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## OFFICE FOR MICRONESIAN STATUS NEGOTIATIONS

WASHINGTON, D.C. 20240

OMSN 005/76 February 19, 1976

# SECRET

#### MEMORANDUM OF CONVERSATION

#### Participants:

Mary Vance Trent, Chairman and Acting Director, OMSN John J. Taylor, NSC
Herman Marcuse, Justice
CDR F.C. Herndon, JCS
Dick Williams, EA/ANP, State
Molly Williamson, IO/UNP, State
Andre Surena, L/PM, State
Steve Loftus, OMSN

Date and Location: 2:30 p.m., February 18, 1976, OMSN Conference Room

Subj: Interagency Working Group for Micronesian Status Negotiations - Review of U.S. Policy on Micronesia's future political status

The meeting was called to order at 2:30 p.m. by the Chairman, who called attention to the agenda for the day, copy attached, and to several pertinent drafts and messages which had been circulated.

The Chairman noted the absence of Captain Elster, OSD/ISA representative and a representative from Interior, noting that Mr. Berg was out of town on OMSN business. Mr. Loftus said that although Captain Elster could not attend, due to urgent business in the Pentagon, he had met with him and with Mr. Barringer, Chief of the Foreign Military Base Rights staff of OSD/ISA, earlier in the day and had circulated a copy of Captain Elster's preferred status option.

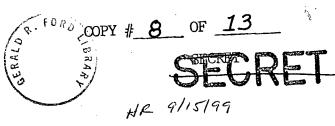
The Chairman then asked the group if there were any comments on the draft describing U.S. interests and objectives.

Mr. Taylor replied with a question as to whether the imminent acquisition of the Northern Mariana Islands had been taken into account, i.e., wouldn't the statement regarding the possible need for additional military facilities require modification in anticipation of the acquistion of Tinian?

CDR Herndon and Mr. Loftus responded to the effect that the need remained for land options in the Palau group. CDR Herndon agreed that the statement on page two of the draft under reference, referring to the need for additional training areas, might be dropped but that there remained a potential require-

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ment for additional logistical facilities and surveillance sites in Palau; he pointed out that the latter could not be accomplished from the distant Marianas and that the logistical facilities might be needed if we were forced to abandon certain bases in Korea or the Philippines. He admitted that there was no question about the Palau facilities not being able to replace bases in the Philippines, but that the loss of the Philippine bases would lead to the exercise of the options for at least the 2,040 acres on Babelthuap referred to in the draft Compact. He said that the requirement for non-exclusive use of the 30,000 acres for training was under active review and would depend, in part, on developments in the forthcoming Philippine negotiations and the future availability of other areas in the region. Regarding a reference to facilities on Guam, CDR Herndon promised to check on the statement. The group then proceeded to review the remainder of the draft; a number of suggested changes were made, discussed and adopted. The principal issues were the adjectives used to describe future U.S. military requirements and the relationship between U.S. interests and the feasibility of meeting them fully via the status negotiations. Mr. Surena expressed his concern over listing objectives or interests which we had little or no chance of obtaining via the status negotiations; e.g., the principle of denial. Mr. Williams asked that all references to the Indian Ocean be dropped, given the sensitivity on the Hill to the problem of Diego Garcia.

The group then turned to the draft dealing with the possible status options. It was agreed that these should be reduced in number, for there are several which except for details are essentially identical in nature.

Mr. Loftus reminded the group that this section of the study dealt only with negotiating options and not with the status choices which will ultimately be offered to the people in a plebiscite.

All agreed that "unqualified independence" could be quickly dismissed as a viable option and that more attention should be given to the Congressional aspects of each, i.e., the merits of a treaty versus Executive type agreements or the middle position of an Executive-Legislative type agreement, similar to the one pending on U.S. facilities in Turkey. Mr. Loftus also cited the Executive Agreement with the former Federation of the West Indies, Article 24, as an instructive precedent, given our concerns over possible political fragmentation following the end of the trusteeship.

Mr. Surena cautioned that whatever agreement was reached with the COM could later be denounced or made subject to renegotiation by the new Micronesian government or governments, following the formal termination of the Trusteeship.

He also expressed concern over our power to restrict the implementation of the constitution once adopted. There was some debate on this point as well as on whether current policy regarding political fragmentation should be changed in the light of developments in Palau.



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Mr. Taylor suggested that the issues of unity, financial assistance and transition options all be addressed in a separate section. He added that he sees the status options falling into three general categories -(1) altering the present draft compact to meet the constitution; (2) insisting that the constitution be amended to accommodate the present draft compact; and (3) the various independence type options.

Mr. Williams suggested that we preface the discussion of the status options with a simple statement to the effect that there is a common interest between both parties -- the U.S. need for continued access to Kwajalein facilities and the Micronesian desire for and need for continued U.S. financial aid. While it was recognized that an agreement which, in effect, depended upon Micronesian recognition of U.S. military interests might have rough sledding in the U.N., there is no escaping from this basic relationship between U.S. requirements and Micronesia's dependence on external aid.

Mr. Surena also questioned the linkage of the future level of U.S. financial assistance and the closeness of the relationship stipulated by the agreement. He contended that our obligations under the Trusteeship Agreement called for continued high levels of U.S. aid, whatever the character of the status agreement. Mr. Loftus replied that this relationship has been well established in the negotiations and that we must consider the views of Congress. He added that we had done far more and were prepared to do more for Micronesia than any other form Trustee had done for its territory, and reminded the group that the JCFS itself had said that what we spend until the end of the trusteeship is of greater importance than commitments of aid after the trusteeship, i.e., that the higher the levels of the CIP during the next five years the less that will be needed after 1981.

The meeting concluded with comments by the Chairman informing the group that a request had been made for an extension of the deadline to April 1, and the announcement of an early convening of a drafting committee composed of representatives from DOD, State, Interior and OMSN, to be followed by another full meeting on February 27 at 10:30 a.m.

Prepared by: SALoftus:kkc

Approved by:

MVTrent, Acting Director, OMSN





### IAG WORKING GROUP MEETING

## Wednesday, February 18, 1976 - 2:30 p.m.

#### AGENDA

- 1. Review paper on U.S. interests and objectives.
- 2. Review paper on status options:
  - Are there others to consider?
  - Condensation; should some be ruled out?
- 3. Views on Transition

Draft Constitution

- Should we intervene? If so, when and how?
- 4. Fragmentation
  - note recent Status LNO cables regarding Salii and Palauan developments.

