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THE PRESIDENT'S PERSONAL REPRESENTATIVE FOR MICRONESIAN STATUS NEGOTIATIONS WASHINGTON, D.C. 20240

SECRET--UNCLASSIFIED UPON REMOVAL OF ENCLOSURES

July 5, 1979

Ms. Christine S. Dodson Staff Secretary National Security Council Old Executive Office Building Washington, D.C. 20506

Dear Ms. Dodson:

I am enclosing a draft letter regarding the position of the President's Personal Representative for Micronesian Status Negotiations and the formation and organization of the Office for Micronesian Status Negotiations. I believe that the information set forth in this letter is, or should be, a matter of public record and that release of this information cannot reasonably be expected to cause damage to the national security. However, since this information is based on classified White House documents, I am referring the draft letter to you for clearance. Your expedited response would be appreciated.

For your information, the addressee of the letter, Richard D. Copaken of the Washington, D.C. law firm of Covington & Burling, represents the Marshall Islands Political Status Commission, one of the negotiating partners with whom the U.S. is negotiating the future political status of the Trust Territory of the Pacific Islands. The draft letter is not in response to a freedom of information request.

I am enclosing a copy of the relevant White House documents pursuant to the telecon of July 3 between Dr. Beverly Zweiben of NSC staff and John Armstrong of OMSN staff.

Sincerely,

Peter R. Rosenblatt

Ambassador

Enclosures:

- 1. Draft letter to Richard D. Copaken, Esquire (U)
- Harrison Loesch Memorandum of May 25, 1971 on Suggested Terms of Reference (U)
- 3. White House Memorandum of July 20, 1971 (S)
- 4. NSC-U/DM 62B of July 30, 1971 (LOU)
- 5. PD/NSC-11 of May 5, 1977 (S)

DRAFT/OMSN/7/3/79

Richard D. Copáken, Esquire Messrs. Covington & Burling 888 16th Street, N.W. Washington, D.C. 20006

Dear Dick:

I have your letter of June 26 regarding the formation and organization of the Office for Micronesian Status Negotiations.

The position of the President's Personal Representative for Micronesian Status Negotiations was established in 1971 by the Nixon Administration in a classified National Security Decision Memorandum—an administrative and policy directive to the Executive Branch from the President. That document gave the President's Personal Representative overall authority for the negotiations within the limits of the substantive instructions which the President issued from time to time. He was given authority to communicate directly with the President through the office of the Assistant to the President for National Security Affairs and to consult with Congress. He was also required to coordinate his positions with concerned federal agencies as and when necessary.

The Office for Micronesian Status Negotiations (OMSN) was created by the same Presidential directive,

and the Departments of State, Defense and Interior were directed to provide support to the Office.

The position of President's Personal Representative and the Office for Micronesian Status Negotiations remain unaltered in their essentials under a new Presidential Decision Memorandum issued in the current administration. The President's Personal Representative, working through a Micronesia Interagency Group chaired by the Counselor of the State Department, receives his instructions from the President, acting on the recommendations of the Policy Review Committee (a Cabinet level committee) of the National Security Council. The members of the Interagency Group are the federal agencies with principal concerns for the Trust Territory, and OMSN. Other departments with particular concerns or expertise are brought in from time to time.

I hope you find this information helpful.

Sincerely,

Peter R. Rosenblatt
Ambassador



United States Department of the Interior

OFFICE OF THE SECRETARY WASHINGTON, D.C. 20240

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To: Mr. John M. Holdridge, Senior Staff Mumber National Security Council

From: Assistant Secretary, Public Land Management

Subject: Suggested Terms of Reference for Franklin Haydn Williams, the President's Personal Representative for the Negotiation of Future Political Status of the Trust Territory of the Pacific Islands

Attached are the terms of reference under which we feel Dr. Williams should operate. These guidelines were accepted by the Secretary of the Interior after discussions with Dr. Williams and later received full concurrences by the Departments of State and Defense.

We hope this document can go forward for Presidential decision, along with the political status options paper submitted on March 31, 1971.

