DEP SEC. HAS SEEN



ASSISTANT SECRETARY OF DEFENSE WASHINGTON, D.C. 20301



INSTALLATIONS AND LOGISTICS

1 4 NOV 1974

MEMORANDUM FOR THE DEPUTY SECRETARY OF DEFENSE

SUBJECT: Land Acquisition Alternatives in the Marianas Negotiations - ACTION MEMORANDUM

An Under Secretaries Committee study, submitted on March 31, 1973, to the White House, proposed Presidential Instructions to Ambassador Williams for the conduct of the Marianas negotiations. Among these instructions was the mandate that "...military and non-military land requirements should be satisfied by arrangements providing for purchase or long-term lease by the U.S. Government..."

In the ensuing 18 months, it has become increasingly apparent that the option to lease is no longer acceptable. Not only are leases becoming more vulnerable to political pressures, but they are restrictive by Economy Act limitations, more costly over the term of the requirement and usually have no residual value. Moreover, it is clear that the sense of Congress favors purchasing land, rather than leasing it, to acquire value for money expended.

Despite earlier statements of Department of Defense desires, there are increasing indications that Ambassador Williams will agree to lease the land on Tinian when he perceives the purchase versus lease issue as the only impediment to successfully concluding an agreement with the Marianas Political Status Commission. For that reason, we believe that a reiteration of the necessity of fee purchase rather than leasing is necessary.

It is also considered appropriate to inform other members of the Under Secretaries Committee (through a courtesy copy of the enclosed letter to Ambassador Williams) should the Ambassador seek their counsel in this matter.

9

Your signature on the enclosed letter to Ambassador Williams is recommended.

O. I. Mandolen

ARTHUR I. MENDOLIA
Assistant Secretary of Defense
(Installations & Logistics)

Enclosure

Concur:

J J J G		
ASD(ISA)	Tab A	(Mr. Abramowitz, DASD(EA&PA)
TSATSD	Tab B	(Col Bailey, USA, Mil Asst)
ASD(LA)	Tab C	(MajGen Furlong, Principal Deputy)
ASD(PA&E)	Tab D	(Fr. Christie, Principal Deputy)

Prepared by: Francis B. Roche, x77227