MEMORANDUM OR TO PORTOUR OF THE OFFICE OF MICROPUSIAN STATUS NECOTED a

SUBJECT: Drof - For of E tablishing a Union Between the Northern

Marian E-lands and the Un - Folian

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In response to your recest in a pleaber, the rough draft "Agree we have believing a United Between the Northern Mariana Islands and the United States" has received an initial, broad review within the Department of Defense the ring in mind that it may be provided to the Parianas Politica. Status Cormission a week or two prior to the next round of talks. Then fore, a that:

- If the US intent to propose the document in good faith, it should be complete and recurate, and we should be prepared to sign it.
- A proposed agreement intended to implement the policy and provisions of the Presidential nontiating instructions, as: well as being consistent with the US constitution and laws, should be studied thoroughly by the Interagency Group before a is presented.
- An agreement fully acceptable to the US side would of necessity reflect the optimum US position on all major issues. Revelation of all these positions prematurely would resuce significantly the US negotiating flexibility and trade-of a significantly current commitment by the other side.

As presently structured, the draft Agreement would make it difficult for Guam to be amalgamated in the Commonwealth of the Marianas. This option must be left open.

On the other hand, a draft concentrating on the general principles
 of the future association would provide the basic framework of an
 agreement from which the details could be negotiated in a more flexible
 and beneficial manner.

Therefore, we recommend that the attached draft be reviewed and refined by the Interagency Group for early provision to the Marianas Political Status Commission. In the meantime, the complete draft agreement provided by your office can be developed in a more thorough and deliberate manner to ensure full protection of U.S. interests in the final arrangement with the Marianas.

As a related matter, it is not clear how this agreement will, technically, operate to create a commonwealth.

The form and manner in which a commonwealth is created acquire great legal significance as a frame of reference used by courts in resolving disputes. In particular, they serve as keys to determining the relationship under the United States Constitution between the Federal Government and the Commonwealth Government. Puerto Rico, the only present U.S. Commonwealth, illustrates this point.

- The creation of a commonwealth clearly requires some action by
 the U.S. Congress. It is not clear how, or even if, this document
 styled an "Agreement Establishing a Permanent Union Between the
 Northern Mariana Islands and the United States" will be presented
 to Congress. It is also unclear what it is designed to accomplish,
 or how it will become effective (submitted as a treaty, be approved
 by joint resolution, or form the basis for enabling legislation).
 Because the situation appears to be unique, there being no clear
 precedents, the Department of Defense believes the technical points
 of creating a commonwealth be considered along with the draft
 Agreement.
- The creation of a commonwealth status appears to be a technical matter within the discretion of Ambassador Williams and, therefore, the Department of Defense recommends consideration of the following approach, based upon the establishment of the Commonwealth of Puerto Rico. First,

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reach agreement with the Marianas on a set of principles along the lines of those set forth in the draft agreement. Those principles would then be submitted to Congress as the basis for establishing the Commonwealth. Congress would then adopt those principles in an enabling Act "in the nature of a compact" (See Public Law 600, July 3, 1959, 64 Stat. 319 (1950) and advising the Legislature of the Marianas District that these principles should be submitted to the people of the Marianas in a referendum. The Act would further provide that, if the referendum approves the instrument, the legislature should convene a Constitutional Convention. adoption by referendum of the draft Commonwealth of the Marianas Consti-.. tution, it should be transmitted to the President who, upon finding that it complies with the enabling Act and the U.S. Constitution, would refer it to the U.S. Congress. The Congress would then adopt it in a joint resolution after which the Commonwealth would be proclaimed. This approach would accomplish rapid conclusion of the basic principles and bind the Marianas to the commonwealth concept. It would permit a thorough Presidential and Congressional review of the draft Constitution. follows precedent and might buttress the United States' position in the United Nations that we had complied with the necessary safeguards concerning the establishment of a legitimate Marianas political status.

D. Doolin

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