Attachment

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AMBASSADOR FRANKLIN HAYDN WILLIAMS
PERSONAL REPRESENTATIVE OF THE PRESIDENT FOR
POLITICAL STATUS NEGOTIATIONS WITH THE
TRUST TERRITORY OF THE PACIFIC ISLANDS

Terms of Reference

A. Responsibilities:

- (1) To conduct negotiations as the Personal Representative of the President on the future political status of the Trust Territory with the Congress of Micronesia and, as appropriate, other Micronesian leaders.
- (2) To undertake such consultation with the U.S. Congress on the political status issue as may be necessary in coordination with the Secretary of the Interior and the NSC Under Secretaries Committee.
- (3) To make recommendations directly to the Secretary of the Interior on U.S. policy regarding the Trust Territory as it may relate to the political status question.

B. · Authority:

- (1) Negotiating limits and guidelines as provided by the President upon the recommendations of the NSC Under Secretaries Committee.
- (2) General guidance for the political status negotiations and for consultations with the U.S. Congress as provided by the NSC Under Secretaries Committee in accordance with Presidential decisions.
- (3) Full discretion with regard to negotiating strategy and tactics including the composition of the American delegation and procedural arrangements for future negotiations.
- (4) Within the framework of the President's decisions and the general guidance provided by the NSC Under Secretaries Committee, sole authority to advance and explore, at such time, and in such order as he may consider desirable, elements of a settlement, subject to the negotiating limits approved by the President.

- C. Coordination and Administrative Support:
 - (1) The NSC Under Secretaries Committee will:
 - (a) Coordinate recommendations by the Departments with respect to the U.S. negotiating position and other matters relevant thereto, including consultations with the U.S. Congress.
 - (b) Provide a forum for the exchange of views on the progress of the negotiations.
 - (c) Undertake such other tasks as may be requested by the President's Personal Representative in support of the negotiations, using the established interagency group on Micronesia as the normal staff organization for such purposes.
 - (2) The President's Personal Representative will:
 - (a) Submit recommendations on the U.S. negotiating position and reports on the progress of the negotiations, after consultation with the Secretary of the Interior, directly to the President through the Office of the Special Assistant for National Security Affairs.
 - (b) Provide copies of such recommendations and reports to the Secretary of the Interior, and the NSC Under Secretaries Committee.
 - (c) Consult with the NSC Under Secretaries Committee (and with the Departments individually as may be necessary) on the progress of the negotiations and U.S. Congressional reactions.
 - (d) Draw upon the Executive departments and agencies for staff advice as required.
- D. Relationship to Executive Departments:
 - (1) The negotiations will be conducted under the aegis of the Secretary of the Interior
 - (2) The Department of the Interior will provide appropriate administrative and budgetary support for the President's Personal Representative and his personal staff.

- (3) Other departments/agencies will fund any participation prior and incident to negotiations in the case of their own representatives.
- (4) In the conduct of his mission, the President's Personal Representative will maintain close liaison with all departments concerned and will have direct access to the Secretaries of the Interior, State, and Defense, and the Special Assistant to the President for National Security Affairs, for this purpose.

Drafted by: FHWilliams/Dcpartment of the Interior

Concurrences: State: U/S, IO/UNP DOD: OSD/ISA

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THE WHITE HOUSE

WASHINGTON

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July 20, 1971

MEMORANDUM FOR

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/S-0 SUBJECT:

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THE CHAIRMAN, UNDER SECRETARIES COMMITTEE

Future Political Status of the Trust Territory of the Pacific Islands -- Negotiating Scenario and Dr. Williams' Terms of Reference

The President has approved (a) a negotiating scenario for the next stage of negotiations on the future political status of the TTPI, and (b) the Terms of Reference for his Personal Representative in the negotiations, Dr. Haydu Williams.

Negotiating Scenario

The negotiating scenario will contain an initial position and three successive fall-back positions. If the problem cannot be resolved through any of these four approaches, a new look at the situation and a new authorization for a negotiating position will be sought from the President.

Position I - Offer a modified commonwealth relationship, with our concessions over our last negotiating position limited to restraint on the exercise of entinent domain and federal supremacy.

- -- We will agree to limit our right of eminent domain by not exercising it to take private land for public use, provided that our long-term needs for land--particularly in the Marianas and the Marshalls--are assured by pre-negotiated arrangements.
- -- We will agree to limit Federal supremacy by limiting the application of U. S. Federal laws, regulations and programs where practicable, legal, and not in derogation of U. S. interests. We will also agree to exercise Federal powers only in the fields of foreign relations and defense, except as agreed by the Micronesians or as required by national emergency. This will also allow for increasing self-government among the Micronesians.

