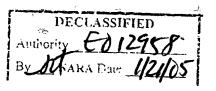
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MEMORANDUM

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NATIONAL SECURITY COUNCIL

ACTION

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October 31, 1973

MEMORANDUM FOR:

SECRETARY KISSINGER

FROM:

JOHN A. FROEBE, JR

SUBJECT:

Micronesian Status Negotiations: Offer

of an Independence Option

At Tab I is a memorandum from you to the President forwarding a memorandum to him from the Chairman of the Under Secretaries Committee on the question of whether Ambassador Williams, the President's Personal Representative for Micronesian Status Negotiations, should be authorized to offer an independence option to Micronesia. This option would be in addition to the option of Free Association which we have been negotiating with the Micronesian representatives. The Marianas District of Micronesia would not be included, since we have been negotiating a closer form of permanent association with them.

Background

The USC study was undertaken in response to your request following the suspension of our negotiations with Micronesian representatives a year ago over the independence issue. The suspension followed the Micronesian insistence that we negotiate an independence option along with an option on Free Association. Previously, Micronesian representatives had agreed in principle to negotiate only a Compact of Free Association under which the U.S. would have authority in foreign affairs and defense, while Micronesia would have control in internal affairs. By October 1972, the Compact had been about half completed. However, by that time we had not succeeded in our effort to disabuse Micronesian negotiators of the notion that they could use the threat of independence as effective negotiating leverage with us. (We had pointed out to them that we had never refused to discuss independence, but implied that U.S. financial assistance would be greatly reduced under any independence arrangement.)

The political problem underlying the independence option has changed somewhat in the past year. Most importantly, the influence of independence advocates has apparently declined. A principal reason has been

SECRET

2

- -- Unqualified independence.
- -- Marginally qualified independence -- the U.S. would retain basing rights in Kwajalein Atoll (our missile testing facility) and would continue to deny access to Micronesia by third countries for military purposes.
- -- Independence and a pre-negotiated U.S. Micronesian defense treaty -- Micronesia would be legally responsible for defense and foreign affairs, but the treaty would provide for denial and U.S. basing rights.
- -- Independence and pre-negotiated U.S. control over Micronesia's foreign and defense affairs.

Departmental views.

- -- On the question of whether to offer an independence option, State, Interior, Justice, and Ambassador Williams recommend that Williams be authorized to offer the option. They strongly believe that either Options 1 or 2 would strengthen Micronesian independence advocates, risk further delays in these protracted negotiations, undermine a future U.S. relationship with Micronesia under Free Association, and make U.N. approval difficult if not impossible. Defense dissents, recommending no offer of an independence option at this time since the risk of acceptance, though small, is too great in light of the U.S. security interests at stake.
- -- On the question of what form an independence option should take, State, Interior, Justice, and Ambassador Williams recommend the sub-option of "Marginally qualified independence." This they believe will deflate independence pressures, offer sufficient contrast to Free Association to make the latter more attractive, and protect a sufficient proportion of U.S. security interests in Micronesia to justify the small risk involved in offering independence.
- -- State differs with Interior, Justice, and Ambassador Williams on the question of whether to leave to William's discretion whether or not the independence option should actually be offered. State holds that the option must definitely be offered and included in a plebiscite not only to assure U.N. approval of our termination of the trusteeship, but also to improve the prospects for future stability in the U.S. Micronesian relationship.
- My view. I agree with State, Interior, Justice, and Ambassador Williams that the balance of risks and objectives argues for authorizing Williams to offer an independence option now in order to spike likely renewed attempts by Micronesian negotiators to exploit the independence issue and to avoid further delays in the negotiations. I also agree with them that whatever small risk exists that Micronesia might opt for independence,

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SECRET

3

that risk can be further reduced by extending the offer in the form of "Marginally qualified independence."

I disagree with State, however, that Ambassador Williams should be instructed definitely to extend the offer of the independence option, regardless of the tactical circumstances. I believe that Williams rather should be left the discretion to determine whether such an offer would support our goals of completing the Compact of Free Association at an early date and creating a long-term stable relationship with Micronesia. These goals should take priority over U.N. approprobation for our new relationship with Micronesia,

An Additional Issue: The Length of the Moratorium on Unilateral Termination of the Compact of Free Association

A separate issue which the USC chose to raise again is whether Ambassador Williams should be authorized to negotiate in the range of 10-15 years as the minimum time of the moratorium on a unilateral Micronesian termination of Compact of Free Association. Williams present instructions limit him to a minimum time of 15 years -- which would also include a one year notice of termination, and would provide for survival of U.S. denial and basing rights by a minimum of 50 years. The question arises again because the Micronesian side has countered our offer of 15 years with a proposal for five years. Their resistance to 15 years may stiffen when Williams surfaces our desire for a 50-year survivability on denial and basing rights, and would be further increased if we refused to offer an independence option. Our basic interest in the length of the moratorium is to have sufficient time in which to try to create vested Micronesian interests in a continuing permanent relationship with us.

Departmental views: State and Interior want Williams to make a determined effort to secure a 15-year moratorium, but believe he should have the negotiating flexibility to agree to 10 years if necessary to avert an impasse and the delay that would be needed to return for new instructions. Defense and Ambassador Williams believe there should be no compromise on the 15-year moratorium, and think that Williams can secure Micronesian acceptance of this figure. Justice believes that it is too early to decide if we need to shorten the minimum time of the moratorium.

My view. While I agree that we should make a concerted effort sto secure the 15-year moratorium, I believe we should have the flexibility to compromise on 10 years if necessary to avoid an impasse and further delay in these long drawn-out negotiations while Williams comes back for new instructions.

SECRET

4

At Tab A is a draft instruction from you to Ambassador Williams which incorporates my recommendations above and also integrates into and updates in one basic instruction the positions of earlier instructions that are still relevant.

Recommendation:

That you approve the instruction at Tab A to Ambas ador Williams, specifically as regards:

| Authorizing Ambassador Williams to offer an independence option: | |
|--|---|
| Approve | |
| Disapprove; approving instead: | |
| . That the U.S. refuse to offer an independence option: | |
| Approve Disapprove | |
| . That the offer of an independence option be deferred until after | |
| a plebiscite on the Free Association option: | |
| Approve Disapprove | |
| If you approve the offer of an independence option, that this option | |
| take the form of: | |
| . Unqualified independence: Approve Disapprove | |
| . Marginally qualified independence: Approve Disapprove | _ |
| . Independence and a pre-negotiated U.S Micronesian defense | |
| treaty: Approve Disapprove | |
| | |
| . Independence and pre-negotiated U.S. control over Micronesia's | |
| foreign and defense affairs: Approve Disapprove | |
| Authorizing Ambassador Williams to negotiate a moratorium in the range of 10-15 years: | |
| Approve Disapprove | |