



United States Department of the Interior

OFFICE OF THE SECRETARY
WASHINGTON, D.C. 20240

20 September 1972

MEMORANDUM TO THE PRESIDENT

Subject: Micronesian Status Negotiations

1. The next round of negotiations on the Micronesian Political Status Question opens on 28 September in Hawaii. One of the most critical issues remaining to be resolved is the termination provision of a Compact of Association.
2. The NSC Staff on September 19 recommended that I write to ascertain in advance whether my present negotiating position on termination is acceptable to you.
3. The Congress of Micronesia has insisted that any association with the U.S. provide for unilateral termination, and that no agreement would be acceptable unless Micronesia was free to change its future political status.
4. Last April at Koror, I became convinced that some compromise would be necessary. In accordance with your instructions of July 20, 1971, I offered a provision for unilateral termination, carefully circumscribed by complex procedures to become effective only after a specified period of years. We proposed a period of 15 years during which time the relationship could only be terminated by the mutual consent of both parties. After that, either side could terminate unilaterally. To do so, however, the Micronesians would require a 2/3 legislative majority and 2/3 popular vote, plus one year's notice. The offer was also conditional on a pre-negotiated agreement that U.S. strategic arrangements (denial and basing rights) would legally survive any future termination of the association.
5. We have not yet proposed language to the Micronesians as to how long denial and basing rights would survive. I currently plan to hold to a minimum survival period of 50 years after termination. When added to the 15 year period of mutual consent and 1 year notice period, the United States would be guaranteed for a minimum period of 66 years exclusive U.S. base rights in Micronesia and denial of the area to third countries.
6. The principle of unilateral termination is a highly emotional issue in the Congress of Micronesia. Even their concession of a 5 year period during which time they could not terminate the agreement has been attacked. It will be difficult to gain approval of our 15 year proposal plus the 50 year denial and base survivability provisions of the Compact at this point. While all of our offers

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to this point have been ad referendum, any escalation of American position on termination would, in my judgment, very likely precipitate a break off of the talks.

7. However, I do not wish to proceed unless I am certain that our position on termination along with the long term survivability clause meets with your approval. Since the next meeting commences in Hawaii on 28 September, your instructions on this matter are urgently needed.

8. Before closing, I should emphasize that there have been a number of other recent events in Micronesia which may influence the future of the talks, but their full significance is not yet clear. I have attached herewith a summary to bring you up to date on developments in Micronesia which bear on the status question.

ACTION REQUESTED: That you inform me whether I may continue to offer the Micronesians a provision allowing unilateral termination after fifteen years, with pre-negotiated and agreed provisions for the legal survival of U.S. basing rights and denial to third countries.

Approved _____

Disapproved _____

Very respectfully,

Franklin Hayden Williams
Franklin Hayden Williams

Attachment: Tab A

cc:
Chairman, Under Secretaries Committee

Recent Developments Bearing on the Current Negotiations For a
New Political Status for the TTPI

1. At the conclusion of each of the last three rounds of negotiations I have been able to report progress toward an agreement which would satisfy both Micronesian desires and fundamental U.S. interests. In July of this year tentative agreements were reached on a division of responsibilities between the future government of Micronesia and the Government of the United States. The former would have full authority for Micronesian internal affairs while full authority for foreign affairs and defense would be vested in the United States. Tentative agreement was also reached on U.S. defense land needs meeting fully the requirements set forth in my instructions.

2. The July talks ended on a note of optimism. The Chairman of the Micronesian Delegation in his closing statement said that their "expectations had been amply fulfilled" and that the draft language of the Compact "had been reviewed thoroughly and approved by our full delegation". The language of the draft Compact was subsequently presented to the Congress of Micronesia, meeting in special session in Ponape in August-September. The full Micronesian Status Delegation urged its acceptance and approval.

3. Hearings and speeches on the Compact followed. The proponents of the Compact were notably silent while those in opposition were vocal in their criticism of the concept of association with the United States and in particular those provisions of the draft language dealing with foreign affairs, defense and U.S. land requirements. The pro-independence faction of the Congress took advantage of this situation and aided and abetted by their young activist disciples, mounted a carefully orchestrated campaign to undermine the agreed parts of the Compact.

4. On the eve of adjournment a surprise joint resolution was introduced authorizing and directing the Micronesian Joint Future Status Committee "to conduct negotiations with the United States regarding the establishment of Micronesia as an independent nation, while continuing negotiations toward free association". The resolution was passed in both houses by a "close voice vote". At the same time an open letter signed by 16 members (out of 33) rejected many of the underlying principles as well as the language of the draft Compact. In turn the signatories set forth their views

which closely paralleled those of the Independence Coalition.

5. The full implications of this development are not as yet clear, but it is obvious that a new and important element has now entered the picture, one that could jeopardize a successful conclusion of the negotiations within the terms of my present instructions. The action of the Congress of Micronesia in neither accepting, nor rejecting formally the recommendations of its own delegation with respect to the Draft Compact while at the same time instructing their delegation to negotiate for an independence alternative may be explained by some or all of the following points:

- (a) Failure on the part of the members of the Congress who were members of the Micronesian delegation to present a solid front and to speak in favor of and in defense of the agreement they had reached in Washington.
- (b) Refusal of the Congress to commit itself even provisionally in the absence of a complete Compact, especially those sections dealing with finance and termination.
- (c) Internal politics, divisions and personal rivalries within the Congress and growing uncertainty about the feasibility of Micronesian unity.
- (d) Fear and suspicion of United States motives, especially defense and the impact of a future U.S. military presence on Micronesian life fanned by a small minority of strongly anti-American elements in and out of the Congress.
- (e) Growing bitterness and hostility toward the Trust Territory Administration and signs of open defiance to the High Commissioner and TTPI headquarters staff.
- (f) Disappointment, bitterness and frustration over the movement of the Marianas away from the other five districts and the prospects of separate negotiations and a separate status of political union between the Marianas and the United States.

6. It is also conceivable that the action taken was designed to strengthen the Micronesian Delegation's bargaining power for the sixth round of talks, especially its demand for a high level of annual financial payment as a quid pro quo

for U.S. rights for foreign affairs and defense. The threat of independence clearly will be used as leverage to exact maximum concessions and terms from the U.S. But more importantly the Congress of Micronesia has now formally called for independence as one of the future political status alternatives to be placed before the people at the time of a plebiscite. This action cannot be ignored by the Micronesian Joint Future Status Committee nor by the United States.

7. It is likely that the Micronesian Delegation will press this matter during the sixth round of negotiations in Hawaii beginning on 28 September. The Micronesians will want to know whether the U.S. is willing to negotiate an independence alternative to free association. My current instructions do not permit me to answer this question either in the affirmative or the negative. I have however been authorized at my discretion to "confront the Micronesian negotiators with the position that the U.S. has not ruled out the alternative of independence for Micronesia which is provided for in the terms of our Trusteeship Agreement".

8. During the Hawaii talks we will attempt to determine more fully the significance and strength of the independence initiative and the intent of the Micronesian Delegation in carrying out its new directive from the Congress of Micronesia. Our response to the independence issue will be generally in the form of questions, and within the context and limits of my current instructions.

9. I intend to meet with a small delegation from the Marianas at its invitation immediately following the Hawaii talks. The purpose of this meeting is to discuss plans for separate negotiations leading to a close and permanent association between the United States and the Marianas. The new Marianas Political Status Commission has informed me that it hopes that negotiations can begin in late November or December of this year.