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INTERNATIONAL
SECURITY AFFAIRS

ASSISTANT SECRETARY OF DEFENSE
WASHINGTON, D.C. 20301

14 MAR 1974

In reply refer to:
I-1398/74

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MEMORANDUM FOR THE DEPUTY SECRETARY OF DEFENSE

SUBJECT: Fund Augmentation for Marianas Political Status Negotiations (U)
ACTION MEMORANDUM

(C) The attached letter for your signature responds to a request that DOD contribute \$30,000 of a \$45,000 requirement to fund an "Ad Hoc Committee" (US and Marianas members) which will develop procedures for the transition of the Marianas to self-governing status.

(U) In view of DOD's annual contribution to support Ambassador Williams' office, the Office of Micronesian Status Negotiations (OMSN), it has been determined that such an expenditure has precedent. On the other hand, it is considered in the best interest of DOD not to accede to this unilateral levy by the Department of State. In fact, DOD expenditures during FY 1974, probably will easily surpass State's contributions to the support of OMSN. For example, Defense (Navy) has two liaison officers for the Trust Territory - one on Saipan and the other just assigned to the staff on Guam at Ambassador Williams' request. Furthermore, military survey teams have visited the Marianas in July 1973 and February 1974 to develop negotiating alternatives and several feasibility studies have been completed during the year. None of these costs reflect any of the additional \$297,000 the Department of the Air Force is spending on initial base surveys on Tinian Island, which indirectly supports the US negotiations as well as DOD primary interests.

(C) While it is recommended that DOD provide only \$15,000 of the requested \$30,000 for the reasons stated in the proposed response, and to discourage the attitude that "DOD will cough up the money whenever we need it," an equitable contribution to this bona fide requirement is considered useful to show continuing DOD support of the negotiations.

Ray Peet
RAY PEET
Vice Admiral, USN

Attachment
a/s

COORDINATION: OASD (C)

Don R. Strayer, 2/7/74

Classified by NSC USC
EXEMPT TO GENERAL DECLASSIFICATION SCHEDULE OF
EXECUTIVE ORDER 11652. AUTOMATICALLY DOWNGRADED
AT TWO YEAR INTERVALS. UNDETERMINED

DECLASSIFIED FMRA
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