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STATEMENT OF EDWARD DLG. PANGELINAN
CHAIRMAN OF THE MARIANAS POLITICAL STATUS COMMISSION
PLENARY SESSION
FIFTH SESSION OF THE MARIANAS STATUS NEGOTIATIONS
December 5, 1974

AMBASSADOR WILLIAMS, MEMBERS OF THE U. S. DELEGATION,
HONORED GUESTS, LADIES AND GENTLEMEN:

ON BEHALF OF THE MARIANAS POLITICAL STATUS COMMISSION
AND THE PEOPLE OF THE MARIANAS, IT IS ONCE AGAIN MY PLEASURE
TO WELCOME YOU TO SAIPAN FOR A SESSION OF POLITICAL STATUS
NEGOTIATIONS. THE FREQUENCY AND REGULARITY OF OUR SESSIONS--
IN DECEMBER, 1972; MAY, 1973; DECEMBER, 1973; MAY, 1974 AND
NOW IN DECEMBER, 1974--PROVIDE CLEAR EVIDENCE OF THE WILLINGNESS
OF THE UNITED STATES TO WORK DILIGENTLY WITH US TO CREATE
A FUTURE POLITICAL STATUS WHICH MEETS THE ASPIRATIONS OF
THE PEOPLE OF THE MARIANAS.

I

TWO YEARS AGO, AT THE VERY BEGINNING OF THESE
NEGOTIATIONS, I OUTLINED THE REASONS WHICH PERSUADED THE
MARIANAS DISTRICT LEGISLATURE TO CREATE THIS COMMISSION.
IN LIGHT OF THE INCREASING ATTENTION WHICH THESE TALKS ARE
NOW RECEIVING, IT MIGHT BE USEFUL TO REVIEW THE BASIC MOTIVATIONS
UNDERLYING SEPARATE STATUS NEGOTIATIONS FOR THE MARIANAS.

FIRST, THE PEOPLE OF THE MARIANAS DO NOT WANT
THE TRUSTEESHIP AGREEMENT TO GO ON INDEFINITELY. WE FEEL

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THAT OUR PRESENT STATUS--NO MATTER HOW WELL-INTENTIONED--
IS OUTMODED AND INAPPROPRIATE. CHANGE IS NECESSARY--EVEN
THOUGH CHANGE INEVITABLY BRINGS RISK AND UNCERTAINTY. WE
BELIEVE THAT OUR PEOPLE HAVE THE SOVEREIGN RIGHT OF SELF-
DETERMINATION, AS DO OTHER PEOPLE IN THE WORLD. IN THIS
RESPECT, WE DIFFER FROM SOME CRITICS OF THESE NEGOTIATIONS,
WHO SEEM TO BELIEVE THAT THE STATUS QUO OF THE TRUSTEESHIP
SHOULD CONTINUE FOR THE INDEFINITE FUTURE.

SECOND, WE FEEL THAT THE MARIANAS PEOPLE ARE READY
FOR SELF-GOVERNMENT. THE MEMBERS OF THE DISTRICT LEGISLATURE
AND THIS COMMISSION ARE WELL AWARE THAT SELF-GOVERNMENT CARRIES
WITH IT NEW BURDENS AND RESPONSIBILITIES, AS WELL AS NEW
OPPORTUNITIES AND CHALLENGES. THERE ARE THOSE WHO SAY THAT
THE MARIANAS PEOPLE ARE NOT READY FOR SELF-GOVERNMENT. THIS
IS A FAMILIAR REFRAIN--OFTEN VOICED BY THOSE, INCLUDING MANY
WHO DO NOT HAVE DEEP ROOTS IN THE MARIANAS, WHO ARE PROSPERING
UNDER AN OUTMODED POLITICAL STATUS AT THE EXPENSE OF THE
PEOPLE. WE DISAGREE WITH THIS VIEW. WE LOOK FORWARD TO
THE DAY WHEN THE MARIANAS PEOPLE CAN CONTROL THEIR OWN DESTINY.

THIRD, THESE NEGOTIATIONS REFLECT THE HIGH VALUE
WHICH WE PLACE ON THE FREEDOMS AND DEMOCRATIC FORM OF GOVERNMENT
WHICH MARK THE AMERICAN POLITICAL SYSTEM. WE WANT A GOVERNMENT
WHICH ASSURES THESE RIGHTS AND FREEDOMS AND WHICH RECOGNIZES
THE FUNDAMENTAL EQUALITY OF ALL MEN UNDER THE LAW. FOR THESE
REASONS, THE PEOPLE OF THE MARIANAS ARE PREPARED TO EMBRACE
THE U. S. CONSTITUTION AND ITS BILL OF RIGHTS. OUR MICRONESIAN

BROTHERS IN OTHER DISTRICTS, BECAUSE OF DIFFERENT TRADITIONS OR ASPIRATIONS, MAY FEEL OTHERWISE. WE RESPECT THEIR FREEDOM TO CHOOSE FOR THEMSELVES. BUT THE MARIANAS PEOPLE DESERVE THE SAME RESPECT IN EXERCISING THEIR RIGHT TO CHOOSE A POLITICAL STRUCTURE BEST SUITED TO THEIR NEEDS AND ASPIRATIONS.

