

Copy file for
01
8

RICHARD H. WILMER
LOYD N. CUTLER
H. PICKERING
JEL F. COHEN
R. H. SMITH
LOUIS F. QBERCORFER
J. ROGER WOLLENBERG
CHARLES C. GLOVER, III
MARSHALL HORNBLOWER
HENRY T. RATHBUN
REUBEN CLARK
SAMUEL J. LANAHAN
WILLIAM R. PEZLIK
SAMUEL A. STERN
ARNOLD M. LERMAN
ROBERT P. STRANAHAN, JR.
MAX Q. TRUITT, JR.
JOEL ROSENBLUM
HOWARD P. WILLENS
ANDREW T. A. MACDONALD
ROBERT A. HAMMOND, III
DANIEL K. MATERS
TIMOTHY B. DYK
DAVID R. ANDERSON
J. RODERICK HELLER, III
ARTHUR F. MATHEWS
JAMES S. CAMPBELL
DENNIS M. FLANNERY
DANIEL MARCUS
JAMES ROBERTSON
EZEKIEL G. STOODARD
ALFRED E. DAVIDSON
GERARD C. SMITH
COUNSEL

WILMER, CUTLER & PICKERING

1666 K STREET, N. W.
WASHINGTON, D. C. 20006

CABLE ADDRESS: WICRING WASH., D. C.
INTERNATIONAL TELEX: 440-239
TELEX: 89-2402
TELEPHONE 202-872-6000

EUROPEAN OFFICE
5, CHEAPSIDE
LONDON, EC2V 6AA, ENGLAND
TELEPHONE 01-236-2401
TELEX: 851 883242
CABLE ADDRESS: WICRING, LONDON

RICHARD A. ALLEN
PETER A. BELL
PETER D. BEWLEY
PETER W. BILLINGS, JR.
STEPHEN F. BLACK
TIMOTHY N. BLACK
MICHAEL L. BURACK
BARRY E. CARTER
RICHARD W. CASS
BARRY O. CHASE
RAYMOND C. CLEVELAND, III
LOUIS R. COHEN
JAMES R. FARRANO
ROBERT A. GERARD
C. BOYDEN GRAY
RONALD J. GREENE
ROBERT C. HACKER
DAVID G. HANES
ALLEN H. HARRISON, JR.
MICHAEL S. HELFER
CHARLES E. HILL
C. LORING JETTON, JR.
DAVID R. JOHNSON
SALLY KATZEN

ROBERT K. KELLEY
NEIL J. KING
MICHAEL R. KLEIN
JOHN H. KORNS
NOEL ANKETELL KRAMER
F. DAVID LAKE, JR.
WILLIAM T. LAKE
JAY F. LAPIN
ROBERT B. MCCAIG
MARY A. McREYNOLDS
A. DOUGLAS MELAMED
DAVID E. MENOTTI
PAUL J. MODE, JR.
ROBERT R. MORRIS
DANIEL D. POLSBY
STEPHEN B. PRESSER
JOHN ROUNSAVILLE, JR.
THEODORE S. SIMS
J. B. STEPHENS
DOUGLAS G. THOMPSON, JR.
STEPHEN A. WEISWASSER
VAUGHN C. WILLIAMS
GARY D. WILSON
WALTER T. WINSLOW, JR.

December 27, 1973

Senator Edward DLG Pangelinan
Chairman
Marianas Political Status Commission
P. O. Box 825
Saipan, Mariana Islands 96950

Dear Eddie:

In Howard's absence, Mike Helfer and I met today with Adrian Winkel and Tom Dunmire who are, respectively, on the Democratic and Republican staff of the House Interior Committee's Subcommittee on Territorial and Insular Affairs. As you may know, Congressman Burton and a delegation of the Subcommittee will be visiting the Marianas shortly after the New Year. Howard thought it was important that I take the earliest opportunity to brief Winkel and Dunmire on the results of the third session of our status negotiations so that they could keep their principals informed on the important issues that are affecting the Marianas.

Our session with Winkel was very successful. I provided him with a copy of the Joint Communique of December 19 and he expressed surprise and pleasure at the progress we are making. He opined that the Marianas talks were now "out ahead" of the Joint Committee negotiations. He suggested that this may be due to the bias of the Ambassador in favor of the Marianas over the rest of Micronesia. In fact, he was quite blunt in stating his view that the Ambassador only cares about Tinian and may be rushing into an agreement with the Marianas without paying enough attention to political status, economics, etc. We disabused Winkel of the notion that the Ambassador was easy to deal with on any of the important issues in the negotiations. We also tried to make it clear that the Marianas Commission deserved much of the credit for the fact that our talks were proceeding at a faster pace than those of the Joint Committee.

