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February 19, 1974

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With In fire

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

Dear Ed:

Enclosed is a summary report of the first meeting of the Ad Hoc Committee last week to consider transitional planning. As the memo makes abundantly clear, the meeting was very unsatisfactory. Unless the U.S. Delegation makes a more substantial bona fide effort to discuss these matters at subsequent meetings, I will probably recommend to you that we not agree to another session of negotiations until this matter has been satisfactorily worked out in the Ad Hoc Committee.

Sincerely,

Howard P. Willens

Enclosure

cc: Mr. White Mr. Leonard 07164

February 19, 1974

## MEMORANDUM FOR THE AD HOC COMMITTEE FILE

## Subject: First meeting of the Ad Hoc Committee -February 14, 1974

Messrs. Scott and Loftus of the Office of Micronesian Status Negotiations and Messrs. Leonard, Bozman and I met on Thursday, February 14, for approximately two hours. In accord with previous discussions, this was the first meeting of the Ad Hoc Committee referred to in the Joint Communique of December 19, 1973. The task of the committee is described in the terms of reference which were agreed to by the two delegations during the last session of negotiations. Because of Mr. Silver's illness, it had been agreed that the initial agenda items for discussion within the Ad Hoc Committee would relate to (1) organization and management of the transitional planning effort, and (2) the substance and extent of the government planning effort. This memorandum will summarize the highlights of the meeting:

> On the general subject of government planning, 1. the U.S. representatives were totally unprepared to enter into any substantive discussion. They indicated that the \$50,000 figure advanced by the U.S. Delegation during the last session was not the result of any particular research or analysis. Without saying so in precisely these terms, they indicated strongly that the figure was "picked out of thin air." They were not prepared to try to identify the specific tasks involved in the government planning effort, to identify the appropriate precedents which might be explored, to discuss the kinds of experts required for these tasks, or to indicate the extent to which the necessary resources could be found within the Marianas or the Federal Government.

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During the discussion on this subject, the U.S. representatives exhibited considerable confusion as to the distinction between the substance of the government planning effort and the mechanism through which it could be accomplished. They made repeated references, for example, to the fact that the specific jobs to be done as part of the government planning effort would be left to decision by the so-called joint Both Mr. Leonard and I expressed secretariat. our dissent from this approach and tried our best to separate the substance of the planning effort from the implementation machinery. In the course of this phase of the discussion, there was some gratuitous reference by the U.S. representatives to the fact that they had only my firm's judgment regarding the necessary scope of a planning effort and that Mr. Leonard and I were not members of the Commission. In other words, there seemed to be some considerable disinclination to enter into meaningful discussion with Mr. Leonard and myself. We emphasized that we were all given the responsibility to function as a committee with the hope that agreement could be secured on the various components of a transitional planning effort.

In response to my request, the U.S. representatives were unable to identify any particular deficiencies in the proposal for a government planning program prepared by this firm and delivered to the United States in advance of the last session of negotiations. We agreed that the three principal items to be considered by us in the area were the constitutional convention, government reorganization and legislative drafting. I said that these might be related to a greater extent than I had originally considered but that it would be nevertheless helpful to look at them separately. Although the U.S. representatives emphasize that the burden was on the Marianas to support its request for funds for these programs, they were not very precise about what additional showing they would regard as appropriate above and beyond the earlier submission. We emphasized in return that the United States has some responsibility to evaluate our proposals seriously, to identify any particular deficiencies, to conduct some research in this area themselves, and generally make a bona fide effort to reach agreement as to the substance and cost of a government planning effort. It was generally agreed that both parties would try to conduct some substantive work in this area before the next meeting at which the topic would be considered.

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On the subject of the management of the transitional planning effort, the U.S. representatives were unprepared to do anything more than repeat their earlier proposal. Again, they were unable to explain the rationale behind their recommended structure. Mr. Bozman reported on his research into various planning entities and identified the six basic principles which he thinks should be kept in mind in establishing a planning entity. We had a useful discussion of some of these principles and the U.S. representatives indicated that they would give the organizational problems involved more thought before our next meeting. In particular, we explored the implications of the fact that the joint commission-joint secretariat has essentially two separate functions, the first relating to the execution of the Status Agreement after it is signed by both parties, and the second relating to the direction of a comprehensive planning effort in the Marianas. Messrs. Leonard and Bozman suggested that these different missions might call for different organizational structures.

Regarding future meetings of the Ad Hoc Committee, it was agreed that Captain Scott would call me early next week with a view toward setting another meeting for late in the week of February 18 or early the following week. It was agreed that we would discuss the organization and management problems at our next meeting and defer until a subsequent meeting further discussion of the government planning program. Before such a discussion, it was agreed that some of the research referred to above would be undertaken. I mentioned also that it might be desirable to have Mr. Wilson participate in the next meeting of the Ad Hoc Committee.

HPW

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