. retain control of foreign affairs and defense. The Micronesians accepted our willingness to grant them self-government, but so far have not responded on the question of our continuing control of foreign affairs and defense.

-- On Federal financial assistance, Ambassador Williams confined himself to the general questions of future financial relationships between the U. S. and Micronesia, and did not get into specific levels of funding. As a matter of negotiating tactics, our future levels of financial assistance are of course best left unspecified at this point.

-- On the crucial question of termination of the Compact of Association, Ambassador Williams proposed that termination be by mutual consent and only after an agreed period of years. The Micronesians continued to insist on the right of unilateral termination, maintaining that only if we recognize this right will they possess sovereignty over Micronesia.

The next round of talks is being discussed for March in Saipan, and will follow the next session of the Congress of Micronesia, which is to be held during January and February. In the meantime, Ambassador Williams is carrying forward informal discussions with several Micronesian leaders in an effort to narrow differences further and to increase their confidence in the U. S. Government, which has been eroded over the years by substantial shortcomings in our administration of the Trust Territory. The doubts and ambitions of small but politically significant radical groups in the Territory, as well as the efforts of some American academics in Berkeley, Boston, and Hawaii, have also complicated our negotiating problem. Also in support of the negotiating effort, Secretary Morton is planning a trip to Micronesia in January. Ambassador Williams' deputy, Ambassador Arthur W. Hummel, Jr., is now making a three week visit to all six districts in the Territory.

Consultations with the concerned Congressional committees and leaders by Ambassadors Williams and Hummel have encountered little or no opposition to the course on which we are proceeding.

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