Declassified in accord L.PARTMENT OF DEFENSE NATIONAL MILITARY COMMAND CENTER MESSAGE CENTER 2356 YZCZCMAY448 2 6 I.F 31285 MULT SECT 01 OF 31204 ACTION DISTR CJCS DJS SJCS(03) J4(08) J5(02) J31(04) SECDEF(07) ASD1ISA(10) ASD: IL(04) ASD: PA(01) GC(01) SECDEF: DIA: Ξ CSA WASH DC Ξ CSAF CNO WASH DC 16 CMC DIA(10) CIA ÷.y NSA MCCC FILE(1) - E (051)•.5 TRANSIT/060818Z/061212Z/003:54T0R1571205 DE RUHNSAA #0862 1570820 ZNY CCCCC -----0 0608182 JUN 73 IMMEDIATE FM ADMIN CINCPACREP GUAM/TTPI TO RUEHC/SECSTATE WASHDC INFO RUEKJCS/JCS/DEFENSE RUWJAJA/COMTWELVE SAN FRANCISCO RUHQHQA/CINCPAC RUEADWW/WHITE HOUSE RUEHDT/USUN NEW YORK RUEHBAC/AMEMBASSY CANDERRA RUMJMA/AMEMBASSY MANILA RUEIKO/AMEMBASSY TUKYO **8** T GONAL BENT JAK SECTION 1 OF 2 STATUS LNO 112 ROM AMBASSADOR WILLIAMS STATE PUR EA, IU/UNP,L/UNA STATE PASS TO INTERIOR, OSN (ACTION), DOTA (INFO)-CSAF FOR PR XO DEFENSE FOR OSD/ISA WHITE HOUSE FOR FRUEBE (NSC) CINCPAC FOR POLAD USUN FOR AMB. SCHAUFELE SUBJECT: TTPI-MARIANAS STATUS TALKS REF: (A) STATUS LNO 111 (8) STATUS LNO 108 1. INTRODUCTION AND SUMMARY: TALKS RECESSED IN CORDIAL ATMOSPHERE JUNE 4 AFTER ISSUANCE JOINT COMMUNIQUE (REF A) OUTLINING AREAS OF 00110011 PAGE 1 DECLA SEIFIRD RELEASED T 6 1980 UNDER PRO-ON SEP VISIONS OF B.O.12356 BY THES D.X.DOLAH, USH 03-413304 SPECIAL ASSISTANT, CHEN