FOURTH, THIS COMMISSION WAS CREATED TO PLAN FOR THE FUTURE--NOT TO RECAPTURE THE PAST! WE ARE STRIVING TO CREATE A POLITICAL STATUS WHICH IS DESIGNED TO MEET THE PRESSING DEMANDS OF THE PRESENT AND THE UNKNOWN DEMANDS OF THE FUTURE. WE RECOGNIZE THE PRACTICAL LIMITATIONS OF A SMALL ISLAND COMMUNITY IN TRYING TO DEAL WITH THE ANTICIPATED PROBLEMS OF THIS CENTURY AND THE NEXT. FOR THIS REASON, THIS COMMISSION IS CHARGED WITH THE RESPONSIBILITY FOR DESIGNING A RELATIONSHIP WITH THE UNITED STATES WHICH OFFERS SUPPORT AND SECURITY FOR OUR PEOPLE, AS WELL AS OPPORTUNITY FOR DEVELOPMENT AND SELF-GOVERNMENT.

THESE, THEN, ARE THE REASONS WHY THIS COMMISSION WAS CREATED TWO AND ONE HALF YEARS AGO TO UNDERTAKE THESE STATUS NEGOTIATIONS. IT IS IN LIGHT OF THESE GENERAL OBJECTIVES THAT OUR WORK TO DATE MUST BE EVALUATED.

II

THE TWO DELEGATIONS HAVE MADE GREAT PROGRESS IN THE PAST TWO YEARS OF NEGOTIATIONS. THIS PROGRESS COULD NOT HAVE BEEN POSSIBLE WITHOUT THE FINANCIAL SUPPORT AND

THE LEADERSHIP OF THE MARIANAS DISTRICT LEGISLATURE. THESE NEGOTIATIONS HAVE REQUIRED DETAILED STUDIES OF MANY COMPLEX LEGAL AND ECONOMIC SUBJECTS. ONLY WITH THE SUPPORT OF THE DISTRICT LEGISLATURE COULD WE HAVE BEEN ABLE TO UNDERTAKE THESE STUDIES AND COME AS FAR AS WE HAVE.

THROUGHOUT THESE NEGOTIATIONS THE COMMISSION HAS TRIED TO KEEP THE PEOPLE FULLY INFORMED. TOGETHER WITH THE U. S. DELEGATION, WE HAVE ISSUED DETAILED COMMUNIQUE AFTER EACH SESSION. WE HAVE HAD NUMEROUS PUBLIC MEETINGS TO DISCUSS THE NEGOTIATIONS ON SAIPAN, TINIAN AND ROTA. THE COMMISSION HAS REPORTED TO THE DISTRICT LEGISLATURE AFTER EACH SESSION AND HAS MET WITH THE VARIOUS MUNICIPAL COUNCILS. ON EACH OCCASION, THE COMMISSION HAS TRIED TO THE BEST OF ITS ABILITY TO ANSWER ALL QUESTIONS FULLY AND FRANKLY. WE RECOGNIZE THAT THE COMMISSION IS SERVING ONLY AS THE REPRESENTATIVE OF THE PEOPLE--AND THAT IT IS THE PEOPLE WHO WILL DECIDE THE FORM OF OUR NEW POLITICAL STATUS.

AS THE FIFTH SESSION BEGINS, THE COMMISSION IS AWARE OF THE CONCERN EXPRESSED BY MANY PEOPLE THAT NOT ENOUGH IS KNOWN ABOUT THE NEGOTIATIONS. BECAUSE OF THIS CONCERN, THE COMMISSION MET YESTERDAY WITH THE MARIANAS DISTRICT LEGISLATURE AND DISCUSSED THE DRAFT STATUS AGREEMENT AND THE OUTSTANDING ISSUES. WE WILL CONTINUE TO MEET WITH THE LEGISLATURE. WE ARE ALSO PLANNING TO MEET SATURDAY WITH THE MUNICIPAL COUNCILS OF TINIAN, ROTA AND SAIPAN, THEIR RESPECTIVE MAYORS, THE LEADERS OF THE TERRITORIAL PARTY, POPULAR PARTY, UNITED

CAROLINIAN ASSOCIATION, AND THE BUSINESS COMMUNITY. WE WANT THESE LEADERS TO HAVE EVERY OPPORTUNITY TO LEARN WHAT WE ARE DOING AND TO GIVE US THEIR VIEWS AGAIN REGARDING OUR FUTURE POLITICAL STATUS.

IN ADDITION, THE COMMISSION WANTS TO USE EVERY AVAILABLE OPPORTUNITY TO REPORT TO THE PEOPLE GENERALLY REGARDING THESE NEGOTIATIONS. MUCH IS KNOWN BY THE PUBLIC ALREADY ABOUT THE TENTATIVE AGREEMENTS REACHED TO DATE IN THESE NEGOTIATIONS. IT MIGHT BE USEFUL, HOWEVER, TO USE THIS OCCASION TO SUMMARIZE THE PRELIMINARY AGREEMENTS WHICH ARE REFLECTED IN THE DRAFT STATUS AGREEMENT WHICH WILL BE THE FOCUS OF OUR ATTENTION AT THIS SESSION OF NEGOTIATIONS.

