



Memorandum of Conversation

Saipan, Mariana Islands

DATE: Nov. 18, 1974

10:45 a.m.

SUBJECT:

Marianas V

PARTICIPANTS: Dr. Francisco T. Palacios, Member MPSC representing Territorial

Party

Alf E. Bergesen, Status Liaison Officer, Saipan

PLACE: Dr. Falacios' house on the beach, erstwhile Territorial Party

campaign headquarters

Having been unable to contact Dr. Palacios over the weekend, I met him on Monday to convey the message received by telephone from Capt. Scott, OMSN, on November 16.

I told Dr. Palacios the Ambassador had received and appreciated his message conveyed through the Deputy Status LNO (on November 11 - Status LNO 323C). The Ambassador wished Dr. Palacios to know that we recognized that the completion of negotiations might take more time than we had hoped, particularly in the light of local political developments; while we wished to complete things ASAP, we realized that the pace must be set by the local leadership. We were prepared to give them every opportunity to make their own decisions in this and to arrive at their own consensus. I noted that the Marianas District Legislature needed to act in any event on public land matters following the DistAds veto of MDL legislation.

I then told Palacios that Ambassador Williams had received a cable from (Vice Chairman Ben) Santos urging a meeting on December 2 as planned, and that he was replying to Santos as follows:

- 1. U.S. remained willing to meet in week of December 2 but was not pressing if Santos believed the local political situation would create any real difficulties. The Ambassador nonetheless believed that real progress could be made if we got down to it.
- 2. While it had been hoped that this December meeting could be a final, signing session, we recognized that local conditions could make it take a little longer.
- 3. The MDL might still wish to take action on a new public lands bill before final signature of the new status agreement. .

 (Drafting Office and Office)

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- 4. The decision on timing was one for the Marianas leadership to determine.
- 5. The agenda for a December meeting could contain the following:
 - Agreement on land, particularly price and method of acquisition;
 - b. Completion of draft agreement, where a number of substantive issues remain to be resolved;
 - c. Agreement on timing and modalities of separate administration;
 - d. Agreement on transition items: establishment of a joint commission and secretariat, political education, and further exchanges regarding the impact of moving the capital;
 - e. Detailed discussions of future timetable for approval process, content of the plebiscite and its timing, and the constitutional convention and referendum.
- 6. Santos would also be informed that Palacios had been in touch with Williams; we assumed Santos would take whatever action was appropriate regarding Palacios' concerns.
- 7. Since the planned November 18 meeting was clearly overtaken by events it would be appropriate to have a preliminary informal meeting of the principals, including whatever grouping the MPSC desired on its side, prior to formal meeting, primarily to discuss the agenda further. Washington suggested Guam, December 1 or 2, or Saipan if preferred.
- Dr. Palacios listened carefully and seemed to take in the presentation. In turn, he made the following points:
- 1. They (MPSC delegation) had visited Tinian and Rota over the weekend, and found there was still some lack of understanding (with respect to the Marianas' future status and how to get there).
- 2. We should start on the (Tinian) homestead program. The argument was being advanced, Palacios said, that "only when it was completed should negotiations be finalized." But he suggested that, if we get started, the people could then be persuaded. (Homestead) lands inside the future military area could be leased, "these people" believed, rather than exchanged.
- 3. Other people, Dr. Palacios observed, wanted (all) war claims settled first.

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- 4. (Public) land should be returned to the local government before the agreement was concluded, but he was willing to continue discussions in the meantime.
- 5. It would probably be all right to meet December 2 in a working discussion.
- 6. However, we should not anticipate that it would be possible to conclude the agreement in December.

Note - It was not clear when Dr. Palacios was speaking for the Territorial Party and when he was speaking for himself as a member of the MPSC.

As I was leaving, Dr. Palacios told me he'd heard that the Tinian Municipal Council had voted "yesterday" (Sunday, November 17) to remove Joe Cruz and Bernard Hofschneider as their MPSC representatives, and substitute Ben Manglona and Richard Hofschneider.