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4NOTES FOR ECONOMIC DISCUSSION
Honolulu - March 1974

Ambassador Williams requested some rough estimates on the economic impact of the U.S. military presence in the Marianas. The following is a rough estimate such impact ~~would be~~ after completion of base complex and full staffing:

	<u>IMPACT - \$MILLIONS</u>
1. U.S. military salary \$28.6 million (assume 20% average income tax payment)	5.6
2. U.S. military local hire salaries (620 X \$4400 average annual salary)	2.75
3. Estimate U.S. military personnel local spendings (assume 15% of salary)	4.5
4. Construction materials purchases locally annually.	2.25
5. Construction workers local expenditures	.20
6. Total	<u>15.30</u>

*Total income in Marianas today is probably
not as much as \$15 million. Thus U.S.
military impact likely exceed current
total income levels.*

