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INTERNATIONAL SECURITY AFFAIRS

Declassified by ISA, FMRA July 6, 1989

MEMORANDUM FOR THE DEPUTY SECRETARY OF DEFENSE

SUBJECT: Micronesian Status Negotiations: Request for Ammendment to Negotiating Instructions (NSC-U/SM 86Z) (U)-ACTION MEMORANDUM

(C) <u>Issue:</u> Should the Deputy Secretary of Defense and the Chairman, Joint Chiefs of Staff concur with the subject correspondence which provides the NSC Under Secretaries Committee's comments and recommendation to the President regarding Ambassador Franklin Haydn Williams' letter of 31 December 1974, in which he reports on the progress of the fifth round of negotiations with the Marianas Political Status Commission (MPSC)?

(C) <u>Background</u>: Fifth round of Marianas political status negotiations were held on Saipan 5-19 December 1974 with agreement reached on all major issues. Specifically:

- Commonwealth status was finalized, with provisional agreement reached on the Covenant which will implement this status. The Covenant and its supporting Technical Agreement are being reviewed by both sides prior to the negotiations being reconvened on Saipan February 3, 1975.
- Tentative agreement was reached on the price and method of acquisition for the land to satisfy military land requirements. The United States will lease approximately 18,000 acres for 50 years with the option to renew for another 50 years for the one time payment of \$19,520,600.
- The Technical Agreement, subordinate to the Covenant, will embody the principles of land acquisition and use to be followed in the leases, as well as joint use of future military facilities.

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 The United States has tentatively agreed to increase the level of financial support by \$500,000(to \$14,000,000) per year for 7 years to offset the loss in expected income as a result of the revised Department of Defense plans to limit the near-term development of the Tinian base to land acquisition, planning, and appropriate upgrading of the existing harbor and airfield.

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- By memorandum on 14 January 1975, the NSC Under Secretaries Committee requested comments and/or concurrence by COB, 22 January 1975 on the proposed USC Memorandum (Enclosure).
- The proposed USC Memorandum to the President would provide the USC comments and their recommendation on a letter (attachment to Enclosure) of 31 December 1974 to the President from Ambassador Williams. In his letter Ambassador Williams reported on the progress of the fifth round of talks with the MPSC and requested certain amendments to his current negotiating instructions.

(C) <u>Discussion</u>:

- The proposed USC Memorandum (attachment to enclosure) to the President reviews the agreements reached provisionally at the fifth round including future financial arrangements which require minor amendment to Ambassador Williams' current negotiating instructions. It should be noted that the Ambassador has agreed to land acquisition by lease (as permitted by his Presidential instructions) inasmuch as the preferred method of purchase proved politically unacceptable to the Marianas. The USC Memo concurs in the price and method of acquisition provided for in the tentative agreement, but indicates that the funds for the memorial park should be sought under a special appropriation. Also, the Memorandum reflects DOD agreement to lease back at a nominal sum certain portions of the land acquired, and to adapt selected Service regulations to encourage a community-oriented base on Tinian.
- The USC Memo states that the recommendations contained in Ambassador Williams' letter to the President are justified by the report, and requests Presidential approval of the recommendations to assure prompt and satisfactory conclusion of the current status negotiations with the Northern Mariana Islands.
- The proposed USC Memorandum (Enclosure) to the President reflects the substantive issues and areas requiring amended negotiating instructions and is consistent with the major views and interests of the Department of Defense.



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| | (U) <u>Recommendation</u> : That you authorize telephone concurrence with the proposed USC memorandum to the President as written. |
| / | Assistant Secretary of Defense(ISA) Assistant Secretary of Defense(ISA) Director, Joint Staff |
| | Coordination: Q. I. Mendelin (Subject to anglifically of the Assistant Secretary of Defense (18L) attribut memo |
| | Chairman, Joint Chiefs of Staff: Approved |
| | Deputy Secretary of Defense: Approved W. P. Clementer 22 JAN 19/3 |
| | DisapprovedV |
| | Enclosures a/s |
| | Prepared by: OASD(ISA) Captain E.C. Whelan, USN, X56944 OJCS LTC J.T. Burger, AF, X72400 |
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