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SECRETARY OF STATE
WASHINGTON

NSC UNDER SECRETARIES COMMITTEE

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January 18, 1977

MEMORANDUM FOR MR. BRENT SCOWCROFT
THE WHITE HOUSE

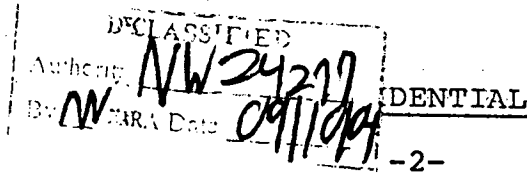
Subject: Negotiations on the Future Status
of the Micronesian Islands

The new Administration will be required to make early decisions establishing negotiating instructions and plans for the resumption of talks with representatives of the Micronesian Islands on the future political status of this UN Trust Territory.

The Under Secretaries Committee has not completed the policy review requested by the NSC staff on November 15. In order to facilitate completion of the review and determination of negotiating instructions, I am transmitting to you and to the interested departments and agencies papers reflecting the current state of interagency consultation on the key issues.

There is agreement at the Inter-Agency Group level (task force level) that the United States should make a further effort to achieve a compact of free association with a unified Micronesia, according self-government but with retention by the United States of responsibility for Micronesia's foreign relations and defense for a period of at least 15 years after the present target date of 1981 for termination of the UN Trusteeship, as provided for by the 1973 and 1974 Presidential instructions. The keys to achievement of this objective appear to be mutually satisfactory resolution of two major issues:

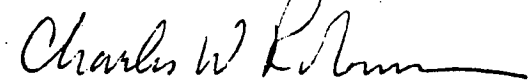
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- 1) Separatist tendencies in the Marshall and Palau Islands, based largely on fears that their present and prospective economic advantages will be diluted by joining the less advantaged Carolines in a single state sharing US financial subsidies. Means of reversing these tendencies and encouraging adherence to a single compact of free association must be examined and authorized for discussion with Micronesian representatives.
- 2) Micronesian demands for control over marine resources in an extensive economic zone extending 200 miles off their coasts, including the right to conclude bilateral and multilateral treaties regulating access to these resources -- a significant exception to US control over Micronesian foreign relations.

The Inter-Agency Group has delineated options for resolving the marine resources issue, including concessions suggested by some agencies which would substantially dilute US control over this important feature of Micronesia's foreign relations.

The Inter-Agency Group has considered without full agreement or review at the Under Secretaries Committee level a set of proposals dealing with US military lease terms, fisheries surveillance and enforcement, and other financial measures intended to induce adherence by all Micronesian districts to a single compact of free association. Decisions on some or all of these elements of a negotiating strategy may be judged necessary before the resumption of talks with the designated Micronesian status commission or exploratory discussions with representatives of the Marshalls and Palaus.


 Charles W. Robinson
 Chairman

Attachments:

As stated

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