

DRAFT: BB:ow: 8/24/73

DRAFT: Press Statement: Tinian Homestead Moratorium

The recent imposition of a moratorium on the Tinian homestead program has been the subject of considerable public discussion and misunderstanding over the past few weeks.

In imposing this moratorium the Government was acting in good faith to protect the long-term interests of both the United States and the Marianas and we deeply regret that misunderstanding has arisen. We recognize that the <sup>misunderstanding</sup> problem might have been avoided had consultation with the Marianas District Legislature or the Marianas Political Status Committee taken place prior to the action. In the future no decisions of this kind will be made by the Government without such consultation.

The Government's action on the issuance of new permits for business and land development on Tinian is obviously related to the Marianas Status Negotiations which are actively underway and in a sensitive stage. U.S. land requirements are an important element in these negotiations, particularly with reference to Tinian. It would be a particular hardship on the residents of Tinian and the United States to permit the continuance of a policy that would cause undue confusion on the local land situation and would run counter to the status negotiations themselves.

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An equally important reason for the moratorium was the increasing danger of ~~permanent~~ alienation<sup>by non-residents</sup> of public lands to non-residents of the Marianas. Speculation by outsiders could thwart or deny the expansion of economic opportunities which is expected throughout the Marianas and on Tinian in particular, following the signing of a status accord. It should also be noted in this context, that the United States had agreed during the second session of the Marianas Status Talks in May of this year to work toward the establishment of an effective means of preventing such land alienation to non-residents from taking place.

This moratorium should certainly not be construed as a slowdown of economic development in the Marianas as the United States is fully committed to the continuing growth of the area. The Government will continue to actively promote healthy long-term development but at the same time it will work to ensure that it is the residents of the Marianas who will benefit first and foremost from such development.

In short, while there may be a few individuals presently inconvenienced by the moratorium, in the long-run the curtailment of land speculation on Tinian will mean greater opportunities open to the island's residents.