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PRELIMINARY UNDERSTANDING ON MAJOR AGENDA ITEMS (A) POLITICAL STATUS; (B) ECONOMICS AND FINANCE; AND (C) LAND, INCLUDING U.S. LAND REQUIREMENTS. TWO DELEGATIONS TENTATIVELY AGREED MEET AGAIN LATE POLITICAL RELATIONSHIP SUMMER UR EARLY FALL, LIKE EARLIER SESSIONS (REF B), WORKING SESSIONS ON ECONOMICS/FINANCE (MAY23-28) AND LAND (MAY 29-JUNE 3) WERE BUSINESSLIKE AND FRIENDLY, AGREEMENT WAS REACHED ON LONG-TERM MARIANAS ECONOMIC DEVELOPMENT GOALS, BUT NATURE AND EXTENT OF U.S. SUPPORT CONTINGENT UPON STUDY BY JOINT WORKING GROUP TO DETERMINE ANTICIPATED MARIANAS REVENUES AND OVERALL NEEDS. AFTER SEVERAL SEARCHING QUESTION AND ANSWER SESSIONS MARIANAS POLITICAL STATUS COMMISSION (MPSC) RECOGNIZED THAT U.S. HAS SUBSTANTIAL MILITARY LAND REQUIREMENTS IN MARIANAS AND PLEDGED TO CONTINUE TO NEGOTIATE IN GOOD FAITH....AND ATTEMPT TO REACH AGREEMENT WITH UNITED STATES ON THIS IMPORTANT SUBJECT." COMMISSION ACCEPTS U.S. NEED FOR A SMALL ISLAND AS TARGET AREA AND AGREES TO FUTURE JOINT USE ISLEY FIELD. MPSC EXPRESSED PRELIMINARY DOUBTS ABOUT U.S. NEED FOR AMOUNT OF LAND REQUESTED ON TINIAN, AT TANAPAG HARBOR AND 500 ACRES ADJACENT TO ISLEY FIELD. REJECTED U.S. ACQUISITION OF SOUTHERN THIRD OF TINIAN. HOWEVER, ON MOST LAND MATTERS MPSC IMPLIED THER IS ROOM FOR FURTHER NEGOTIATION. AMBASSADUR WILLIAMS EMPHASIZED U.S. HAS PUT FORWARD CAREFULLY THOUGHT. OUT MINIMUM REQUIREMENTS AND FIRMLY RESISTED NOTION U.S. COULD SETTLE FOR LESS. MPSC ACCOMPANIED AMERICAN DELEGATION TO TINIAN JUNE 1. WHERE AMDEL EXTENSIVELY BRIEFED PEOPLE AND LEADERS ON TINIAN ON MILITARY PLANS FOR THEIR ISLAND. TINIANESE SEEMED LARGELY RECEPTIVE. THOUGH EXPRESSED SOME DOUBTS ON SPECIFICS. END SUMMARY. 2. ECONOMICS AND FINANCE. RECOGNIZING NEED FOR FURTHER DETAILED STUDY OF POSSIBLE LUCAL SOURCES OF REVENUE, APPROPRIATE SCALE OF MARIANAS DEVELPUMENT PROGRAMS, AND EXTENT OF GAP BEYWEEN REVENUES AND ANTICIPATED MARIANAS NEEDS, DELEGATIONS DISCUSSED BROAD PRINCIPLES RELATING TO FUTURE U.S. SUPPORT RATHER THAN SPECIFIC DOLLAR FIGURES. MPSC IS EAGER TO BEGIN SOON PRELIMINARY LONG-RANGE PLANNING PROGRAMS WHICH MIGHT INCLUDE, INTER ALIA, ECONOMIC AND SOCIAL DEVELOPMENT PLAN, GOVERNMENT REORGANIZATION PLAN, AND NEW LAND CADASTRAL SURVEY FOR MARIANAS, U.S. AGREED IN PRINCIPLE TO SUPPORT PRELIMINARY PLANNING EFFORTS FINANCIALLY, SUBJECT TO LATER AGREEMENT AFTER DETAILED STUDY BY JOINT WORKING COMMITTEE ON ECONOMICS AND FINANCE (WHICH USDEL RECOMMENDED AND MPSC ACCEPTED) OF TIMING, RANGE, AND MANNER OF FUNDING. 3. MPSC REQUESTED LONG-TERM U.S. COMMITMENT TO MEET GAP BETWEEN LOCAL RESOURCES AND ANTICIPATED NEED FOR EXTENSIVE CAPITAL IMPROVEMENTS PROGRAM AND MARIANAS GOVERNMENT OPERATIONS. USDEL EXPRESSED CONFIDENCE THAT LONG-TERM MARIANAS NEEDS CAN BE MET ADEQUATELY THROUGH NORMAL BUDGET PROCEDURE AND EXTENSION OF FEDERAL PROGRAMS AND SERVICES FOR WHICH MARIANAS MIGHT BECOME ELIGIBLE. HOWEVER, USDEL

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ALSO RECOGNIZED SPECIAL CIRCUMSTANCES OF MARIANAS RELATING TO START. UP COSTS OF NEW GOVERMENT AND LIKELY SUBSTANTIAL INITIAL GAP BETWEEN ANTICIPATED REVENUES AND NEEDS. FINALLY AGREED IN PRINCIPLE THAT U.S. WILL GUARANTEE TO MARIANAS FOR AN INITIAL PERIOD OF YEARS A MINIMUM ANNUAL SUM FOR OPERATIONS AND CAPITAL IMPORVEMENT PROJECTS SUPPORT, WITH QUANTUM AND DURATION OF MINIMUM GUARANTEE TO BE FIXED IN SUBSEQUENT NEGOTIATIONS AFTER FURTHER EXAMINATION OF NEEDS AND LOCAL REVENUES, DELEGATIONS AGREED THAT IN MEANTIME JOINT WORKING COMMITTEE WILL UNDERTAKE DETAILED STUDY OF LIKELY EXTENT OF MARIANAS? INTERNAL REVENUES! LOCAL ECONOMIC IMPACT OF U.S. MILITARY CONSTRUCTION AND OPERATIONS; CAPITAL IMPORVEMENT NEEDS AND ECONOMIC IMPACT OF U.S. MILITARY CONSTRUCTION AND OPERATIONS! CAPITAL IMPROVEMENT NEEDS AND ECONOMIC DEVELOPMENT GOALS OF MARIANAS; COST OF PROPOSED LOCAL GOVERNMENT OPERATIONS AN PROGRAMS; AND FEDERAL FUNDS WHICH COULD BE MADE AVAILABLE TO MARIANAS THROUGH FEDERAL PROGRAMS AVAILABLE TO STATES AND TERRITORIES.

