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June 20, 1974

Senator Edward DLG Pangelinan  
Chairman  
Marianas Political Status Commission  
P.O. Box 977  
Saipan, Mariana Islands 96950

Dear Ed:

As promised, I am enclosing two copies of a report prepared by us summarizing the current status of our negotiations. This updates the earlier report by including the tentative agreements reached at the fourth session of negotiations. I hope that this serves your purposes with respect to the Marianas District Legislature.

In the course of preparing your report to the District Legislature, I hope that you will give very careful consideration to the need for continued financial support of the Commission by the Legislature. I recognize that it is very tempting to leave this delicate subject unmentioned or suggest that, with the end of our negotiations in sight, the financial demands upon the Legislature arising from the Commission's activities will be less than they have been in the past. The following considerations persuade me that we cannot take this course of action:

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1. The Commission's expenses are virtually certain to continue at least at the level of the past year until the signing of our status agreement. The necessity and desirability of employing experts in the real estate valuation field, indeed, suggest that an additional \$15,000 or \$20,000 during the next six months may be necessary for this very important purpose. So far as this firm's involvement is concerned, I expect that the level of our activity will continue to be substantial and that we should continue with the same billing arrangement that we have had during the past year.
2. In view of the Commission's decision to recommend its own continuation beyond the signing of a formal status agreement, it is necessary now to begin thinking of the expenses which will naturally arise from the Commission's involvement in Phase I transitional planning and programs. There will undoubtedly be continued need for consultant assistance; and there will be the clear need for more administrative support for the Commission than has been the case during our negotiations. You and I have discussed, for example, the possibility of employing a full-time Executive Director. I do not think that it should be assumed that the Commission's expenses during Phase I should come exclusively from money to be made available by the United States. I believe that the District Legislature should continue to support the Commission to the greatest extent possible so that Phase I money can be allocated almost entirely to the substantive studies and programs which are so important to the future for the Marianas.
3. I think it is also important to consider your own personal situation in this connection. If you decide, for example, not to run for reelection to the Congress of Micronesia, I believe it would be very desirable for you to go on the payroll of the Commission. Depending upon your personal preferences and professional obligations, you might wish to commit one-half of your time to the work of the Commission beginning some time this Fall or upon the signing of the status agreement. There is going to be an abundance of work to be done and it will be very important to have the leadership which only you can supply. I hope that you will consider this seriously and permit this possibility to be discussed frankly within the Commission and with some members of the Legislature.

I hope that the progress reflected in the enclosed summary report will encourage the District Legislature to continue supporting the Commission. I think that we should be very optimistic regarding the prospects for a status agreement before the end of the year and that we should not be too modest in describing the political and economic benefits to be achieved under the proposed new status. In this connection, the money available to the Marianas under Phase I and the additional money which would be funneled to the Marianas under separate administration should be emphasized. Please let me know what your thinking is on this subject.

Our first meeting with Mr. Wilson on the subject of the status agreement is scheduled for tomorrow. I will keep you posted.

Sincerely,



Howard P. Willens

cc: James E. White, Esq.

bc: Mr. James R. Leonard

P.S. It occurs to me that the enclosed report might be usefully circulated not only to members of the Commission but also to members of the District Legislature and Municipal Councils. It might be helpful for these political leaders to begin familiarizing themselves with the substance of our negotiations.