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Position II - The same as Position I, except to offer in addition a provision for unilateral termination of the relationship, the offer being carefully circumscribed possibly through a complex procedure and becoming effective only after a specified period of years.

-- Will depend on (a) Micronesian acceptance of the provisions of Position I and of this offer of unilateral termination as a basis for final agreement, and (b) pre-negotiation of strategic arrangements (denial and basing rights) that will legally survive termination of the association.

Position III - If the Marianas District (and possibly one or more other districts) separately opt for some form of permanent association with the U. S. (territorial or commonwealth association), we will offer to the remaining districts as a group (a) a modified commonwealth association as defined in Positions I or II, or (b) a relationship of Tree association as defined in Position IV below.

Position IV - Offer a relationship of "free association" which will include negotiation of a compact terminable only by the consent of the U. S. and Micronesia.

- -- We will insist on exclusive control over foreign relations and defense and will seek a close relationship similar to that under a modified commonwealth to build up vested Micronesian interests in the association--participation in Federal domestic programs, access to the U. S. judicial system, rights of U. S. nationality, etc.
 - -- We will insist on pre-negotiated arrangements which will provide for denial and basing rights and which will survive any termination of the "free association" relationship.

Ambassador Williams! Terms of Reference

The President has specifically approved the following as Ambassador Williams' Terms of Reference:

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- -- His negotiating authority is provided by the President's approval of the above positions, of these terms of reference, and of any subsequent negotiating instructions. His negotiating authority will extend to include tactics, composition of the U.S. delegation, and procedural arrangements.
- -- He will make recommendations on the negotiations directly to the President through the office of the Assistant to the President for National Security Affairs and conduct the negotiations on behalf of the Executive Branch.
- -- He will consult with the Congress on the political status issue in coordination with the Under Secretaries Committee.
- Defense and report back to them, as well as to the President, the progress of the negotiations. He will be administratively supported by the Department of Interior and draw on the three Departments for stall. In effect, he will work more closely with Interior than the others, though their interests will also be protected.

In addition, and insofar as they do not conflict with the above, Ambassador Williams will also be guided by the Terms of Reference submitted by Assistant Secretary of the Interior Loesch May 25, 1971, and concurred in by the Departments of State and Defense.

Consultations with Congress

The President's Personal Representative and such other representatives of State, Defense, and Interior as necessary will consult with the House Interior Committee and other appropriate Congressional committees and leaders before proceeding with the next stage of negotiations or whenever such consultation is deemed appropriate in the judgment of the Under Secretaries Committee.

Henry A. Kissinger

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THE UNDER SECRETARY OF STATE WASHINGTON

NSC UNDER SECRETARILS COMMITTEE

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NSC-U/DM 62B

July 30, 1971

TO

The Deputy Secretary of Defense
The Assistant to the President for

National Security Affairs

The Chairman of the Joint Chiefs of Staff

The Deputy Attorney General
The Under Secretary of Interior

The Assistant Director, Office of

Management and Budget

SUBJECT: Trust Territory of the Pacific Islands--Dr. Williams' Administrative Arrangements

By memorandum NSC-U/DM-62A of July 28, I conveyed the President's approval of a negotiating scenario for the next stage of negotiations on the future political status of the TTPI and the Terms of Reference for his Personal Representative in the negotiations, Ambassador Haydn Williams.

There will be two organizations to support the work of Ambassador Williams:

- A. An Office for Micronesian Status Negotiations is established in the Office of the Secretary of the Interior, and its Director is Ambassador Arthur W. Hummel, Jr.. The Office will:
 - serve as the central interagency office in Washington for the planning and coordination of all activities concerned with, and relative to, status negotiations;
 - 2. be the focal point for all incoming and outgoing communications concerning or connected with the status negotiations;

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- consult with and seek the advice of appropriate offices in Interior and in other concerned Departments on all status matters that fall within their areas of interest;
- 4. be responsible for providing the principal negotiator with what other support he may need in carrying out the provisions of his instructions.
- B. To replace the previous Interagency Committee on Micronesian Status, there is hereby established, under the Under Secretaries Committee, an Interagency Group for Micronesian Status Negotiations, agency Group for Micronesian Status Negotiations, to be chaired by Ambassador Hummel, with membership to be drawn from the Departments of State, Interior, and Defense, and other Departments and Agencies as required.

