

MEMORANDUM

THE WHITE HOUSE
WASHINGTON

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~~THE PRESIDENT HAS SEEN...~~
ACTION

January 2, 1973

SECRET

MEMORANDUM FOR: THE PRESIDENT

FROM: HENRY A. KISSINGER *HK/jac*

SUBJECT: Secretary Laird's Views on Micronesian
Status Negotiations

At Tab B is a memorandum to you from Secretary Laird recommending that the Micronesian Status Negotiations be immediately adjourned sine die, and that we strive to complete our separate negotiations on the Mariana Islands as rapidly as possible. Secretary Laird's rationale includes:

- A special session of the Congress of Micronesia last September repudiated the partially completed draft Compact of Association we negotiated with the Micronesian Future Status Committee last July, and also instructed the Committee to negotiate an independence option-- along with the Free Association option. Subsequently, the Micronesian negotiators reflected this shift in position at the sixth negotiating round held in October.
- In November, local leaders in the Palau District (where we have military land requirements) issued a declaration against U. S. military use of Palauan land.
- There are wide differences between the U. S. and Micronesian views on the question of procedures for terminating unilaterally the Compact of Free Association and the survivability of those U. S. military base rights still to be negotiated.
- The OEO-subsidized Micronesian Legal Services Corporation along with some Peace Corps members are continuing their anti-U. S. military interference and harassment.

Secretary Laird's recommendation has essentially been overtaken by the Micronesian decision to delay the next negotiating session until at least next March, after the next session of the Micronesian Congress which is to be convened next month. We held our first discussion with the Mariana

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Islands District representatives earlier this month as planned. (As you will recall, this separate negotiation has been undertaken as a result of the Mariana Islands' decision to seek a closer and permanent association with the U. S.)

As regards the specifics of Secretary Laird's rationale, we question whether the Micronesian Congress and the Joint Future Status Committee have reneged on earlier understandings to the extent suggested. What we believe their actions of recent months have done is to raise substantial questions as to whether they are changing their basic approach. It was for this reason that Ambassador Franklin Haydn Williams, your personal representative for the negotiations, at the sixth round proposed a recess in the negotiations in order to allow both sides to reassess the situation-- as he reported to you in his letter of October 27 (Tab C).

With respect to the OEO and Peace Corps involvement alluded to by Secretary Laird, the problem seems to lie much more with the OEO legal services program than the Peace Corps. The Peace Corps problem essentially was solved with the departure of two of the agency's lawyers who had been assigned to Micronesia. At the same time, at least two other Peace Corps lawyers who had served in Micronesia are now working, very constructively, on the status negotiations in the Department of Interior here. The difficulties for our negotiations generated by OEO legal services to individual Micronesians have probably increased, and will be addressed in the study mentioned below.

A study reassessing the situation and addressing the independence question fully is currently being done by Ambassador Williams and the Departments of State, Defense, and Interior, and should be ready for your consideration within the next few months.

At Tab A is a draft memorandum from me to Secretary Laird informing him that you have reviewed his memorandum and appreciate his concerns. It also notes that you intend to review our negotiating position when you receive the results of the inter-departmental study.

Recommendation:

That you approve the draft memorandum to Secretary Laird at Tab A.

Approve D Disapprove _____

K

with strong reevaluation.
Laird is totally right on the
Peace Corps + Legal Services
E - get both groups out of their

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*K - This has to be written by
on Peace Corps Authority*

*directly because of need to
cut both programs*