

4. Agreement recites that powers ceded by Marianas to U.S. may be exercised through 4-3-2 and, to the extent of those powers, U.S. has sovereignty over the Marianas.

IV. Fall-back positions

- A. No provision for split sovereignty
  - arguably inflammatory and ambiguous (treaty-like)
  - we might survive just as well with more allocation of authority
- B. No provision for divided authority
  - puts us back with Puerto Rico except that 4-3-2 explicitly applies
  - this alternative is substantially less desirable; requires us to anticipate a lot of small points in the status agreement
  - perhaps if U.S. would agree to respect principle of local self-government except when national interests are at stake, we could accept that

V. Strategy for Next Round of Negotiations

- A. Marianas should state position that U.S. authority under 4-3-2 cannot be plenary
- B. Marianas should provide list of essential ingredients of "preferred solution" for U.S. reaction
- C. Marianas should be prepared to defend legality of position but should cast burden on U.S. side to identify legitimate U.S. interests that are not accommodated
- D. We are not ready to draft language and should focus negotiations on "elements" of status relationship