

THE WHITE HOUSE
WASHINGTON

Old Executive Office Building
Room 361
Washington, D.C. 20506

April 11, 1974

The Honorable Lazarus Salif
P.O. Box 94
Capitol Hill
Saipan, Mariana Islands 96950

Dear Lazarus,

I am writing you on the eve of your meeting with your full committee to tell you once again how encouraged I am by the results of our meetings last week in Carmel and how much we appreciate your efforts there. I enclose a copy of the draft as we have cleared it with Paul Warnke's office in the event the other copies being sent you are delayed for some reason.

For my part I can report to you that my consultations to date here in Washington augur well for a favorable response on those two remaining areas in which I was obliged to reserve my approval. These are the formula for handling the survival of U.S. base and denial rights after unilateral termination (Section 1103 of the draft Compact) and the extension of U.S. financial assistance beyond the first fifteen years of the Compact (Section 405). I believe we have managed to hit on a mutually acceptable formula, and I will confirm our official agreement with you just as soon as possible.

We are also working on the draft of a separate understanding, as you requested, regarding the levels of U.S. support which are expected to be forthcoming in Stage I and to be recommended for Stage II, following the figures which I gave you in Carmel. Meanwhile you should feel free to use those figures with the Joint Committee. This draft will be provided to you just as soon as it can be fully processed here.

Let me confirm once again for the record two other points which we made at Carmel. The first is the continuing assumption on our part that this agreement as drafted applies only to the Carolines and the Marshalls. We agreed with you that in the event the Marianas should reject Commonwealth status the Compact could be appropriately revised so that it could be put to them in a plebiscite later. The second point is the reiteration of our previously expressed position that we expect the military land negotiations to be fully worked out before the Compact can be signed. I look forward in this connection to learning the results of your consultations in Palau on this subject and the related land surveys.

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Once again I want to express my thanks to you and to Ekpap and Bailey for your cooperation and understanding. I hope that this will indeed, as you expressed it, make the last three years worthwhile. If you have any late thoughts or matters on which we can provide last minute clarification before your meeting, please do not hesitate to call me in San Francisco or Jim in Washington.

Sincerely yours,

Haydn

Franklin Haydn Williams
The President's Personal Representative
for Micronesain Status Negotiations