4. DURING CONSIDERATION BOTH ECONOMICS/FINANCE AND LAND AGENDA ITEMS, CONSIDERABLE TIME WAS GIVEN TO DISCUSSION OF LIKELY IMPACT ON LOCAL ECONOMY OF U.S. MILITARY AND CONSTRUCTION IN MARIANAS, USDEL ARGUED IMPACT WILL BE CONSIDERABLE, CITING LIKELIHOOD OF \$40 MILLION IMPACT DURING CONSTRUCTION PHASE AND \$15 MILLION ANNUALLY THEREAFTER, AMERICAN LEGAL AND ECONOMIC CONSULTANTS TO MPSC PLAYED DOWN LOCAL ECONOMIC IMPACT, CONTENDING IT WILL NOT BE NEARLY AS SUBSTANTIAL AS USDEL STATED, WE THINK IT PROBABLE MPSC CONSULTANTS TOOK THIS POSITION FOR TACTICAL NEGOTIATING REASONS, HOWEVER, RATHER THAN BECAUSE THEY HAVE ANY PRECISE COUNTER IMPACT FIGURES TO OFFER.

5. LAND, AMBASSADOR BEGAN PRESENTATION U.S. POSITIONS ON LAND MATTERS MAY 29 BY NOTING: (A) U.S. COMMITMENT TO RETURN PUBLIC LANDS TO MIC-RONESIAN PEOPLE IN ALL DISTRICTS IN MANNER ACCEPTABLE TO PEOPLE, AND PERHAPS AT EARLY DATE IF LEGAL AND ADMINISTRATIVE PROBLEMS CAN BE APPROPRIATELY SORTED OUT. QUESTION OF EARLY RETURN IN MARIANAS TO BE GIVEN PRIORITY CONSIDERATION; (B) U.S. WILLINGNESS TO ASSIST MARIANAS TO PREVENT ALIENATION OF LANDS TO PEOPLE NOT OF MARIANAS ANCESTRY; AND (C) UNDER PROPOSED MARIANAS COMMONWEALTH, EMINENT DOMAIN AUTHORITY WILL REST WITH FEDERAL GOVERNMENT, DURING DISCUSSIONS OF POLITICAL STATUS AND FINANCE AGENDA ITEMS, MPSC HAD MADE IT CLEAR THAT IT AGREES QUESTION OF EARLY RETURN OF PUBLIC LANDS SHOULD BE STUDIED AND THAT IT WOULD WELCOME U.S. ASSISTANCE IN PREVENTING LAND ALIENATION TO NON-MARIANANS. HOWEVER, DURING LAND DISCUSSION MPSC DID NOT RETURN TO THESE QUESTIONS, CONCENTRATING INSTEAD ON U.S. MILITARY REQUIREMENTS. (INTERESTINGLY, MPSC ASKED FOR SOFTER NON-ALIENATION PARAGRAPH IN FINAL JOINT COMMUNIQUE THAN USDEL HAD PROPOSED, LEAVING US WITH IMPRESSION COMMISSION PERHAPS NOT NOW AS FIRM ON THIS QUESTION AS IT HAD BEEN.) MPSC OID NOT COMMENT

