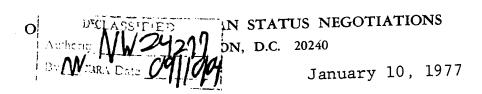
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MEMORANDUM FOR:

CHAIRMAN, UNDER SECRETARIES COMMITTEE

From:

Chairman, Interagency Group for Micronesian Status

Negotiations

Subject:

Review of U.S. Policy on Micronesia's Future Status

Ref:

NSC-U/SM-86AD

Attached is the draft review of U.S. policy on Micronesia's future status revised in light of comments received from members of the IAG including the Departments of Defense (ISA & JCS), Interior, Justice and Commerce, as well as the Coast Guard. In the absence of any written comments to date by OMB, it is assumed that OMB has no serious objections to this paper. Interior supports the draft except for recommendation 3 which is inconsistent with current Interior Under Secretarial guidance which calls for a greater grant of marine resources authority to Micronesian than Positions II or III in this paper. Interior hopes to seek reassessment of this issue at the Under Secretarial level.

The State Department in its comments disagrees with some of the key recommendations, requests major revisions and extensive additions to the review and raises many questions regarding alternative U.S. policies, strategies and tactics beyond the scope of the present draft policy review. The other members of the IAG, however, support the premise on which this paper is based, i.e., that only if further efforts to negotiate a status of free association fail, should another strategy be considered in depth and recommendations made thereon in light of such negotiating experience.

The clearly divergent views of the State Department cannot be reconciled with those of the other departments concerned at the IAG level. Therefore, the attached draft review, with the State

Philip W. Manhard Acting Representative TOS. OF EO. 11658

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Department's dissenting tonner, is hereby forwarded with the recommendation that this review be further considered by the Under Secretaries Committee at as early a date as possible.

Kilse W. Manhard

Attachments: as indicated

William H. Gleysteen, Senior Staff Member, NSC
Deputy Assistant Secretary Edmond-EA, State
Deputy Assistant Secretary Abramowitz-DOD/ISA
Assistant Attorney General Scalia, Justice
Assistant Director, Political/Military Affairs, BGEN Sennewald

Associate Director Ogilvie, Office of Management and Budget Deputy Administrator Pollack, NOAA, Commerce Chief, Office of Public and International Affairs RADM Wallace U.S. Coast Guard