

MEMORANDUM

NATIONAL SECURITY COUNCIL

June 16, 1980

DG  
He is sending me a memo  
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ZB

ACTION

MEMORANDUM FOR: ZBIGNIEW BRZEZINSKI  
FROM: DONALD GREGG DG  
SUBJECT: Micronesia Negotiations -- A Call  
From Senator Johnston

You may be receiving a call this afternoon from Senator Bennett Johnston, Democrat, Louisiana on the Micronesia Negotiations. Senator Johnston is an advocate of denying in perpetuity any other military power from establishing itself in the Trust Territory in the Pacific. (See memo at Tab A for additional background.) He has raised this issue directly with the Marshall Islands and believes he has gotten an agreement from the Marshallese on this issue in return for one change in our negotiating position which will probably be strongly objected to by OMB. In return for granting us permanent denial the Marshallese want removal of the 50% repayment penalty if they were to terminate the compact unilaterally. OMB will probably take the position that granting this point would mean that the US would be committed to pay full support funds to the Marshall Islands even if they had abrogated the compact on their own.

RECOMMENDATION

This is a complex issue. Senator Johnston will probably take the line that he has gotten permanent denial at no cost to the US and will urge that you intervene with OMB. I suggest that you sound basically positive in your response and tell the Senator that a meeting of the interagency group (IAG) will be convened shortly to discuss these new developments in greater detail, and to recommend required changes in our negotiating position.

Comment: Even if the Marshallese have agreed, Micronesia and Palau still have to be dealt with. Micronesia probably will be flexible but the Palauans feel very strongly about this issue and are almost certain to raise strong objections, or demand far larger payments under terms of the Compact.

Attachment

MEMORANDUM  
NATIONAL SECURITY COUNCILINFORMATION

June 13, 1960

MEMORANDUM FOR THE RECORD

FROM:

DONALD GREGG <sup>DG</sup>

SUBJECT:

Meeting with Senators Johnston  
and McClure on Micronesia Negotiations

On June 12 I attended a meeting with Senator J. Bennett Johnston, Democrat of Louisiana, and Senator James A. McClure, Republican of Idaho, to discuss some of their concerns about the Compact of Free Association being negotiated with the various political components of the Trust Territory. Also present were Ambassador Rosenblatt, the US Negotiator, Brigadier General Dave Palmer, Jeffrey Farrow from the Domestic Policy Staff and various Congressional staffers.

The central issue of the discussion was the Senators' strong feelings that the US should not "give away" its ability to deny hostile powers (the USSR) access to the Trust Territory after 15 years. Both Senators felt that the US should insist on inclusion of "denial in perpetuity" into the Compact.

Ambassador Rosenblatt, General Palmer, and Mr. Farrow all spoke eloquently as to why US insistence on such a stipulation would, in the collective judgment of the United States Government, stir up the kind of political resentment which would make a continued US presence in the Trust Territory more difficult to maintain. The Senators were totally unconvinced.

I noted that my reading of previous documents showed clearly that the denial problem had been of paramount US interest from the beginning, and that it had been decided that free association would allow development of the kind of political relations which would guarantee long-term US presence far better than a treaty forced down the throats of the Islanders. Again the Senators were unconvinced.

I raised the point of expected high dollar costs which would result from having to renegotiate the compact and asked if Congress would come up with these additional costs. The answer was affirmative but not in specific terms.

Toward the end Senator Johnston said he would settle for denial for 99 years or perhaps even 50, but he made it clear to Rosenblatt that his objection and those of Senators Jackson and McClure on the Senate Energy Committee would probably prevent the pact from being ratified in its present form.

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While the Senators were away for a vote, I asked the staffers why was it only now, after negotiations had been underway for more than two years, that the Senators' fundamental objectives had been surfaced. The staffers were somewhat discomfited at the question and admitted that it had been hard to get their bosses to focus on the treaty.

Upon their return, the Senators acknowledged that their objections would make Rosenblatt's task more difficult but this did not weaken their determination to hold to their position. The Senators also said that they would want to go over the compact in detail and that their scrutiny might well surface other points to which they could object.

Following the meeting I discussed with Palmer and Rosenblatt what had occurred; we agreed that a new meeting of all concerned in the Executive Branch would have to take place following Rosenblatt's return from Guam. One possible way out of the seeming impasse might be to have appropriate wording worked into subsidiary military base agreements which would be subject to the main compact.

Rosenblatt's aplomb was admirable and both he and Farrow were of the opinion that this is but the first of several encounters with Capitol Hill.

cc: Rosenblatt  
Palmer  
Farrow