01-05708

Winkel had no major problem with the tentative agreements set forth in the Joint Communique. We spent a considerable amount of time discussing "Transition Planning and Programs" as well as the "Economics and Finance" section of the Joint Communique. I explained the Marianas' position on both of these topics and Winkel was sympathetic. He stated his view that, in both areas, the amount of money requested was very large in comparison to the present population. He suggested that Congress might be sensitive to the fact that the per capita level of financial assistance to the Marianas could set an undesirable precedent for the other districts of Micronesia as well as for other U.S. territories. He made a special point of noting (and I think this is Burton's bias) that the other districts of Micronesia have perhaps a greater need for external assistance than does the Marianas. We acknowledged his point of the neglect of all six districts by the United States under the trusteeship. However, we stressed that the Marianas were going to become part of the American political family and that they required a higher standard of living than the rest of Micronesia. We also emphasized that the levels of external assistance would only be high (on a per capita basis) in the early years of the Commonwealth and that this "investment in the future" would reap many dividends both for the people of the Marianas and for the United States. Winkel seemed persuaded by the argument that prompt action to correct the neglect of the past -- particularly through intensive planning during the transition period -- would enable the Marianas to avoid the mistakes made in Guam and other U.S. territories and would make the Marianas a model or "showcase for democracy" in the Pacific.

In connection with the subject of possible Congressional resistance to so high a level of external assistance to the 14,000 people of the Marianas, Winkel raised the issue of eventual merger with Guam. Winkel repeated his comment, made earlier to Howard, that integration with Guam was the only reasonable long-term solution. We took advantage of this opportunity to point out the great disparity in the standard of living in the Marianas and in Guam and stated that integration was out of the question until this economic gap is closed. This reasoning supports intensive financial assistance to the Marianas during the early years under the Commonwealth so that they may "catch up" with Guam and other parts of the United States.

After this rather discouraging exchange with Winkel he said something quite startling. He told us that Congressman Burton has informed Ambassador Williams that his Subcommittee would approve anything that the Micronesians (including the Marianas in their separate talks) would agree to. Winkel was quite optimistic that the status agreement we were heading toward would be received by the Subcommittee as an accomplished fact and that Burton would probably successfully steer it through the House of Representatives. Because the status agreement would already be executed, Winkel does not think that there will be any line-by-line review and amendment by the Congress unless there are provisions which are simply outrageous and unexpected. In this connection, Winkel emphasized the importance of keeping the Congress informed of the progress of the negotiations and thanked us for our efforts along these lines.

At the close of our meeting, I took the opportunity to inform Winkel of the complexity and sensitivity of the Tinian moratorium issue. Winkel appreciated my warning that the issue was more complex than simply the people of Tinian versus the TTPI and he may be discussing the matter with you further on Saipan. Perhaps prompted by my discussion of public land on Tinian, Winkel raised a question of Commission members speculating in land on Tinian. He has read the reports on this in the press and expressed considerable disappointment that Commission members were buying land that was subject to negotiation for disposition to the United States. As I am sure Howard has mentioned to you, this problem could hurt us very badly in the United States Congress and you should use all of your efforts to restrain Commission members from further questionable land transactions on Tinian.

As a parting shot, Winkel mentioned that the Ambassador met with Congressman Burton over the weekend of the 22nd. Apparently the Ambassador was anxious to meet with Burton to report on the progress made in the negotiations despite Burton's public dressing-down of the Ambassador at the party in Washington in late November.

We met with Tom Dunmire for lunch immediately following our meeting with Winkel. We provided him with a copy of the Joint Communique and he was most friendly and appreciative of our efforts in keeping him informed. He will also be in Saipan but will not be accompanied by any

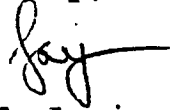
Republican congressmen. This means he will be more on his own than Winkel and you should take the opportunity to get together with him for reasons which will be apparent from what I am about to say.

Dunmire is not unsympathetic to the Marianas and its goal of close association with the United States. However, as a former consultant in the Department of Defense, he is very interested in United States foreign policy and defense objectives in the Pacific. He thinks the overriding defense objective in the Pacific is preventing other foreign powers from establishing bases in any part of Micronesia. Despite briefings at the Pentagon, he remains unconvinced that the Tinian base will have any overriding strategic importance for the United States. Accordingly, Dunmire views the opening of separate negotiations with the Marianas as being contrary to the defense interests of the United States because these separate talks, he feels, are jeopardizing the defense agreements that could be made with Micronesia as a whole.

Our task is not to persuade Dunmire of the strategic importance of Tinian or of the prospects for success in the negotiations with the five districts. That is something that the Department of Defense and the Ambassador are best equipped to do. Our job is to persuade Dunmire of the political reality that the Marianas can never be a part of a united Micronesia. He needs to understand the depth of feeling in the Marianas for close association with the United States and how this is incompatible with the negotiating objectives of the Joint Committee. Anything you and the Commission members can accomplish along these lines would be very helpful in getting Dunmire to reorient his thinking about the Marianas' separate negotiations. Dunmire had one other point to make which is worth repeating. He is concerned about the United States' apparent intention to seek funding for the transition period through the Interior Committee. He feels it would be much better to try to find the money within existing budgets (in Defense, State, as well as Interior) than to seek a new authorization from Congress. He feels that the latter alternative would require involved hearings which could get bogged down on the merits of the status agreement itself -- perhaps at a time when this issue will not be ripe for presentation to Congress. We will be pursuing this question in the joint working groups back in Washington and will report to you further on what we discover about the United States' strategy for securing these funds.

You will be hearing from me in early January after I have received the draft TTPI bill on the return of public land in Micronesia. In the meantime, I hope you and your family enjoy all the good luck and happiness that a new year can bring.

Sincerely,



Jay F. Lapin

cc: James White
James Leonard