

NATIONAL SECURITY COUNCIL
WASHINGTON, D.C. 20506

3

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May 12, 1976

MEMORANDUM FOR:

Wreatham E. Gathright
Staff Director
NSC Under Secretaries Committee

SUBJECT: Future Political Status of Micronesia

In response to your memorandum of April 30, 1976 I am forwarding NSC Staff comments on the draft memorandum for the President on Micronesia. Our comments and recommendations are as follows:

- The memorandum to the President and the draft instructions to Ambassador Williams should mention the interagency differences regarding Section VIII of the study.
- Statements in the memorandum to the President describing the political status options should be made consistent with the description made in Section IV of the study.
- The draft memorandum to the President and the study are inconsistent with regard to State and Interior's belief that the U.S. negotiator should table the independence option and include it in the ultimate plebiscite on Micronesia's future status. The State and Interior position should probably be included as an option in the memorandum to the President.
- Another inconsistency between the draft memorandum to the President and the study is with regard to the possibility of revisions in the draft Compact for Free Association. The State Department makes clear on page 8 of Section IV that the U.S. Government should not hold out hope to the Micronesians of modification of the draft Compact provisions on foreign relations. In the study, there are no dissenting views to this

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HR 1011199



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position. The memorandum to the President, however, leaves the question of revision of the Compact of Free Association somewhat open-ended, even citing "certain Law of the Sea matters" as an area in which we could meet "the more legitimate demands of the Micronesian leaders" for modification of the Compact. This point, if not clarified, should also be included as an option.

- The study and draft memorandum suggest more specificity in the draft instructions. Since free association is the preferred option, we recommend that the instruction direct the President's Personal Representatives to give priority to achieving a settlement on the basis of this alternative.
- The draft memorandum to the President and the study are inconsistent regarding the assessment of political conditions in Micronesia. For example, on page 5, the memorandum notes that probably a majority still prefer free association. Paragraph 1 of Section IV, however, states that a majority of the leaders of the Congress of Micronesia have stated that the draft Compact must be amended to conform with the proposed constitution, which asserts full Micronesian sovereignty.
- Page 2, lines 5 and 6 of the memorandum to the President should be rephrased as follows: "subsequently on the grounds that it judged the United States offer of financial assistance inadequate when measured."
- Page 3, line 14, should be changed to read: have informally expressed. References throughout the document should be changed from "the Marshalls and Carolines" to "the five districts of the TTIP."
- On page 6 current U. S. Government expenditures in the five districts of Micronesia should be included for comparison purposes.
- Page 9: change "many in Congress" to "some in Congress."

Jeanne W. Davis
for
Jeanne W. Davis
Staff Secretary

