



DEPARTMENT OF STATE  
Washington, D.C. 20520

*Handwritten notes:*  
JAA  
I think we should discuss this with JAA from VN standpoint.  
SQF  
Perhaps we should include SQF in tandem with...

CONFIDENTIAL  
MEMORANDUM

October 27, 1972

TO: Ambassador Williams  
Members of the Micronesia IAG

FROM: S/PC - Lindsey Grant

SUBJECT: MICRONESIAN STATUS NEGOTIATIONS:  
The Next Steps

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I. What Have We Learned?

At Ponape, the Congress of Micronesia reminded us forcibly of its lack of enthusiasm for free association. This does not mean that its eventual support for independence is foreordained, but it probably ends any hopes we may have entertained that the Congress would be forceful partners in selling free association to the electorate.

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HR 9/14/99

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The Congress' behavior is understandable. They are involved in their first really big negotiation, and it is a vital one. Their experience is in negotiating from below -- in developing the skills of getting things out of the boss. They have, understandably, little experience in equal negotiation, in seeing the negotiation in terms of overlapping interests rather than as a zero-sum game, and in knowing when they have gotten enough. Even the proponents of free association are going to find it difficult to escape the charge that they let us off too lightly -- that they should have taken another bite -- if and when they ever propose acceptance of a draft compact. This circumstance, combined with the sex appeal of "independence" in this era; may explain the lackluster and fickle performance of most free association advocates at Ponape.

The schisms are becoming increasingly manifest, in the Congress and in the Status Committee. These will further limit any likelihood that the Congress as an organization will effectively sponsor free association.

*go*  
SJR 117 strongly suggests that the Congress still has the idea that it can get substantial U.S. funding ~~even in independence, perhaps rivalling the support forthcoming under free association.~~

Finally, the Congress is acting (even if it is privately uncertain) as if it can control the propositions which we as administering power offer to the Micronesian electorate.

## II. What Should We Do About It?

We should take advantage of Ponape to --

-- resume greater control over the choices to be offered the Micronesian voters, since joint drafting is unlikely to produce an acceptable joint formula which



the Congress would endorse and work for. (Our public justification: in 1970 they opposed a U.S. blueprint, so at Hana we started working for a joint proposal. They shot down that approach at Ponape by asking simply for the best U.S. offer on two propositions, either or neither of which they might endorse. Since they want it that way, we will do it that way.)

*g*

-- deflate Micronesian expectations as to what they could get from independence.

-- remind the Congress that we control the process, while at the same time we leave a bridge for them to return to joint sponsorship.

III. Proposed Next Step: Presidential Decision

A. Get Presidential approval of the following elements to be offered to the Micronesian voters:

*Handwritten notes:*  
To my file  
Presidents  
copy of  
Cyrus

-- a draft Compact. This should be as close as possible to our present draft, but the steps whereby it came into force would have to be modified to reflect the assumption that we were sponsoring it unilaterally. This would be particularly important in order to assure our land requirements. The draft should have some fat that could later be pared off if the Congress of Micronesia crossed the bridge and asked to co-sponsor, but wanted some changes.

-- a statement as to the terms on which we would offer an independence option, and what it would mean financially. The Sylvester/Grant memorandum of August 24 proposed that we offer independence as a choice in the plebiscite, but that the independence would be offered without subsidy and on the condition of explicit acceptance by Micronesia (and perhaps recognition by the UN) of the continuing U.S. strategic interest. Specifically, this means (a) concurrence in third-power military denial and acceptance of our right to enforce it,

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and (b) assignment of the Kwajalein leases by the TTPI to the U.S. Government. We would make clear that we would not concur in any change of status which raised the possibility that we might be blackmailed by the Micronesians to maintain third-power denial.

-- a proposed form of plebiscite. I continue to be attracted to the form described in my May 24 memorandum (p.7): "Do you want continued association with the U.S.?" Those answering "yes" to be given the choice of indicating a preference either for free association or a closer relationship. (The May 24 memorandum explains my reasons. There are of course several variants to be considered, of which this formula is only one.) Those voting "no" would be voting for independence, and the financial and strategic strictures would be spelled out.

You should consider whether to ask the President for authority to offer the plebiscite on a district-by-district basis, rather than being bound by an overall majority. You would presumably want to qualify this request with an option to fall back to a decision by overall majority, if the Congress of Micronesia should decide to co-sponsor but bridle at the district-by-district approach.

