

MEMORANDUM

THE WHITE HOUSE

WASHINGTON

4684

MEMORANDUM FOR MAX FRIEDERSDORF

FROM: ROBERT C. McFARLANE

SUBJECT: Micronesian Compact of Free Association

Thank you for your memo of June 7. I and my staff share your concern about the need for closer coordination among the various agencies involved with the Micronesian Compact, and for more assertive leadership in dealing with the Congress. As you know, this has been a problem historically because of the number of departments with a strong interest in Micronesia, and the unique status of the Office of Micronesia Status Negotiations.

As a result of discussions between my staff and State, State is now proposing that the IG be chaired at a higher level -- i.e., Deputy Secretary Whitehead. It is planned that Whitehead would coordinate the Administration's efforts with Congress, receive daily reports from the departments involved in their contacts with Congress on the Micronesia issue, and that he would convene the IG weekly until the Compact is passed.

The House Interior Committee markup is now scheduled for June 26. Interior has sent a letter, signed by Assistant Secretary Montoya to each and all forty-one members of the Committee, stressing the importance of getting the Compact Bill passed before October, pointing out that the Compact preserves our defense rights and strategic position in the Pacific, and asking the committee members to support it and report out a clean bill. Ambassador Fred Zeder has sent a similar letter to the Committee members, attaching four documents:

- 1) The letter to Senate and House leaders signed by Weinberger, Hodel and Ken Dam stressing the importance of getting the Compact through this year;
- 2) CINCPAC Admiral Bill Crowe's letter to Congressman Don Young emphasizing that the Compact preserves U.S. defense interests;
- 3) A letter from Trust Territories High Commissioner Jan McCoy to Congressman Don Young in which she refutes point-by-point the attack made on the Compact by Young in his April 29 letter to you.

- 2 -

- 4) A letter from President Kabua of the Marshall Islands to President Reagan in which he says that if the Interior Subcommittee's amendments are adopted they will destroy the Compact and it will have to be renegotiated.

I am attaching Montoya's letter from Zeder's letter with its attachments as Tabs A and B.

By the time you receive this, we should have the results of the June 26 markup. I hope that a more acceptable bill will have emerged and the additional constructive work can be done during the floor discussion. If necessary, I would envision Secretaries Shultz, Weinberger, Hodel, and myself weighing in personally at Conference time.

In the meantime, I intend to raise the Micronesia issue at my weekly Shultz-Weinberger breakfast meeting and tell State that I think the formation of a higher level IG to be headed by Deputy Secretary Whitehead is a good idea.

If you have any further thoughts on how we might improve the chances for getting an acceptable bill passed by the end of September, please let me know.

Attachments:

Tab A Montoya's letter
Tab B Zeder's letter



United States Department of the Interior

OFFICE OF THE SECRETARY
WASHINGTON, D.C. 20240

JUN 17 1985

Honorable Morris K. Udall
Chairman
Committee on Interior
and Insular Affairs
U. S. House of Representatives
Washington, D.C. 20515

Dear Mr. Chairman:

On June 19, the Committee on Interior and Insular Affairs will mark-up H.J.Res. 187, the Compact of Free Association. The Compact will recognize the sovereign and self-governing status of the new freely associated states emerging in Micronesia and, at the same time, preserve our defense rights and our strategic position in the area. In his televised message to the peoples of the Marshall Islands and the Federated States of Micronesia, President Reagan said the "Compact of Free Association . . . is an excellent document" which "I will support when it is presented to the Congress of the United States for approval."

I want to bring to your attention the attached letter to the Speaker and the Minority Leader from the Secretaries of State, Defense and Interior. It outlines the fundamental reasons underlying the Administration's belief that the Compact should be enacted and implemented by October 1 of this year. Also attached is a copy of a letter from Admiral William Crowe, our Commander-in-Chief of Pacific forces to Chairman Udall in which he underscores the cogent national security reasons for early Compact enactment. Finally, Janet McCoy, our High Commissioner of the Trust Territory, in her May 30, 1985 letter (copy attached), responded to points raised by Representative Don Young in a letter to Max Friedersdorf.

I hope you will plan to attend the Committee mark-up on the Compact next Wednesday, June 19, 1985, and that you will support H.J.Res. 187 in the form initially submitted by the President.

Sincerely,

Richard T. Montoya
Assistant Secretary
Territorial and International Affairs

Enclosures