III

THE MAJOR PROVISIONS OF THE DRAFT STATUS AGREEMENT WITH WHICH WE ARE WORKING CAN BE BROKEN DOWN INTO SIX GENERAL CATEGORIES: ONE, THE DEFINITION OF THE POLITICAL RELATIONSHIP; TWO, PROVISIONS FOR U. S. CITIZENSHIP AND NATIONALITY; THREE, DETERMINATION OF THE APPLICATION OF U. S. LAWS; FOUR, PROVISIONS RELATING TO LAND; FIVE, THE ECONOMIC AND FINANCIAL PROVISIONS; AND SIX, THE APPROVAL AND TIMING PROVISIONS.

A BRIEF REVIEW OF EACH OF THESE CATEGORIES OF PROVISIONS SHOWS THAT WE HAVE MADE VERY SUBSTANTIAL PROGRESS--BUT THAT THERE ARE STILL IMPORTANT ISSUES REMAINING TO BE RESOLVED.

THE FIRST CATEGORY CONCERNS THE POLITICAL RELATIONSHIP BETWEEN THE NORTHERN MARIANAS AND THE UNITED STATES. THE

AGREEMENT WILL PROVIDE THAT THE NORTHERN MARIANAS WILL BECOME, UPON TERMINATION OF THE TRUSTEESHIP AGREEMENT, A SELF-GOVERNING COMMONWEALTH IN POLITICAL UNION WITH THE UNITED STATES. THE RIGHT OF LOCAL SELF-GOVERNMENT OF THE PEOPLE OF THE NORTHERN MARIANAS WILL EXPLICITLY BE RECOGNIZED IN THE AGREEMENT. THE PEOPLE WILL FORMULATE AND APPROVE THEIR OWN LOCAL CONSTITUTION, WHICH WILL CONTAIN A BILL OF RIGHTS AND PROVIDE FOR SEPARATE EXECUTIVE, LEGISLATIVE AND JUDICIAL BRANCHES. THERE WILL BE A POPULARLY ELECTED GOVERNOR AND A POPULARLY ELECTED LEGISLATURE. THE REPRESENTATION FOR EACH ISLAND IN THE LEGISLATURE WILL BE DETERMINED BY THE LOCAL CONSTITUTION. LOCAL COURTS CAN BE ESTABLISHED AS DETERMINED BY LOCAL LAW. WE WILL BE DISCUSSING IN THESE NEGOTIATIONS LIMITATIONS ON THE FEDERAL AUTHORITY WHICH WILL PROVIDE EVEN FURTHER ASSURANCES OF LOCAL SELF-GOVERNMENT.

THERE ARE OTHER IMPORTANT ASPECTS OF THE POLITICAL RELATIONSHIP. THE UNITED STATES WILL HAVE SOVEREIGNTY IN THE NORTHERN MARIANAS, AND APPLICABLE FEDERAL LAW WILL BE THE SUPREME LAW, AS IS TRUE IN ALL STATES, TERRITORIES AND PUERTO RICO. THE UNITED STATES WILL HAVE FULL AUTHORITY WITH RESPECT TO DEFENSE AND FOREIGN AFFAIRS, AND WILL CONSIDER THE ADVICE OF THE NORTHERN MARIANAS ON MATTERS OF CONCERN TO IT. THE FUNDAMENTAL PROVISIONS OF THE STATUS AGREEMENT WILL NOT BE SUBJECT TO CHANGE WITHOUT THE CONSENT OF THE GOVERNMENT OF THE NORTHERN MARIANAS AND THE GOVERNMENT OF THE UNITED STATES. THIS GUARANTEES THAT THE BASIC RELATIONSHIP WILL BE PERMANENT UNLESS BOTH SIDES WANT A CHANGE. WE WILL

HAVE FURTHER DISCUSSIONS CONCERNING THE PRECISE PROVISIONS TO BE ON THE "MUTUAL CONSENT" LIST, BUT WE HAVE AGREED THAT PROVISIONS ESTABLISHING THE COMMONWEALTH, GUARANTEEING THE RIGHT OF LOCAL SELF-GOVERNMENT, PROVIDING U. S. CITIZENSHIP OR NATIONALITY, AND APPLYING THE U. S. CONSTITUTION TO THE NORTHERN MARIANAS ARE FUNDAMENTAL AND WILL NOT BE SUBJECT TO CHANGE WITHOUT MUTUAL CONSENT.

FINALLY WITH RESPECT TO THE POLITICAL RELATIONSHIP, WE HAVE AGREED THAT THE NORTHERN MARIANAS WILL BE ENTITLED TO AN OFFICIAL REPRESENTATIVE IN WASHINGTON. YOU HAVE SAID YOU WILL SUPPORT OUR REQUEST FOR A NON-VOTING DELEGATE IN THE U. S. CONGRESS. WE WILL WANT TO DISCUSS AGAIN AT THIS SESSION ADDITIONAL ASSURANCES CONCERNING OUR NON-VOTING DELEGATE. THE STATUS AGREEMENT WILL ALSO PROVIDE FOR REGULAR CONSULTATION BETWEEN THE TWO GOVERNMENTS CONCERNING THE RELATIONSHIP AFTER IT IS APPROVED.

