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INTERNATIONAL  
SECURITY AFFAIRS

ASSISTANT SECRETARY OF DEFENSE  
WASHINGTON, D.C. 20301

23 JUL 1976

In reply refer to:  
I-23283/76

MEMORANDUM FOR THE SECRETARY OF DEFENSE

SUBJECT: Micronesian Political Status Negotiations (U) --  
INFORMATION MEMORANDUM

~~(S)~~ Last week Ambassador Haydn Williams submitted his resignation to the White House. He served as chief architect and spokesman for the Marianas Covenant which was approved in March 1976. For the last three years he also has been trying to negotiate a Compact of Free Association with the remaining five districts (Yap, Palau, Truk, Ponape, and the Marshall Is). His departure will occur at a critical point in these negotiations.

~~(S)~~ NSC studies have indicated that Free Association offers the best hope of producing a stable Micronesia and of protecting our basic security interests in this area, i.e., the denial of the islands to the military forces of any foreign nation and the retention of our access to them for defense purposes. Even the New York Times, which has been critical of our policy in the Trust Territory, recently supported this option. However our efforts to reach an agreement with the Micronesians are becoming more and more difficult.

- The districts of Ponape and Truk seem much more inclined toward independence than either the Marshalls or Palau. The Micronesian Constitution of last year bears a strong imprint from advocates of independence and, by Micronesian standards, a fairly strong central government. As a result, both Palau and the Marshalls have declared that they cannot support the Constitution and desire to pursue separate status negotiations with the United States.

- Political leaders from Ponape and Truk dominate the new Joint Commission on Future Status and Transition with whom we are supposed to conduct all negotiations. More and more, Palau and the Marshalls are ignoring the Commission and its work.

- We are having trouble with this new Commission. They seem to want complete authority over Law of the Sea matters while in Free Association with the United States. Also, they want the Compact of Free Association to be consistent with the Constitution which, in

Classified by DASD/EAPA/ISA  
SUBJECT TO GENERAL DECLASSIFICATION SCHEDULE OF  
EXECUTIVE ORDER 11652. AUTOMATICALLY DOWNGRADED  
AT TWO YEAR INTERVALS. DECLASSIFIED ON 12-31-84

*Trust Territory 0001*

*23 July 76*



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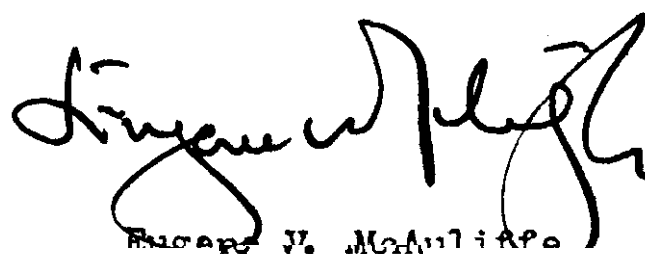


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effect, gives them final authority over foreign relations and defense matters. In principle, they want all of the authority that goes with complete independence, but with the same level of financial assistance as they would receive in Free Association.

~~(S)~~ In the next six months or so we will have to rely on strong leadership, flexibility in the USG position, and some fairly tough talk to hold Micronesia together under the US defense umbrella. More inter-agency studies will not stop the drift of Micronesia toward independence and fragmentation. A skillful successor to Ambassador Williams and early resumption of our contacts with the Joint Commission might. We are working these points.

~~(S)~~ I will keep you advised of developments in this area.



ROBERT J. McANIFF  
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