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HANE DURING NEGATION ON EMINENT DOMAIN AT ANY TIME DURING NEGOTIATIONS. 6. THE INITIAL DETAILED EXPUSITION OF U.S. MILITARY REQUIREMENTS EMPHASIZED THAT REQUIREMENTS ARE MINIMUM AND HIGHLIGHTED U.S. INTENTION TO RETURN SEVERAL THOUSAND ACRES CURRENT MILITARY RETENTION LAND ON SAIPANG PRESENTATION WAS FOLLOWED BY SLIDE BRIEFING, PREPARED AND PRESENTED BY USAF ADVISOR TO DELEGATION, OF MILITARY CONSTRUCTION PLANS FOR TINIAN AND PLANS FOR RELOCATING SAN JOSE VILLAGE. 7. AFTER SEVERAL LENGTHY WORKING SESSIONS IN WHICH U.S. DELEGATION ANSWERED VARIETY OF MPSC QUESTIONS RELATING LARGELY TO ESSENTIALITY OF STATED U.S. REQUIREMENTS ON SAIPAN AND TINIAN AND RELOCATION OF TINIAN PUPULATION, AND FURTHER DAY AND HALF OF INTERNAL MPSC DELIBERATIONS, MPSC ON JUNE 1 MADE LENGTHY REPLY TO U.S. POSITION ON LAND NEEDS. HIGHLIGHTS OF MPSC STATEMENT: (A) MPSC "SYMPATHETIC" TO U_S_ DESIRE FOR MILITARY LAND IN HARIANAS, BUT NOT CURRENTLY PREPARED MEET ALL SPECIFIC U.S. REQUIREMENTS. HOWEVER, WILL "NEGOTIATE IN GOOD FAITHE TO ATTEMPT TO REACH AN ACCOMMODATION! (B) MARIANAS WILLING TO LEASE? BUT NOT SELL LAND; (C) COMMISSION ACCEPTS U.S. NEED FOR SMALL, UNINHABITED ISLAND FOR TARGET PRACTICE, BUT HOPES SOME ISLAND OTHER THAN FARALLON DE MEDINILLA WILL BE ACCEPTABLE; (D) U.S. REQUIREMENT FOR 320 ACRES TANAPAG HARBOR IS UNREASONABLE, BUT MPSC "MIGHT" BE WILLING TO LEASE U.S. SOME OF THIS TRACT. (E) CONTINUED JOINT USE RIGHTS TO ISLEY FIELD ACCEPTABLE, BUT COMMISSION TAKES "VERY STRONG NEGATIVE VIEW" OF U.S. REQUEST FOR 500 ACRES ADJACENT TO FIELD. HOWEVER, MPSC "MIGHT" AGREE TO LEASE PORTION OF THIS ACREAGE; AND (F) COMMISSION "NOT INCLINED" TO AGREE TO U.S. LEASE OF ALL TINIAN WITH LEASEBACK OF SOUTHERN THIRD, MPSC "PREPARED TO NEGOTIATE LEASE FOR PORTION OF ISLAND ACTUALLY REQUIRED FOR MILITARY PURPOSED BUT NUT FOR ANY MORE THAN MINIMUM REQUIRED." PORTION OF ISLAND NOT LEASED TO U.S. SHOULD REMAIN IN CIVILIAN HANDS. COMMISSION ASKED FOR FURTHER INFORMATION JUSTIFYING MILITARY USE OF NORTHERN TWO-THIRDS OF ISLAND, WHILE ASKING MORE INFORMATION, MPSC IMPLICITY ACCEPTED NEED FOR RELUCATION SAN JOSE VILLAGE.

8. IN REPLYING JUNE 3 TO MPSC'S COMMENTS ON LAND, AMBASSADOR UNDERSCORED MINIMUM NATURE OF U.S. REQUIREMENTS; REMINDED COMMISSION THAT IN DISCUSSING U.S. REQUIREMENTS ON SAIPAN POINT OF DEPARTURE SHOULD BE RECUGNITION THAT U.S. PROPOSING TO RETAIN 820 ACRES OF 4,960 IT NOW HULDS UNDER MILITARY RETENTION WHILE RETURNING REMAINDER; RATHER THAN IMPLICATION U.S. TRYING TO OBTAIN SOMETHING IT DOES NOT NOW HAVE? WELCOMED MPSC'S COMMENT THAT TIME PRESSURES PREVENTED DETAILED LAND NEGOTIATIONS AT THIS TIME; AND RECOMMENDED ESTABLISHMENT JOINT WORKING COMMITTEE ON LAND (ACCEPTED BY MPSC).

9. PRESS HAD PUBLISHED MANY INCOMPLETE DETAILS OF U.S. LAND PROPOSAL LEAKED BY OTHER SIDE ON DAY FOLLOWING AMBASSAUOR'S INITIAL PRESENTATION.

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IN INTERESTS OF PUTTING U.S. POSITION BEFORE PUBLIC ACCURATELY AND IN FULL DETAIL, AMBASSADOR MADE 20- MINUTE RADIO ADDRESS AIRED BY SAIPAN RADIO THREE TIMES MAY 31 IN ENGLISH AND CHAMORRO LANGUAGES. 10. AFTER SOME INITIAL RELUCTANCE TO HAVE AMBASSADOR VISIT TINIAN GDS-79 BT #0862 ANNOTIS DRC 470

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