THE SECOND GENERAL CATEGORY OF PROVISIONS CONCERNS U. S. CITIZENSHIP AND NATIONALITY. WE HAVE AGREED THAT UPON TERMINATION OF THE TRUSTEESHIP, THE FOLLOWING PERSONS AND THEIR MINOR CHILDREN WILL BECOME U. S. CITIZENS, OR IF THEY WISH, U. S. NATIONALS:

- PERSONS BORN IN THE NORTHERN MARIANAS AND DOMICILED HERE OR IN THE U. S. OR ITS TERRITORIES;

- PERSONS WHO ARE TTPI CITIZENS WHO HAVE BEEN DOMICILED IN THE NORTHERN MARIANAS FOR AT LEAST FIVE YEARS PRIOR TO TERMINATION AND WHO REGISTERED TO VOTE HERE BEFORE THE STATUS

AGREEMENT WAS SIGNED; AND

- PERSONS WHO ARE NOT TTPI CITIZENS OR CITIZENS OF FOREIGN COUNTRIES AND WHO HAVE BEEN DOMICILED HERE SINCE BEFORE THE AGREEMENT WAS SIGNED.

PERSONS BORN IN THE NORTHERN MARIANAS AFTER TERMINATION WILL BE U. S. CITIZENS.

THE THIRD CATEGORY OF PROVISIONS CONCERNS THE APPLICATION OF U. S. LAWS TO THE NORTHERN MARIANAS. WE HAVE AGREED THAT THE NORTHERN MARIANA ISLANDS WILL BE TREATED AS IF IT WERE A STATE FOR PURPOSES OF THE APPLICATION OF MUCH OF THE U. S. CONSTITUTION, INCLUDING ALL OF THE BILL OF RIGHTS. THIS MEANS THAT INDIVIDUAL FREEDOMS WILL BE PROTECTED AGAINST INTRUSION BY THE FEDERAL GOVERNMENT AS WELL AS BY THE LOCAL GOVERNMENT. SPECIAL PROVISIONS ARE INCLUDED IN THE STATUS AGREEMENT TO ASSURE THAT THE LOCAL GOVERNMENT CAN IMPOSE RESTRAINTS ON LAND ALIENATION, AND THAT THE LOCAL LEGISLATURE CAN HAVE REPRESENTATIVES FROM TINIAN AND ROTA, AS DETERMINED BY THE LOCAL CONSTITUTION, IN EXCESS OF THE NUMBER THEY WOULD BE PERMITTED ON A STRICT POPULATION BASIS.

WE HAVE ALSO REACHED AGREEMENTS CONCERNING THE APPLICATION OF U. S. LAWS GENERALLY AND WITH RESPECT TO CERTAIN IMPORTANT U. S. LAWS. THE DRAFT STATUS AGREEMENT CONTAINS A FORMULA WHICH GENERALLY MAKES FEDERAL LAWS WHICH ARE APPLICABLE TO GUAM AND TO THE STATES APPLICABLE TO THE NORTHERN MARIANA ISLANDS. LAWS PROVIDING FEDERAL PROGRAMS AND SERVICES ARE SPECIFICALLY MADE APPLICABLE TO THE NORTHERN MARIANAS,

ESSENTIALLY IN THE SAME MANNER THAT THEY APPLY TO GUAM.

A COMMISSION ON FEDERAL LAWS WILL BE ESTABLISHED WITH SEVEN MEMBERS (AT LEAST THREE FROM THE NORTHERN MARIANAS) TO MAKE A FURTHER REVIEW OF FEDERAL LAWS AND TO MAKE RECOMMENDATIONS CONCERNING THEIR APPLICATION.

CERTAIN IMPORTANT U. S. LAWS ARE DEALT WITH SPECIFICALLY IN THE DRAFT. FOR EXAMPLE, WE HAVE AGREED THAT THE NORTHERN MARIANAS WILL BE OUTSIDE THE U. S. CUSTOMS TERRITORY, AND THAT OUR PRODUCTS WILL ENTER THE CUSTOMS TERRITORY FREE OF U. S. DUTY. THE APPLICATION OF THE U. S. INCOME TAX LAWS, ON THE OTHER HAND, HAS NOT YET BEEN DETERMINED, AND WE WILL HAVE TO DISCUSS THIS MATTER FURTHER. IT HAS BEEN AGREED, HOWEVER, THAT ALL FEDERAL TAXES COLLECTED HERE WILL AUTOMATICALLY BE RETURNED TO THE LOCAL GOVERNMENT, AND THAT THE LOCAL GOVERNMENT WILL HAVE THE AUTHORITY TO IMPOSE LOCAL TAXES AS IT SEES FIT AND TO REBATE TAXES TO LOCAL CITIZENS IN ACCORDANCE WITH LOCAL LAW.

IN ADDITION, IT HAS BEEN AGREED THAT THE U. S. WILL ESTABLISH A FEDERAL COURT FOR THE NORTHERN MARIANAS TO HANDLE FEDERAL CASES AND SUCH LOCAL CASES AS THE LOCAL LEGISLATURE DETERMINES.

