FROM: CINCPACREP GUAM/TTPI GUAM MARIANAS ISLANDS

TO: SECSTATE WASHINGTON DC

COMTWELVE SAN FRANCISCO CA

WHITE HOUSE WASHINGTON DC

JCS WASHINGTON DC

SECDEF WASHINGTON DC

CINCPAC HONOLULU HI

US MISSION TO UN NEW YORK NY

FROM STATUS LNO 196C

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WHITE HOUSE FOR NSC

STATE FOR EA/ANP, IO/UNP

DEFENSE FOR OSD/ISA, CSAF FOR PR XO

USUN FOR AMB WHITE

SUBJECT: MPSC MEMBER PALACIOS COMMENTS ON MARIANAS STATUS NEGOTIATIONS 1. (C) IN CONVERSATION NOVEMBER 12 DR. FRANCISCO PALACIOS, MEMBER OF THE MARIANAS POLITICAL STATUS COMMISSION, TOLD ME THAT HE FELT LEGAL MATTERS INCLUDING APPLICABILITY OF US CONSTITUTION AND LAWS WOULD BE MOST IMPORTANT AREA FOR NEGOTIATION AT FORTHCOMING US-MPSC TALKS. PALACIOS SAID HE FELT THAT AS A MATTER OF PRINCIPLE THERE SHOULD BE PROVISION FOR TERMINATION OF COMMONWEALTH RELATIONSHIP. HE CONSIDERED SUCH PROVISION NECESSARY FOR "OUR INTEGRITY" ALTHOUGH HE FELT SURE THAT MARIANAS WOULD NOT WISH TO EXERCISE SUCH OPTION BECAUSE OF CLOSE FRIENDSHIP WITH US AND RECOG-NITION OF ADVANTAGES IN PROSPECTIVE RELATIONSHIP.

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2. (C) PALACIOS ALSO SAID THAT WHILE HE HAS WARM FRIENDSHIP FOR THE US, HE DOES NOT WANT TO BECOME A US CITIZEN. HE BELIEVES HIS GENERATION OF CHAMORROS SHARES THIS VIEW, BUT WOULD BE QUITE HAPPY TO BECOME NATIONALS UNDER NEW RELATIONSHIP. PALACIOS SAID HE THOUGHT EVEN THOSE WHO PROFESSED READINESS FOR US CITIZENSHIP, PRESUMABLY BECAUSE OF ADVANTAGES ENTAILED, FEEL "DEEP DOWN IN THEIR HEARTS" THAT THIS DESIGNATION WOULD BE SOMETHING OF A VIOLATION OF THEIR OWN CHAMORRO TRADITION. HE SAID YOUNGER PEOPLE, MANY OF WHOM HE DESCRIBED AS BEING MORE AMERICAN THAN THE AMERICANS, WOULD BE READY TO ACCEPT JS CITIZENSHIP. HE FAVORED LETTING THIS DEVELOPMENT OCCUR NATURALLY RATHER THAN DETERMINING US CITIZENSHIP FOR EVERYONE NOW. 3. (C) PALACIOS WAS UNHAPPY AT THE THOUGHT OF EXTENSION OF US COURTS AND LAWS TO MARIANAS UNDER PROSPECTIVE COMMONWEALTH. HE FEARED PEOPLE OF MARIANAS MIGHT NOT FARE WELL IN US COURTS AND HE WAS CONCERNED THAT LAWS WHICH MARIANAS DID NOT PARTICIPATE IN MAKING WOULD NEVERTHELESS BE EXTENDED TO THEM. HE THEREFORE FELT SRTONGLY THAT COMMONWEALTH ARRANGEMENT SHOULD PROVIDE FOR MARIANAS REPRESENTATION IN US CONGRESS.