The factors to be weighed include these:

(a) We have long felt that it would be desirable to try to hold the five districts together, but only if the Congress of Micronesia were moving with us toward free association. With the rules changed, we must re-examine our interests. A large negative Truk vote could swing Micronesia into independence over the objections of the others.

(b) A district-by-district approach would tend to push voters in other districts toward us. If they saw the choice as (1) association with the U.S., (2) a Truk-dominated independence federation, or (3) independence all alone, some voters would go for (1).



(c) If we start with a district-by-district approach, we have something substantial to trade to persuade the Congress of Micronesia to co-sponsor in order to bring us around to the overall majority approach.

(d) We would be exposed to charges of "divide and conquer" if we offered a district-by-district approach, but we would have defensible moral grounds. After all, they never elected to be put together.

(e) The most serious question is whether we would want free association with some fragments of Micronesia (e.g. Yap and Ponape) if this meant no assured base rights.

Incidentally, a decision to go the district-by-district route would require that we modify the compact to make the financial and land sections valid under contingencies in which some districts chose independence.

In seeking Presidential approval, we would make clear that these proposals were part of the strategy outlined in the following sections. The package would be resubmitted to him before we sought U.S. Congressional action to permit the scenario to be played out.

B. Get Presidential approval of a Marianas package. This should provide for:

-- subsidies at something like the present level until they "catch up with Guam."

-- continuation of federal programs (to be spelled out in succulent detail) after the end of the Trusteeship.

-- association with Guam on terms which would protect the Marianas from economic takeover by outsiders.

--- perhaps some tax advantages, such as in Puerto Rico and elsewhere.



-- liberal treatment in return for our military land acquisitions.

The President should be asked for authority to separate administration of the Marianas whenever desirable, the intent being to begin the transition to the new status.

IV. Marianas Negotiations:

These should go ahead in December, as scheduled. Aside from our intrinsic interest in nailing this relationship down, the spectacle of a businesslike negotiation in which the Marianas were rewarded for their loyalty would be useful before the Congress of Micronesia reconvenes.

V. Formal Written Message to the Status Committee:

We need to move off the present impasse -- and particularly to put the independence issue to rest, if we can get the authority -- before the January session of the Congress of Micronesia and the February UN visiting mission. Otherwise, the Congress will cut us to ribbons as it tries to get negotiating leverage against us, and it may commit itself to unhelpful positions.

I propose a letter instead of a January meeting.

The letter would be formal, to Salii. Copies of it would, however, be widely distributed to make certain that it was not simply buried by Salii.

The letter would:

(a) explain why you believe that at Ponape the Congress was clearly inviting the U.S. to make proposals and was abandoning the joint drafting approach (language from my draft final statement at Barber's Point may be relevant.)



(b) say that you had sought and received authority from the President to respond to the question raised by SJR 117.

(c) list certain draft documents appended (Compact, independence proposal, proposed form of plebiscite), which the USG is contemplating putting before the peoples of Micronesia, assuming U.S. Congressional concurrence, in fulfillment of our UN responsibility.

(d) Note that you are sending copies to him as the member of the Congress of Micronesia charged with future status issues. You would like to have his advice, that of his Committee and of the Congress of Micronesia as the most senior elected body in Micronesia. (You should decide whether at this point to say that you are transmitting the documents to other leading Micronesian figures and to the High Commissioner for their comments and advice.)

(e) Make clear that you are not seeking Congress of Micronesia concurrence in this approach, since you believe Ponape made clear that the Congress intended to weigh and comment on U.S. proposals to its electorate, not to act as active co-drafter and co-sponsor.

(f) Tell him however that, if after examining the alternatives which it has asked to see, the Congress of Micronesia comes to believe that free association is the desirable future for Micronesia, and if it wishes to co-sponsor, you believe that a resolution to that effect would be most useful.

(g) In the case of co-sponsorship, of course, you would anticipate that the Congress of Micronesia and its Status Committee would play a more active role in shaping the precise nature of the proposal than would be the case if it were simply offering its advice to you and, separately, to the Micronesian electorate.



(h) Express the desire to be in touch with him after the Committee and Congress have considered the letter, and to seek his advice as to how to proceed.

