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Department of State Reservations and Recommendations

A. Termination of the Trusteeship and the United Nations: Section VII of the Marianas study, and Section G(i) of the summary of the study, briefly highlight the legal and political problems associated with termination of the trusteeship agreement,

Since the Interagency Group study on the Marianas inadequately covers the legal and political considerations which underlie this important recommendation, the Department of State wishes to draw the attention of the Under Secretaries Committee to its views on the matter as outlined in Tab D to this memorandum.

B. Land Requirements and U.S. Negotiating Goals: Throughout the Marianas study it is clearly stated that a priority U.S. objective should be early agreement on and implementation of a close and permanent Marianas relationship with the United States. This is explicit in the objectives described on page 1 of the Summary, and again in the draft instructions for the President's Personal Representative (summary page xxi).

Elsewhere (in the summary discussion of defense land requirements on page vi), it is recommended that a "determined effort" be made to negotiate acquisition of the Defense Department's maximum land requirement, i.e. all of Tinian Island, two parcels of land on Saipan, and Farallon de Medinilla Island.

The Department of State concurs in both recommendations, i.e. that priority be given to achievement and early implementation of a status agreement, and that a determined effort be made to obtain the Defense Department's maximum land requirements.

However, the Department is concerned that the two goals could come into conflict and that an unrealistically determined effort to obtain the maximum Defense land requirement could threaten the priority objective of an early status settlement.

The Department of State believes there is little or no prospect of actually acquiring the maximum land requirements, and that the effort to obtain those requirements must be considered as no more than a useful tactical device to assure that minimum land requirements will be met.

It is the Department of State's understanding that the Department of Defense concurs in the relative priority of the political status and optimum land requirement objectives. In particular, we understand that it is not the intent of the Department of Defense that negotiation of the optimum land requirement be pressed in the event that it becomes clear: (a) that the requirement cannot be satisfied under reasonable conditions, and (b) that a continuing "determined" effort to obtain that requirement may significantly delay or threaten the objective of early agreement on and implementation of a satisfactory status settlement.

The Department of State believes that, if this interpretation of the Department of Defense's position is correct, no amendment or change in the Under Secretaries Recommendations to the President, or in the proposed draft instructions for the President's Personal Representative, is required.

C. Marianas Basing Requirements and NSSM 171: The Defense Department's plan for the development of Tinian Island, and contingency planning for Saipan, were developed prior to the <u>NSSM 171 requirement</u>, and conceivably could be in conflict with the assessments and decisions that will flow from that NSSM. These concerns are elaborated on in detail in Tab C to this memorandum.

In the above circumstances, the Department of State believes that a final decision on the development of Tinian <u>Island should be deferred until</u> it can be considered within the context of a completed NSSM 171 study. This view is not intended to defer or delay the acquisition of land in the Mariana Islands for basing purposes, nor does it require any change in the negotiating instructions for the President's Personal Representative.

D. Impact of Japanese Economic Activity on Marianas Status and Land Requirements: The study does not adequately discuss increasing Japanese interest in investment in the Marianas Islands' tourist and other industries and resultant changing Marianan perceptions concerning the level of dependency of their islands on the U.S. This problem is discussed in Tab B to this memorandum and underscores the importance of an early status agreement, and early resolution of our land requirements.

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