4. (C) I ASKED PALACIOS IF HE HAD BEEN ON TINIAN RECENTLY (WHERE HE HAS LONG AND CLOSE CONTACTS.) HE ANSWERED IN NEGATIVE AND THEN EXPRESSED SOME CONCERN ABOUT EVENTS THERE. HE SAID MAYOR BORJA HAS DONE A GREAT DEAL OF GOOD FOR PEOPLE OF TINIAN (ACQUIRING EQUIPMENT THROUGH US NAVY, EXTENDING IRRIGATION SYSTEM AND LOOKING AFTER LOCAL NEEDS) BUT HE DOESN'T KNOW HOW TO MANAGE MONEY. PALACIOS THOUGHT MAYOR MAY VERY WELL BE "IMPEACHED" BY TINIAN MUNICIPAL COUNCIL. (COMMENT: SUCH MINISCULE REFLECTION OF US POLITICAL SCENE IS CROPPING UP IN MICRONESIAN TERMINOLOGY QUITE FREQUENTLY. 5. (C) PALACIOS THOUGHT FOR SOME TIME BEFORE REPLYING TO MY QUESTION ABOUT HIS ASSESSMENT OF JOE CRUZ AS NEW TINIAN MEMBER OF MPSC. AT LENGTH HE COMMENTED: "JOE IS A VERY SHREWÉD MAN. HE IS INTERESTED IN ECONOMIC

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ATS FOR ALTISELF. HE PULLED SOME STRINGS VERY CLEVERLY IN ORDER TO GET A PLACE ON MPSC." WHILE CRUZ IS NOMINALLY A MEMBER OF PALACIOS' TERRITORIAL PARTY, PALACIOS SHRUGGED OFF ANY IMPORTANCE OF PARTY AFFILIA-TION NOTING PERSONAL RELATIONSHIPS MORE SIGNIFICANT. (Sour Start of 1965) 6. (C) (COMMENT: IN CASUAL CONVERSATIONS IN PAST FEW DAYS, SEVERAL NON-OFFICIAL SAIPANESE HAVE IN EFFECT RAISED EYEBROWS AT CRUZ' APPOINTMENT TO MPSC. THEY ARE AWARE OF HIS BRUSH WITH THE LAW IN US AND APPEAR TO REGARD HIM AS A RATHER SHIFTY OPPORTUNIST. IT MUST BE ADDED THAT MAN-IN-THE STREETVIEWS OF SOME OF THE OTHER WELL-KNOWN OPERATORS ON MPSC ARE SIMILARLY UNFLATTERING. TOP HONORS GO, I BELIEVE, TO SENATOR BORJA WHOSE LATEST ACTIVITY ADVERTISED IN SAIPAN PRESS INVOLVES ASSOCIATION WITH A SYNDICATE SELLING LAND IN WESTERN AUSTRALIA END COMMENT).

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> 7. (C) AS TO US MILITARY REQUIREMENTS ON TINIAN, PALACIOS ASSERTED VIGOROUSLY THAT PROPOSED LEASEBACK ARRANGEMENT IS TOTALLY UNACCEPTABLE. HE ADVISED THAT IF US WANTS TWO-THIRDS OF THE ISLAND IT SHOULD ASK FOR HALF AND THEN IT COULD SUBSEQUENTLY ACQUIRE THE REST WITHOUT MUCH DIFFICULTY. PALACIOS SAID HE HOPED US WAS EXPLORING POSSIBILITY OF PUTTING ITS PORT FACILITIES IN ANOTHER LOCATION THUS PERMITTING VILLAGE TO REMAIN UNTOUCHED. 8. (C) AT THIS POINT PALACIOS PROVIDED AN INTERESTING DISSERTATION ON THE CONSENSUS SYSTEM IN CHAMORRO POLITICS AND STRESSED THAT SYSTEM OF REACHING MUTUAL AGREEMENT THROUGH DISCUSSION IS BASIS OF POLITICAL OPERATION THROUGH-OUT MICRONESIA. IN LINE WITH THIS SYSTEM, FAMILIAR IN OTHER PACIFIC AND ASIAN SOCIETIES, PALACIOS ADVISED THAT US ACCUSTOMED TO WESTERN CONCEPT OF MAJORITY RULE, SHOULD BEWARE OF PUSHING MICRONESIANS INTO DECISION-MAKING OR POSITION-TAKING CRISES IN WHICH SOMEONE IS BOUND TO LOSE FACE AND HENCE MAKE VIABLE AND HARMONIOUS SETTLEMENT EXTREMELY DIFFICULT.

9. (C) I TOLD DR, PALACIOS I WELCOMED OPPORTUNITY FOR THIS DISCUSSION AND HOPED HE WOULD KEEP IN TOUCH AS WE MOVE TOWARD NEXT MPSC TALKS.

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