VI. Why a Message in Such Form?

-- Time is perhaps the key. Your problems will multiply if you cannot move before the Congress of Micronesia meets again. With the U.S. elections, the Marianas negotiations and Christmas, you will be pressed to develop a U.S. proposal, let alone a negotiating scenario with its fallback positions and contingent language. Moreover, you can send a letter with no notice whatsoever (other than perhaps a telephone call), whereas a meeting would require some notice; you are committed to a meeting but not to a letter.


-- Initiative. We put out a publicized message which -- I hope -- will deflate the independence issue. The Congress of Micronesia is faced with the choice of buying back into the game by endorsing free association, or crying "foul." On the other hand, if we go into negotiations, the Committee and the Congress will focus on trying to whipsaw us to raise our ante, continuing to believe that they have the offensive.

-- Control. The cry "foul" is not very soundly based, since our actions are legally proper, responsive to their own request, and yet at the same time remind them in the most polite and least answerable way that our responsibility is to the UN, for the people, rather than to the Congress.

-- Clarity. Our message comes through in a single unilateral document rather than in a bilateral transcript.

-- Leverage. If we are ever to galvanize those who are beginning to wonder whether the Congress is endangering their rice bowl by going too far, a letter such as this with its implied reminder as to where the legal power lies is the least controversial way of providing them evidence.



*Worked  
10/11/77* 



VII. The Independence Issue:

Fourteen months ago I proposed that "the first and most searching question we must ask ourselves is whether we have grown so far away from our own origins that we are willing to attempt to deny independence to other peoples if independence is their fixed and serious desire." We still have not answered that question. I have no personal doubt as to how that question should be answered, and if I am right there is no requirement for practical arguments.

Unfortunately, practical arguments will be needed.

The practical argument rests on inutility.

To refuse to offer the independence alternative would pose us with two choices: either try to push through some form of association by raising our offer; or sit on the lid of the status quo. The first might not work, is an expensive solution at best, and will leave independence alive as a slogan for future generations of Micronesians. The second approach creates its own reasons for anti-Americanism and opposition to an American presence.

The key practical point is that the refusal to offer an independence option reduces our hopes of succeeding with free association, by uniting the opposition around an unassailable cause and by demoralizing our friends, who cannot easily oppose such a cause.

In fairness, we must however also consider what would be the results if the Micronesians or certain districts opted for independence. In the final few paragraphs, I shall address that secondary issue rather than the primary one.

Strategically, what are we trying to achieve in Micronesia? Three things, I believe: denial; limited base rights; and some degree of tranquillity in an important area.

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I would hate to predict what formula would be most likely to lead to tranquillity, but I can say with some assurance that creating a frustrated independence movement is not a good way to start.

Let us examine the other two things:

Denial. This is not necessarily incompatible with independence. There is nothing in sight to suggest that any imaginable third power would be willing to provoke a confrontation with the U.S. if we showed ourselves determined to maintain denial. In theory, and at some future time, it would be better to have free association, with the U.S. in control over foreign affairs and defense, to insure that nobody ever tried to test us in collaboration with the Micronesians. This is one of the principal arguments for free association, but we must recall that it is a theoretical advantage only. There are various ways of making U.S. determination clear before we offer an independence option, and various approaches to secure the greatest possible Micronesian concurrence; these need exploration.

Bases. Tinian should be no problem in either case.

The independence movement in Palau is second only to that in Truk. Even with independence, the possibility would be open of striking a deal to lease land for a base in Palau. On the other hand, if we fanned Palau into open hostility by our refusal to offer the independence option, I doubt that we would be interested in building facilities in a hostile environment, even if we remained in control.

Somewhat similarly, we could probably arrange continued quiet use of Kwajalein even if an independence option were exercised. I have suggested that continuation of the leases be a condition of independence. The Marshallese like the color of our money, and they would probably concur willingly in such an arrangement, particularly if it were sweetened in some way. On the



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other hand, an effort to sit tight might possibly create enough of an independence movement to harass the facility and reduce its usefulness.

If I can think of more arguments, I will not hesitate to flog them from Nicosia.

cc: S/PC - Mr. Feldman  
EA - Ambassador Hummel  
IO/UNP - Mr. Armitage  
PM - Mr. Pickering  
U - Mr. Veliotos  
IO - Mr. Hertz

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Drafted: S/PC: LGrant: lpb  
x28664: 10/26/72

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