JMWilson:7-9-74:kke

## TITLE XII - APPROVAL AND EFFECTIVE DATE

## Background

The JCFS has proposed an amendment to Section 1201 (a) which would require a $2 / 3$ instead of a simple majority of those voting in a plebiscite in wherere
 would not become effective in any district where $2 / 3$ of the voters (underlining ours) have voted for the compact in isem of the Carmel provision which says that it would not become effective in any district where $3 / 4$
 JCFS version is obviously a typographical error. Until we can ask Salif for clarification it must be treated in two batege' (a) where $2 / 3$ of the voters have voted against the compact or (b) where less than $2 / 3$ have voted for. In case (a) there is only a simple change from $3 / 4$ in the Carmel version to $2 / 3$. In case (b) it is a brand new proposition.

In earlier discussions the U.S. has always acted on the assumption that a simple majority of those voting would suffice to put the compact into effect. At Carmel we bought the $3 / 4$ proposition with some reluctance in view of its possible implications for the Marianas and then only on the expressed basis that the compact would apply to mave districtsen.

## Discussion

The first proposed change which would require an overall $2 / 3$ vote instead of a simple majority is patently unacceptable. Salii will argue if it takes $2 / 3$ to teminate it should also take $2 / 3$ to put into effect. He should be told that this is what we have talked about since Hana. If the JCFS wants to change its mind at this late date we can't buy it. It would mean that all
those favoring some other status: territory, commonsealth, independence or status quo, could join up to defeat the Compact by getting just $34 \%$ of the vote - a manifestly impossible situktion. After fifteen yearg trial on the other hand it should take a really healthy majority of the disaffected to effect a change.

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Athe second proposed change, in verstem fà is probably just as acceptable or unacceptable than $3 / 4$ was. We still run a risk on the Marianas, and if We buy this version $1 t$ should again be made clear that we do so only min the basis that the compact applies to five and not six districts. To insist on a simply majority here is to go to full district option which we have tried to avoid in the past as a violation of the unity principle. To reject the idea entirely, however, after accepting at Carmel (and so informing the President and NSC USC) would do violence to the self-determination idea and possibly alienate the Marshalls and Palau away from the Compact.

Version (b) of the second proposed change is something else again. This turns the Carmel version around completely and makes it necessary for $2 / 3$ of the voters in a district to vote in favor of the Compact before it becomes effective in that district. Unless the Compact gets a $2 / 3$ favorable vote the district would be free to negotiate its own status separately with the U.S. This violates both the principles of unity and self-determination in a sense and is district option with a vengeance. While it is hard to believe this is what the JCFS really had in mind, it is conceivable they are ready to go this far to appease separatist in the Marianas, Marshalls and Palau. Taken in conjunction with the last proposed change it could mean almost full local option for those districts who want commonwealth, free associatim, independence or status quo. In the remote event this is what they really mean we

## would be well advised to ask for new instructions. Recommendations

1. Refuse to accept the first change.
2. Accept the second proposed change in version (a) but only after repeating the U.S. understanding regarding the application of the Compact to five districts.

B/ 3. In the remote event version (b) of the second change is what they really mean, explore their reasons thoroughly and then aay we have to study it further and ask for new instructions.