THE FOURTH GENERAL CATEGORY CONCERNS LAND. THIS HAS TAKEN A GOOD DEAL OF OUR ATTENTION--BOTH IN NEGOTIATIONS AND IN COMMITTEE MEETINGS BETWEEN SESSIONS. MUCH HAS BEEN RESOLVED, BUT MUCH REMAINS TO BE DONE. RECOGNIZING THAT THERE ARE RESPONSIBILITIES AS WELL AS BENEFITS OF AMERICAN

CITIZENSHIP AND POLITICAL UNION WITH THE UNITED STATES, THE COMMISSION AGREED TO INCLUDE IN THE STATUS AGREEMENT PROVISIONS PERMITTING THE UNITED STATES TO USE LAND IN THE NORTHERN MARIANAS FOR DEFENSE PURPOSES. IT WAS AGREED THAT THE UNITED STATES WILL BE ABLE TO USE APPROXIMATELY 7,200 HECTARES ON TINIAN, 195 HECTARES AT ISLEY FIELD AND 70 HECTARES AT TANAPAG HARBOR ON SAIPAN, AND THE 80 HECTARES OF FARALLON DE MEDINILLA. THE TERMS ON WHICH THE LAND WILL BE MADE AVAILABLE ARE NOT YET RESOLVED, HOWEVER. THE U. S. WANTS TO PURCHASE THE LAND IT WILL USE FOR DEFENSE PURPOSES. THE COMMISSION CANNOT AGREE TO THAT, AND WE HAVE PROPOSED INSTEAD A 50 YEAR LEASE WITH AN OPTION TO RENEW FOR AN ADDITIONAL 50 YEARS. THE PRICE TO BE PAID FOR THE LAND NEEDS ALSO TO BE RESOLVED. IT IS OUR ESTIMATE THAT THE LAND USE ARRANGEMENT PRICE WILL PROVIDE APPROXIMATELY \$1.0 to \$2.5 MILLION EVERY YEAR FOR THE NORTHERN MARIANAS, BUT THIS TOO REQUIRES ADDITIONAL DISCUSSION. ALSO TO BE THE SUBJECT OF NEGOTIATION ARE OTHER IMPORTANT TERMS OF THE LAND USE ARRANGEMENT. ON THIS WE HAVE MADE MUCH PROGRESS, ALREADY AGREEING THAT THERE WILL BE PROVISIONS DEALING WITH REVERSION OF THE LAND FOR NON-USE BY THE U. S.; LEASEBACK OF LAND TO THE LOCAL GOVERNMENT; ACCESSIBILITY TO NATURAL RESOURCES ON THE LAND MADE AVAILABLE; JOINT USE OF THE HARBOR AND AIR FIELD ON TINIAN; JOINT PLANNING AND DEVELOPMENT OF UTILITIES ON TINIAN; A MEMORIAL PARK AND RECREATIONAL FACILITIES AT TANAPAG HARBOR; SAFETY AND ENVIRONMENTAL PROTECTION; THE ESTABLISHMENT OF A JOINT CIVILIAN-MILITARY

RELATIONS COMMITTEE; AND RETURN OF ALL MILITARY RETENTION LAND NOT TO BE USED BY THE UNITED STATES UNDER THE STATUS AGREEMENT.

ALSO WITH RESPECT TO LAND, AND CRITICALLY IMPORTANT TO THE COMMISSION, IT HAS BEEN AGREED THAT THE LOCAL GOVERNMENT WILL BE ABLE TO PREVENT PERSONS WHO ARE NOT OF NORTHERN MARIANAS DESCENT FROM OWNING LAND, NOTWITHSTANDING ANY OTHERWISE APPLICABLE PART OF THE CONSTITUTION OR LAWS OF THE UNITED STATES. CRITICALLY IMPORTANT TO US AS WELL IS AN ISSUE WHICH IS NOT YET RESOLVED: THE MANNER IN WHICH THE U. S. WILL EXERCISE AND THE EXTENT TO WHICH IT WILL POSSESS THE POWER OF EMINENT DOMAIN. THIS WILL BE DISCUSSED IN DEPTH, I AM SURE. WE ARE PLEASED TO NOTE THAT THE U. S. HAS AGREED TO MAKE CLEAR THAT IT HAS NO PRESENT NEED FOR OR INTENTION TO ACQUIRE ADDITIONAL LAND OR ANY GREATER INTEREST IN LAND THAN THAT GRANTED TO IT UNDER THE STATUS AGREEMENT, AND TO COMMIT ITSELF TO RESPECT THE SCARCITY AND SPECIAL IMPORTANCE OF LAND HERE AND TO ACQUIRE ONLY THE MINIMUM AMOUNT OF LAND AND INTEREST IN LAND REQUIRED.

