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REQUIREMENTS AND NEGOTIATING OBJECTIVES U.S. INTERESTS

U.S. interests in the Trust Territory of the Pacific Islands are based mainly on strategic considerations, although we also have several related political interests and objectives. The location of these islands, including the presence of Guam in their midst, forces us to regard them in the light of our more general national interests and objectives in the Western Pacific. Also, the presence of a critical U.S. military R & D facility in the eastern part of the Territory plus our close association with the peoples of Micronesia since 1944 contribute significantly to the sum total of our interests in these islands.

Events of the past several years, especially in Southeast Asia, have increased the level of interest in the political fate of the TTPI and have made the U.S. more conscious of the potential importance of these islands. Although the accession of the Northern Marianas to the U.S. is assured, there is a continued need to reassure our friends and allies in the area that we intend to remain a Pacific power and to stand by our security commitments. For this and the reasons cited below we cannot afford to permit others to resolve the issue of the future political status of the Carolines and the Marshalls; on the contrary, we must reassess the alternatives and strive anew to obtain a status accord which will serve the following interests and objectives:

Strategic Interests - Requirements

There are a number of reasons for our regarding these islands as of "strategic importance". Among these are there location, proximity to

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important trade routes and to U.S. bases on Guam; the many uncertainties confronting our continued tenure and operating rights in the forward defense areas; the need for additional training and logistical facilities in the area, the potential risks or threats which would arise from the presence of the military forces of unfriendly powers on one or several of these islands; and the need to be better prepared to meet contingencies in the Pacific or the Indian Ocean.

Specifically:

The description for all the descriptions for a formal interests require the continuing ability eny access to Micronesia by foreign powers for military purposes. unfriendly hands the islands of Micronesia could serve as missile, air and naval bases and constitute a grave threat to U.S. control of sea and air routes and communications in the central Pacific, as well as to U.S.

Territory -- including in particupar, Hawaii, Guam, the Northern Marianas, Wake, Midway and Johnston Islands.

2. The U.S. also requires continued, unfettered access to the military facilities on Kwajalein Atoll; the Kwajalein Missile Range complex is a vital element of critically important R & D programs; alternative sites and facilities would be extremely difficult and costly to find and construct.

3. U.S. interests, commitments and objectives elsewhere in the Pacific and Asia require an ability to project and support military power throughout the Western Pacific. Circumstances beyond our control could make it imperative that we are able to acquire bases or base rights

in the Western Carolines, e.g. additional restrictions on operations from U.S. bases in the Philippines, or the need to give up land on Guam indicates the need for basing options elsewhere in the area. / For these reasons, the DOD believes that it is important to obtain for contingency purposes the right of military access to certain areas in the Palau District. If such basing options were not protected by firm political arrangements covering a sufficient period of time to justify any future construction of facilities and related operational costs, they would be of questionable value. DOD recognizes the fact that whether the political and financial costs of obtaining such options are commensurate with their potential value cannot be determined in advance with any degree of precision or confidence. Therefore, DOD is prepared to review this requirement in the light of further study and negotiations with the leaders of Micronesia. The successful conclusion of the status negotiations should not be delayed solely on the grounds that a satisfactory agreement covering such options is absent. is more important to obtain a status agreement which will meet the basic needs and aspirations of the peoples of the Palau District than to obtain an agreement or rights to which are basically hostile or will later oppose.

B. Political

The U.S. Government has a vested interest in a stable, friendly, and peaceful Micronesia, no matter what form its new political status may take. A continuing close and amicable relationship with these islands—a simple and flexible relationship with a minimum of built—in "friction points"—could serve and protect U.S. interests elsewhere in the Pacific,

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while also promoting stability within the Micronesian area. Loss of effective U.S. influence over Micronesia and hostility toward the U.S. on the part of Micronesian authorities could reduce the ability of the U.S. to serve its broader interests in the Western Pacific, particularly if the U.S. also lost its existing key bases in that area. A political vacuum coupled with Micronesian political instability could conceivably tempt adventurism from the U.S. adversaries seeking military access to Micronesia.

In the aftermath of Vietnam, the U.S. wishes to demonstrate to its East Asian allies that it is not withdrawing hastily from its commitments in the Pacific area and that the Executive Branch retains a firm grasp on U.S. foreign policy. This interest certainly needs to be considered in formulating the U.S. manner of conducting the Micronesian negotiations, although not necessarily their substance.

Under both the U.N. Charter and the Trusteeship Agreement, the U.S. has a definite obligation to the Micronesians and the United Nations to develop the TTPI toward self-government or independence. Any failure to discharge that obligation could have a highly adverse political impact not only in the U.N. and wherever else strict adherence to international agreements is in the U.S. interest, but also throughout Micronesia and possibly on the U.S. ability to protect its strategic interests in the area. America's attitudes toward colonialism and its traditional active support for the exercise of self-determination by others are significant facets of the U.S. international position and image. In dealing with Micronesia it is in the national interest to act consistently with this tradition unless

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overriding national security considerations preclude such action.

C. Economic

The Trust Territory is and will be for the foreseeable future an economic burden to the U.S. The U.S. has no significant economic interests in the area, other than the possible or potential wealth of the seas around these islands. Continuing association with the U.S. could automatically lead to some increases in trade and investment, particularly with respect to tourism and marine resources. It would appear to be consistent with U.S. interest to establish a stable, enduring relationship with the other five districts of Micronesia for the U.S. Government to attempt to stimulate private American investment in the islands.

Stated another way, there are at present no American economic interests justifying continuing U.S. political involvement in Micronesia, but there are significant political reasons for the U.S. to try to forge strong economic ties. Certainly the fact that Micronesia expects considerable economic benefit from any future association with the U.S. provides a possible lever to achieve a preferred status arrangement.

Other Considerations

The wishes of the Micronesians cannot and should not be ignored.

We have an obligation to ensure that they are given ample opportunity to understand the major implications of the main status options and to express a preference at an appropriate moment.

With respect to the problem of political fragmentation, it is in our best interest to promote the political unity of the remaining five

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districts and to thwart or reject any formal attempt to initiate separate status arrangements prior to a definitive vote on the proposed Constitution. At that time, we can assess the results of the vote and take a decision regarding any requests for separate negotiations or a status separate and apart from the other parts of the Territory.

E. Negotiating Objectives

The fashioning on a priority basis of a new political relationship with Micronesia permitting early termination of the trusteeship in a manner which will protect and serve U.S. strategic and political interests through the following elements:

- nesian political entity through reasonable satisfaction of the political and economic aspirations of its peoples.
 - -- Denial of the area for military use by third parties.
- -- The right for the U.S. to maintain certain U.S. Government facilities and to negotiate for land options deemed essential to the strengthening of the U.S. military posture in the Western Pacific, or

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adjacent areas.

-- Establishment of a relationship with Micronesia which will satisfy U.S. obligations relating to termination of the Trusteeship Agreement and obtain the approval of the Security Council and the Trusteeship Council.

to Micronesia at levels appropriate to the character of the future relationship, and acceptable to the U.S. Congress: