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OFFICE OF THE ASSISTANT SECRETARY OF DEFENSE
WASHINGTON, D. C. 20301



INTERNATIONAL SECURITY AFFAIRS

14 APR 1976

In reply refer to:
I-21658/76

MEMORANDUM FOR DIRECTOR, OFFICE OF MICRONESIAN STATUS NEGOTIATIONS
SUBJECT: Draft Study on U.S. Policy on Micronesia's Future Status (U)

(U) Reference is made to your memorandum of 6 April 1976 which requested comments on subject study.

(U) For the last three decades, our security interests in Micronesia have been adequately protected by the United Nations Trusteeship Agreement which was approved by our Congress and the UN Security Council in 1947. Now, however, there are feelings within the U.S. Government that the time has come to terminate this Agreement. From a defense perspective, it is essential that this occur without political or economic instability and without the loss of rights we need to protect our national security interests in the years ahead.

(S) The foregoing objectives are adequately stated in the draft negotiating instructions. However, we believe that these objectives may be impossible to achieve if the U.S. Government makes an offer of independence, indicates that it will negotiate only with a united Micronesia, and makes a firm commitment to terminate the Trusteeship no later than 1981.

(S) Heretofore, we have not attempted to prepare Micronesia for unity combined with independence. Consequently, this option poses a great many uncertainties and unpredictables -- whether Micronesia can agree on a unified form of government, the constitutional and personal authority of any future chief executive, the efficacy of their governmental structure, and their ability to become more self-reliant. It remains to be seen whether Micronesia will or will not become a viable entity.

(S) A satisfactory treaty relationship with an independent Micronesia will depend, to a great extent, on the legal and political strength of its Federal Government. The draft Constitution of Micronesia indicates that the legal prospects for a strong federal entity are not at all encouraging. The political strength of a popularly elected Government of Micronesia has never been tested. There is a very strong likelihood

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SUBJECT TO GENERAL DECLASSIFICATION SCHEDULE OF
EXECUTIVE ORDER 11652. AUTOMATICALLY DOWNGRADED
AT TWO YEAR INTERVALS. DECLASSIFIED ON 31 Dec 84



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HR 9115/99

that, under a treaty relationship, the United States will be under continual pressure to help the Government of Micronesia maintain its control over the Marshalls and the Carolines, but this Government may have little or no authority to satisfy U.S. defense requirements -- specifically, the land required to operate Kwajalein Missile Range and the acreage sought in Palau.

(S) Finally, the risks associated with the independence option are compounded by negotiating instructions which call for a public statement by the United States Government that it will terminate the Trusteeship Agreement no later than 1981. Such a commitment strongly implies that early termination of the Agreement will take priority over other, more basic U.S. objectives.

(S) In summary, we believe that independence is the least desirable of the political status options addressed in the study. Coupled with a firm commitment to terminate the Trusteeship no later than 1981, it is an option which we cannot support. The risks of an unstable Micronesia and an unsatisfactory treaty relationship are too great. We believe that there are two ways to solve this problem -- either extend the period of Trusteeship until the Government of Micronesia has had an opportunity to prove its strength or enter into a period of free association, after which the Micronesians would be free to move toward other options.

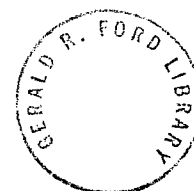
(U) This view is reflected in the attachments which propose changes to the study and the draft negotiating instructions.



W. J. Crowe, Jr.
Rear Admiral, USN
Director, East Asia & Pacific Region

Attachments

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DRAFT STUDY ON U.S. POLICY ON MICRONESIA'S FUTURE STATUS

Part IV, Status Options, Page 8, change second "CON" under independence

option to read as follows:

"--Will be much more vulnerable to political and economic instability."

REASON: The statement as written is inconsistent with other sections of the study which stress the centrifugal forces within Micronesia and the many years which will be required to attain economic self-sufficiency.

Part IV, Status Options, Page 10, under "Timing of Negotiations," change

third sentence to read as follows:

"The Department of Defense argues that the U.S. should suspend formal negotiations, if such negotiations involve a treaty relationship, until a stable Micronesian Government can be organized either under the proposed Constitution, as amended, or an entirely new basic law."

REASON: Suspension of the negotiations need not apply to commonwealth or free association, because basic authority over foreign relations and defense matters would remain with the United States Government while the Government of Micronesia worked on the problems of political unity and economic self-reliance.

Part IV, Status Options, Page 11, in the paragraph beginning with "In addition,

State believes....," delete:

"(3) it could provide the U.S. with an opportunity to shape the termination package so as to influence the districts to see advantages in unity."

REASON: Implied in this statement is the notion that Micronesian unity can be purchased by the United States Government within the next 6-12 months, with no problems thereafter. The Department of Defense would argue that there must be support for unity at the district level and that such support may take several years for the future Government of Micronesia to establish.

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Part IV, Status Options, Page 12, at the end of the paragraph beginning with "State believes..." add the following sentence:

"The Department of Defense cannot support the thesis that Micronesia needs the United States more than the United States needs Micronesia. For instance, the need for Kwajalein Missile Range is a primary consideration in the future status negotiations with Micronesia. Annex A discusses the strategic importance of Kwajalein and the \$750 million U.S. investment that this installation represents."