The next round of talks with the Micronesians are now scheduled for September. All Departments and Agencies are requested to give priority attention to all requests for assistance and background studies that will be requested by Ambassador Williams and by the Director of the Office for Micronesian Status Negotiations.

John M. Irwin II
Chairman

THE WHITE HOUSE WASHINGTON

May 5, 1977

Presidential Directive/NSC-11

TO: The Vice President The Secretary of State The Secretary of Defense

> ALSO: The Attorney General The Secretary of Interior The Secretary of Commerce The Secretary of Transportation The United States Representative to the

United Nations

The Director, Office of Management and Budget

The Director of Central Intelligence The Chairman, Joint Chiefs of Staff

The Office of Micronesian Status Negotiations

SUBJECT:

Micronesian Status Negotiations

The President has reviewed the conclusions and recommendations of the Policy Review Committee concerning Micronesian Status Negotiations, and has directed that the negotiations be conducted on the basis of the following guidelines:

- -- The broad U.S. objective should be the conclusion of status arrangements which protect essential U.S. security and political interests, afford the Micronesians the opportunity to freely determine the nature of their fibre association with the U.S., and permit termination of the trusteeship agreement by 1981.
- -- Status Options. The U.S. negotiator should seek a free association agreement with a united Micronesia. If such an arrangement should prove unattainable, the negotiator is authorized, following approval by the Policy Review Committee, to seek alternative arrangements, including (1) a special treaty relationship with an independent Micronesia,

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- or (2) a mixed arrangement embracing a free association agreement (or agreements) with those districts desiring it, and a special treaty relationship with other districts should they choose independence.
- -- Financial Arrangements. The level of U.S. post-trusteeship financial support for Micronesia should be contingent on the nature of the status arrangement negotiated. The negotiator is authorized to offer at his discretion the following financial assistance, with the understanding that such assistance is contingent on ultimate approval by the U.S. Congress.
- 1. No more than \$60 million annually in grant assistance for no more than 15 years after trusteeship termination.
- 2. Continuation of U.S. postal, weather and FAA services at FY-76 levels of activity.
- 3. \$10-15 million for relocation of capital, contingent upon the number of districts served by this installation.
- 4. No more than \$10 million annually, as necessary to obtain satisfactory and legally binding agreements covering exclusive U.S. use of all land, waters, and airspace required by the Kwajalein Missile Range and its activities for no less than 15 years after trusteeship termination.
- 5. Up to \$3 million on a one-time basis to obtain a long-term lease of land required for U.S. defense purposes in Palau.
- 6. No more than \$5 million annually to be provided to Micronesia on a dollar-for-dollar matching basis, to establish, in coordination with the Departments of Interior and Transportation, a surveillance and enforcement capability for the area.
- -- Termination Date. The negotiations should be conducted with the objective of terminating the trusteeship in 1981. The President has directed that an affirmation of the U.S. intent to make every effort to achieve that objective may be issued in his name.
- -- Marine Resources. The negotiator is instructed to offer proposals designed to allow the Micronesians the full management of marine resources,

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to help them develop marine resources, to guarantee to them that the economic benefits of such development would flow to them, and to seat them as members of U.S. delegations dealing with marine resources in their region. If a mutually acceptable free association agreement cannot be achieved on this basis, the negotiator is authorized to agree to Micronesian jurisdiction over marine resources, to accept complete Micronesian authority within a 200-mile zone, and recognize Micronesian competence to negotiate and conclude international agreements, and to be seated at international conferences on marine resources, subject to Micronesian agreement to refrain from actions which the United States deems incompatible with its international obligations or basic security interests.

-- Institutional Arrangements. Negotiations shall be conducted by a Special Representative of the President. Departmental recommendations concerning the negotiations will be coordinated by the NSC Policy Review Committee, chaired by the President's Special Assistant for National Security Affairs, and supported by the NSC Inter-agency Group on Micronesia, which will be chaired by the Counselor of the Department of State. Negotiations will be supported by the Office of Micronesian Status Negotiations. Arrangements for staffing and financing that Office will remain unchanged.

Zbigniew Brzezinski

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