CONFIDENTIAL

(6)

THE DEPUTY SECRETARY OF DEFENSE
WASHINGTON, D. C. 20301

19 MAR 1974

Honorable Kenneth Rush
Chairman
NSC Under Secretaries Committee
US Department of State
Washington, DC 20520

Dear Ken:

(C) I have reviewed your request X-0416 of 8 February 1974 for the Department of Defense to provide $30,000 to the Office of Micronesian Status Negotiations to contribute to Ambassador Williams' request for $45,000 to fund a joint United States and Marianas "Ad Hoc Committee on Transition."

(C) As a related matter, I would like to note that in addition to the dollar amounts you refer to in your letter, there are several other DOD contributions in support of OMSN which should be considered. In fact, DOD total expenditures during FY 1974 may surpass State's OMSN contributions. For example, Defense (Navy) has two liaison officers for the Trust Territory - one on Saipan and the other just assigned to the COMNAVMARIANAS Staff on Guam, partially at Ambassador Williams' request. Furthermore, military survey teams 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 those costs reflect the additional $297,000 the Department of the Air Force is spending on initial base surveys on Tinian Island, which indirectly supports the negotiations.

(C) According to the terms of reference attached to your letter, the objective of the "Ad Hoc Committee" is to develop a procedure for orderly transition to self-government in the Marianas to include matters such as political education, constitutional convention, legal studies, and a fiscal and revenue system. Consequently, I believe it would be inappropriate for the Department of Defense to be the predominant agency funding political, judicial and fiscal activities in Micronesia.

(U) In the interest of helping maintain the momentum of these negotiations DOD will contribute $15,000 to the support of the Ad Hoc Committee.

Sincerely,

Bill

Classified by Dep Sec Def
SUBJECT TO GENERAL DECLASSIFICATION SCHEDULE OF
EXECUTIVE ORDER 11652, AUTOMATICALLY DOWNGRADED
AT TWO YEAR INTERVALS, DECLASSIFIED ON 31 DEC 1980

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