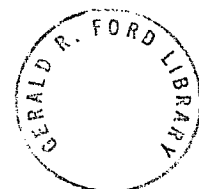
REASON: Self-explanatory.

Part IV, Status Options, Page 13, change the third paragraph under Termination Date to read as follows:

"On balance, the Study Group recommends that the U.S. adhere to the current policy statement, i.e., that we continue to hope that the Trusteeship can be terminated by the end of 1981. The establishment of a more definitive date for the termination of the Trusteeship should be deliberately avoided until such time as the course of future status negotiations is determined, because some political status options may require a longer transition period than others."

REASON: Heretofore, the United States Government has not prepared Micronesia for unity combined with independence under a federal system of government. Thus, if this option is preferred by a majority of the Micronesians, the transition process may take longer than either commonwealth or free association.

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Part VIII, Conclusions and Recommendations, delete paragraph 5 and substitute the following:

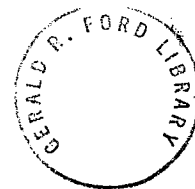
"5. The IAG believes that given the lack of real political unity in Micronesia and the uncertainties regarding the strength of stability of any future Government of Micronesia, independence is the option least likely to protect fundamental U.S. security interests. Negotiation of this option, therefore, should be undertaken only if it is clear that a Micronesian consensus strongly favors independence over either commonwealth status or free association. U.S. intentions to terminate the Trusteeship should be kept deliberately vague, because the transition toward independence may require considerably more time than commonwealth or free association."

REASON: The present paragraph adequately states the problem, but then goes on to the non-logical and non-supportable conclusion that fundamental U.S. security interests would be protected adequately by any of the three major status options.

Part VIII, Conclusions and Recommendations, delete paragraph 5 and substitute the following:

"6. Subject to the foregoing considerations, which are reflected in the draft negotiating instructions, the IAG recommends that the President's Personal Representative be given flexibility to determine which political status option -- commonwealth, free association,

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or independence with a treaty relationship -- might be acceptable or feasible. The financial arrangements would be as indicated in the draft revised instructions."

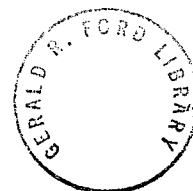
REASON: It is necessary to relate flexibility to some of the considerations outlined in revised paragraph 5.

Part VIII, Conclusions and Recommendations, delete paragraph 10 and substitute the following:

"10. On the question of political unity, the President's Personal Representative should seek to reinforce current U.S. policy favoring the political union of the Carolines and the Marshalls, but without creating an impression that the United States is seeking to force unity upon Micronesia. He should refuse to entertain any requests for separate negotiations prior to receiving further guidance and in the interim avoid any United States commitment to guarantee the political unity of Micronesia after Trusteeship termination."

REASON: The present statement is slanted in that it does not address the necessity to avoid both separate talks and any commitment to guarantee the political unity of Micronesia. Such commitments would alienate those districts which have strong views toward separatism, possibly jeopardize future land negotiations, and lead to a host of obligations which should be avoided in the post-Trusteeship period.

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DRAFT INSTRUCTIONS FOR THE PRESIDENT'S PERSONAL REPRESENTATIVE
FOR MICRONESIAN STATUS NEGOTIATIONS

Paragraph 1, change the second of secondary objectives to read as follows:

- To limit future U.S. responsibilities for Micronesian affairs, including administrative and other responsibilities, to those required to achieve primary U.S. objectives.

REASON: The "avoidance of misunderstanding and friction" implies that the U.S. Government would yield to the future Government of Micronesia on issues of primary importance.

Paragraph 2, change the last sentence under "Independence" to read as follows:

- Prior to the offer of this option there must be consultations with Congress to determine current Congressional attitudes toward independence. These consultations should be initiated only if there appears to be a strong Micronesian consensus in favor of independence over either commonwealth or free association.

REASON: Independence is the least desirable of the political status options. It should be negotiated only if desired by Micronesia and supported by the leadership of our Congress.

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Paragraph 3, change to read as follows:

- You should strive to reach a single future status agreement for all of the districts of the Carolines and the Marshalls while avoiding any U.S. commitment to guarantee the political unity of Micronesia in the post-Trusteeship period. In the event a common future political status for all of Micronesia becomes impossible and before any commitment is made for separate negotiations with any district you should seek further instructions from the President.

REASON: It is essential to avoid any commitment to guarantee the unity of Micronesia because this could entail either financial assistance beyond that presently envisioned or the possible use of U.S. military forces to quell a secessionist movement.

Paragraph 4, change the first and second subparagraph to read as follows:

- You are authorized to inform the Micronesians that the U.S. intends to hold to the general timetable for the termination of the Trusteeship as set forth two years ago at Carmel. A more specific timetable should be deliberately avoided because it may take somewhat longer to prepare Micronesia for independence than for commonwealth status or free association.

Should consultations with the Micronesians or with the U.S. Congress prove that commonwealth status is not a feasible option, you are authorized to negotiate simultaneously free association and independence and to offer such options to the people in a plebiscite. The negotiation of independence will be contingent upon strong indications that this is the status desired by Micronesia and prior consultation with the U.S. Congress.

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REASON: Clarity and consistency with other changes proposed to the study and the draft negotiating instructions.

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