THE FIFTH CATEGORY CONCERNS ECONOMIC AND FINANCIAL PROVISIONS. AS HAS PREVIOUSLY BEEN ANNOUNCED, THE UNITED STATES WILL PROVIDE \$1.5 MILLION FOR TRANSITION AND PLANNING, INCLUDING POLITICAL EDUCATION FOR THE PLEBISCITE ON THE STATUS AGREEMENT AND A LOCAL CONSTITUTIONAL CONVENTION AND A REFERENDUM ON THE CONSTITUTION. THE UNITED STATES WILL PROVIDE A GUARANTEED LEVEL OF DIRECT BUDGET ASSISTANCE

OF \$13.5 MILLION (IN CONSTANT 1975 DOLLARS) FOR EACH OF SEVEN FISCAL YEARS, AND THEREAFTER UNTIL CONGRESS ACTS TO CHANGE THE LEVEL OF SUPPORT. THESE FUNDS WILL BE USED FOR CAPITAL IMPROVEMENT PROJECTS, FOR GOVERNMENT OPERATIONS AND FOR ECONOMIC DEVELOPMENT. ALSO, AS I HAVE NOTED BEFORE, THE FULL RANGE OF FEDERAL PROGRAMS AND SERVICES AVAILABLE TO THE U. S. TERRITORIES WILL BE AVAILABLE TO THE NORTHERN MARIANAS. THE VALUE OF THESE PROGRAMS AND SERVICES IS ESTIMATED TO BE AT LEAST \$3.0 MILLION ANNUALLY. THE NORTHERN MARIANAS WILL BE A FULL PARTICIPANT IN THE U. S. SOCIAL SECURITY SYSTEM AFTER TERMINATION OF THE TRUSTEESHIP WITH CREDIT GIVEN FOR PARTICIPATION IN THE MICRONESIAN SYSTEM-- AND THAT SYSTEM WILL REMAIN EFFECTIVE UNDER U. S. ADMINISTRATION UNTIL TERMINATION. FINALLY, FEDERAL DUTIES, EXCISES AND OTHER TAXES COLLECTED IN THE MARIANAS--INCLUDING THOSE COLLECTED FROM THE U. S. MILITARY PERSONNEL--WILL BE RETURNED TO THE LOCAL GOVERNMENT. THIS SUM IS ESTIMATED AT \$3.0 MILLION A YEAR WHEN THE TINIAN BASE IS FULLY OPERATIONAL. THIS WILL BE IN ADDITION TO THE AMOUNT PAID FOR THE USE OF THE LAND.

SIXTH, AND FINALLY, ARE THE PROVISIONS FOR APPROVAL AND TIMING OF THE STATUS AGREEMENT. WE HAVE AGREED THAT THE STATUS AGREEMENT WILL BE SUBMITTED TO THE MARIANA ISLANDS DISTRICT LEGISLATURE FOR ITS APPROVAL AND THEN--AFTER FULL AND FREE DEBATE AND EXTENSIVE POLITICAL EDUCATION--TO THE

PEOPLE OF THE NORTHERN MARIANAS. U. S. APPROVAL WILL BE GIVEN BY THE CONGRESS AND PRESIDENT IN ACCORDANCE WITH CONSTITUTIONAL PROCESSES. AFTER APPROVAL OF THE STATUS AGREEMENT AND OF THE LOCAL CONSTITUTION ARE COMPLETE, VIRTUALLY ALL OF THE STATUS AGREEMENT'S PROVISIONS WILL COME INTO EFFECT, EVEN IF THE TRUSTEESHIP IS NOT YET TERMINATED. HOWEVER, CERTAIN PROVISIONS--PARTICULARLY U. S. CITIZENSHIP AND NATIONALITY, U. S. SOVEREIGNTY, AND THE ESTABLISHMENT OF A COMMONWEALTH IN POLITICAL UNION WITH THE UNITED STATES-- WILL NOT BE EFFECTIVE UNTIL TERMINATION.

IV

AS THIS REVIEW OF THE DRAFT STATUS AGREEMENT SHOWS, THERE ARE IMPORTANT AND SERIOUS ISSUES WHICH MUST BE RESOLVED BEFORE OUR WORK IS COMPLETED AND THE FINAL STATUS AGREEMENT IS PRESENTED TO THE DISTRICT LEGISLATURE, TO OUR PEOPLE AND TO THE U. S. CONGRESS. WE WILL HAVE TO DISCUSS, AMONG OTHER IMPORTANT ISSUES, THE SCOPE OF U. S. LEGISLATIVE AUTHORITY TO ASSURE THAT IT IS STATED IN A WAY WHICH ASSURES LOCAL CONTROL OF LOCAL AFFAIRS; THE PROVISIONS OF THE STATUS AGREEMENT TO BE SUBJECT TO MUTUAL CONSENT; THE PRECISE APPLICATION OF THE FEDERAL INCOME TAX LAWS AND CERTAIN OTHER LAWS; METHODS OF FURTHER GUARANTEEING U. S. FINANCIAL ASSISTANCE TO REACH APPROPRIATE GOALS; THE SCOPE OF AND PROCEDURES RELATED TO THE FEDERAL EMINENT DOMAIN POWER; AND ADDITIONAL PROVISIONS RELATING

TO OUR REPRESENTATION IN WASHINGTON. THESE ISSUES WILL REQUIRE CREATIVE AND THOUGHTFUL COOPERATION.

