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DRAFT:RYS:kkc:1-15-74

Subj: Talking Points for Meeting with Willens and Leonard on Establishment and Functioning of Ad Hoc Preparatory Committee on Transition

Encl: (1) Terms of Reference for the Ad Hoc Preparatory Committee on Transition

1. OMSN objectives for Ad Hoc Preparatory Committee:

a. Primary - To develop a detailed plan of action for Phase I to include recommendations on how to get Phase I off to a good start.

b. Secondary

(1) To show the need for MPSC, TT and Marianas District participation in the work of the Ad Hoc Committee and the Joint Secretariat.

(2) To lay the groundwork for creating a Saipan-based Joint Secretariat for Phase I period.

2. Talking Points:

a. Organization - OMSN

(1) General

(a) Policy Guidance - Jim Wilson

(b) Overall coordination - Dick Scott

(2) Economics/Finance - Sol Silver

(3) Political - Steve Loftus

b. Terms of reference -(see enclosure (1))

c. Agenda

(1) Initial priority given to planning for the politically oriented actions, i.e., political education program; plebiscite; constitutional convention and referendum; legal studies relating to organizational structure; and legislative program.

(2) Planning for socio-economic oriented actions begins mid February after Sol Silver returns from Saipan.

d. Timing

(1) May want to slip Ad Hoc Committee final report to March 15, 1974.

(2) Complete work plan for politically oriented items by February 15, 1974.

(3) Complete socio-economic work plan by February 28, 1974.

(a) This may be difficult in view of Sol Silver's absence until mid February.

e. General guidelines for Phase I planning

(1) Phase I planning in two parts

PART I POLITICAL

-- Areas within Marianas purview; U.S. does not propose joint action.

- Constitutional convention and referendum

- Political education.

- Plebiscite.

-- Organization of new government

- Marianas responsibility even though final plan must be approved by U.S.

PART II

-- Economic/Social Infrastructure Planning

- Marianas take lead

- U.S. participation in view of our responsibility to get funds from Congress for Phase I.

f. Political/Government organization planning

-- Political education

- money for education for self-government in TT budget
- Joint approach after agreement is signed.
- Similar in approach to program for other five districts.
- Use of experts in TT and U.S. Government agencies.

-- Constitutional Convention

- U.S. Government experts and documentation available.
- Experience of JCFS/COM in forming convention.
- Source of pride and accomplishment if Constitution is a product of Marianas' effort.
- Planning for constitutional convention and referendum should include organization of interim de facto government and role of District Legislature and COM members during interim period.

-- Plebiscite on future political status

- Need to keep U.N. in mind when drafting alternative plebiscite programs.
- Keep in mind U.S. Congressional attitudes especially as pertains to future relations with Guam.

-- Legal studies re: organizational structure and initial legislative program.

- Use of U.S. Government experts.
- Use of Legislative referral system.
- Use of TT and District Administration experts.

*- outside consultants*

g. Socio-Economic Planning

-- Source

- Must take into account views of those responsible for physical planning in TT and District.
- Review currently available studies and those currently underway to see if they meet Phase I requirements.
- Marianan experts in the private sector.
- Seconding of USG experts.

h. Joint Commission/Joint Secretariat

-- Joint Commission

- Membership - high level, 3 Marianans, 2 U.S.
- Infrequent meetings for policy guidance and problem resolutions
- No salaries - only out of pocket expenses.

-- Joint Secretariat

- Head - Prominent citizen of Marianas
- Members - two each from Marianas/U.S.
- Budget officer - U.S. to satisfy Congress in accountability of funds.
- Based in Saipan
- Not a policy making organization
- Will provide a "collective, pluralistic response" to MPSC needs
- Will be able to draw on resources of TT, USG and employ private consultants
- Members would be salaried
- Would use Joint Commission to resolve problems such as lack of cooperation from TT.

i. Funding

-- Ad Hoc Committee

- U.S. will fund in amount \$45,000
- Source of funds undetermined

-- Phase I

- U.S. will fund
- Level of funding to be studied by Ad Hoc Committee
- Maximum participation by Marianas to keep costs down
- Consideration of U.S. Congress reaction to request for Phase I funds.
- U.S. prepared to find funds for Phase I when agreement is in right - requires close liaison with OMB and Congress
- Believe U.S. Congress will approve funds for Phase I

3. Summary - The Ad Hoc Preparatory Committee should obtain agreement on specific list of problems.

- Obtain agreement on respective roles of both sides i.e., who does what and in what sequence.
- Identify resources to accomplish talks.
- Obtain full range of views on Phase I from MPSC, Marianas District Government, TT Administration and interested U.S. agencies.