ALSO TO BE RESOLVED ARE A VARIETY OF ISSUES RELATING TO LAND. WE HAVE AGREED THAT THE STATUS AGREEMENT WILL, AFTER APPROVAL, PERMIT THE U. S. TO USE A LARGE PORTION OF OUR SCARCE LAND FOR DEFENSE PURPOSES. YOU HAVE ASKED THAT THE UNITED STATES BE PERMITTED TO PURCHASE THIS LAND. WE UNDERSTAND YOUR REASONS FOR WANTING TO PURCHASE LAND. BUT YOU MUST UNDERSTAND THAT WE CANNOT ACCEDE TO THIS REQUEST. LAND IS THE MOST PRECIOUS RESOURCE OF THE NORTHERN MARIANAS. WE CANNOT PERMIT THE PERMANANT ALIENATION OF SO MUCH LAND EVEN TO THE U. S. GOVERNMENT. WE HAVE PROPOSED A 50 YEAR LEASE WITH AN OPTION TO RENEW FOR 50 YEARS--A PROPOSAL WHICH, WE BELIEVE, FULLY PROTECTS THE U. S. SECURITY INTERESTS WITH RESPECT TO ITS BASE. THIS ISSUE MUST BE RESOLVED TO THE SATISFACTION OF THE COMMISSION BEFORE WE CAN SIGN A STATUS AGREEMENT.

FINALLY, WE MUST DETERMINE THE PRICE WHICH THE UNITED STATES WILL PAY FOR THE INTEREST IN LAND TO BE MADE AVAILABLE TO IT UNDER THE STATUS AGREEMENT. WE MUST AGREE ON A FAIR PRICE, A PRICE WHICH OUR PEOPLE WILL ACCEPT AS REFLECTING THE PRESENT FAIR MARKET VALUE OF OUR SCARCE LAND. THROUGH THE JOINT LAND COMMITTEE WE HAVE HAD MANY DISCUSSIONS OF WHAT IS A FAIR PRICE. OUR POSITION, AS YOU KNOW, IS BASED ON AN EXTENSIVE STUDY BY A RENOWNED EXPERT IN LAND APPRAISAL TECHNIQUES. YOUR

POSITION, LIKEWISE, IS BASED ON YOUR EXPERTS' VIEWS.
RESOLUTION OF THE ISSUE IS NOT NOW FOR THE EXPERTS. RATHER
IT LIES FOR US AS NEGOTIATORS TO REACH AN ACCOMMODATION
WE BOTH AGREE IS JUST--AN ACCOMMODATION WHICH WILL BE APPROVED
BY THOSE WHO ^{WE} ARE PRIVILEGED TO REPRESENT.

V

I HAVE MENTIONED A NUMBER OF ISSUES WHICH WILL
REQUIRE THE ATTENTION OF THE NEGOTIATORS IN THE NEXT WEEKS.
BUT THERE ARE OTHER ISSUES WITH WHICH WE MUST BE CONCERNED
AS WELL, BECAUSE THEY ARE OF CONCERN TO OUR PEOPLE. IN
PARTICULAR, PROBLEMS RELATING TO WAR CLAIMS, THE RETURN
OF PUBLIC LAND, AND HOMESTEADING MUST BE SOLVED. SINCE
ALL THREE OF THESE MATTERS RELATE TO ACTIONS OF THE TRUST
TERRITORY AND UNITED STATES GOVERNMENTS, I WANT TO TAKE
THE TIME TO DISCUSS THEM TODAY.

FIRST, WAR CLAIMS. AT THE DIRECTION OF THE
DISTRICT LEGISLATURE WE HAVE INVESTIGATED THE VERY SERIOUS
PROBLEMS RELATING TO THE PAYMENT OF WAR CLAIMS IN THE NORTHERN
MARIANAS. WE HAVE FOUND THAT THE COMPLAINTS ABOUT THE
ADMINISTRATION OF THE PROGRAM ARE LARGELY JUSTIFIED. THE
MARIANAS HAVE BEEN DISCRIMINATED AGAINST; CLAIMS IN OTHER
DISTRICT WERE BEING MORE RAPIDLY PROCESSED. AT OUR MEETING
YESTERDAY WITH THE NEW CHAIRMAN OF THE WAR CLAIMS COMMISSION
WE WERE ASSURED THAT HE RECOGNIZES THE PAST PROBLEMS AND

IS MOVING TO ELIMINATE THEM BY ASSIGNING A HIGH PRIORITY TO MARIANAS CLAIMS AND BY DIRECTING THAT 40% OF THE AVAILABLE MANPOWER BE UTILIZED TO DEAL EXCLUSIVELY WITH MARIANAS CLAIMS. THIS WAS AN ENCOURAGING REPORT. BUT WE WERE ALSO TOLD THAT OBTAINING ADEQUATE FUNDING OF THE WAR CLAIMS COMMISSION REQUIRED ADDITIONAL ACTION BY THE EXECUTIVE AND LEGISLATIVE BRANCHES OF THE U.S. GOVERNMENT. WE BRING THIS NEED TO YOUR ATTENTION, MR. AMBASSADOR, JUST AS WE WILL BRING IT TO THE ATTENTION OF OTHER OFFICIALS OF YOUR GOVERNMENT--OF OUR GOVERNMENT--TO SECURE APPROPRIATE ACTION.

SECOND, PUBLIC LANDS. THE MEMBERS OF THE COMMISSION, LIKE ALL OTHERS IN THE NORTHERN MARIANAS, HAVE LONG DESIRED AND OFTEN DEMANDED THE RETURN OF PUBLIC LANDS HERE TO THEIR RIGHTFUL OWNERS, THE PEOPLE OF THIS DISTRICT. WE GENERALLY SUPPORTED THE U. S. POLICY STATEMENT ISSUED OVER A YEAR AGO CONCERNING THE RETURN OF PUBLIC LAND. LEGISLATION TO ACCOMPLISH THIS GOAL, HOWEVER, HAS NOT SUCCESSFULLY BEEN ENACTED BY THE CONGRESS OF MICRONESIA--AT ONE SESSION SINCE THE POLICY STATEMENT NO LEGISLATION WAS PASSED AND AT ANOTHER THE BILL WAS VETOED. WE HAVE WAITED LONG ENOUGH-- TOO LONG--FOR OUR LAND. THERE IS NO TIME FOR FALSE PRIDE OR INSISTENCE ON MERE FORM. OUR LAND LIES BARREN WHEN IT COULD BE USED BY OUR PEOPLE FOR THEIR BENEFIT. ACCORDINGLY, WE SUPPORT THE PROMPT RETURN OF OUR PUBLIC LAND BY EXECUTIVE ORDER OR OTHERWISE IN ACCORDANCE WITH THE POLICY STATEMENT.

WE DO NOT AGREE IN ALL RESPECTS WITH THAT STATEMENT, TO BE SURE, BUT IT WILL RESULT IN THE IMMEDIATE RETURN OF MUCH, IF NOT ALL, OF OUR LAND. ISSUES RELATING TO THAT PUBLIC LAND NOT RETURNED TO US CAN, AND MUST, BE DEALT WITH IN THESE NEGOTIATIONS OR IN OTHER WAYS.

THIRD, THE SUBJECT OF HOMESTEADING ON TINIAN. AS YOU KNOW, THE COMMISSION HAS ESTABLISHED A SPECIAL SUBCOMMITTEE ON THIS SUBJECT IN RESPONSE TO THE EXPRESSIONS OF CONCERN FROM THE PEOPLE OF TINIAN AND THE DISTRICT LEGISLATURE. WE HAVE MET WITH THE DISTRICT ADMINISTRATOR AND YESTERDAY, WITH YOUR ASSISTANCE, THE COMMISSION'S REPRESENTATIVES MET WITH THE HIGH COMMISSIONER ON THIS IMPORTANT TOPIC. OUR EFFORTS HAVE HAD TWO SIMPLE OBJECTIVES. FIRST, WE BELIEVE THAT A HIGHER PRIORITY MUST BE ASSIGNED TO SOLVING THE HOMESTEADING PROBLEM ON TINIAN. SECOND, WE BELIEVE THAT MORE MONEY MUST BE ALLOCATED BY THE TRUST TERRITORY TO CONDUCT THE NECESSARY SURVEYS. THE COMMISSION APPRECIATES THE SUPPORT WHICH YOU HAVE PROVIDED US IN TRYING TO ACHIEVE THESE GOALS. BASED ON YESTERDAY'S MEETING, WE ARE HOPEFUL THAT A PUBLIC ANNOUNCEMENT WILL BE MADE SHORTLY BY THE DISTRICT ADMINISTRATOR REPORTING THE SPECIFIC AND CONSTRUCTIVE DECISIONS ARRIVED AT YESTERDAY. THESE PROMISED STEPS ARE THE NECESSARY FIRST STEPS TOWARD SOLVING THE PROBLEMS OF CONCERN TO THE PEOPLE OF TINIAN, AND TO THE ENTIRE MARIANAS DISTRICT. WHEN THEY ARE ACTUALLY TAKEN, THE COMMISSION WILL BE ABLE TO DEVOTE MORE OF ITS ATTENTION TO THE OTHER ISSUES BEFORE US.

VI

THE AGENDA OF OUR NEGOTIATIONS IS FULL OF IMPORTANT AND DIFFICULT MATTERS. TO OUR TASK WE BRING, AS WE KNOW YOU BRING, MR. AMBASSADOR, THE SAME GOOD FAITH AND WILLINGNESS TO WORK THAT HAS MARKED ALL OF OUR TALKS. ON THIS SIDE OF THE TABLE, WE REPRESENT A WIDE VARIETY OF INTERESTS--THE POLITICAL PARTIES, THE ETHNIC GROUPS, THE INDIVIDUAL ISLANDS, THE LEGISLATIVE BODIES AND THE BUSINESS COMMUNITY OF THE NORTHERN MARIANAS. HOWEVER, WE ON THE COMMISSION ARE UNITED BEHIND TWO PRINCIPLES WHICH WE BELIEVE WILL HELP BRING THESE NEGOTIATIONS TO A SUCCESSFUL CONCLUSION. WE DEEPLY BELIEVE THAT A CLOSE AND ENDURING RELATIONSHIP WITH THE UNITED STATES, IN THE FORM OF A COMMONWEALTH STATUS, IS WHAT THE PEOPLE WANT. AND WE ARE DETERMINED TO START THE MARCH TOWARD COMMONWEALTH STATUS BY SIGNING A STATUS AGREEMENT AS SOON AS--BUT NOT ONE MOMENT BEFORE--ALL OF THE ISSUES RAISED BY OUR NEGOTIATIONS ARE RESOLVED IN A WAY WHICH FULLY PROTECTS THE INTERESTS OF OUR PEOPLE.