



INTERNATIONAL SECURITY AFFAIRS

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ASSISTANT SECRETARY OF DEFENSE
WASHINGTON, D. C. 20301

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29 JAN 1975

In reply refer to:
1-714/75

MEMORANDUM FOR THE DEPUTY SECRETARY OF DEFENSE-INFORMATION MEMORANDUM

SUBJECT: January 29 Meeting With Ambassador Williams

Ambassador Hadyn Williams has arranged a meeting with you for 1130, Wednesday, January 29, 1975 to discuss three topics.

- a review of the accomplishments in the fifth round of Marianas Negotiations, which took place in Saipan December 2-19.
- DOD plan to seek Congressional funding for Marianas land requirements, including status of Tinian planning.
- and an unrelated matter, the plan for reaching agreement with the Micronesians (other than Marianas) on a status of forces agreement.

Attached are suggested talking points, plus appropriate background details, which are provided for your use in this meeting.

Attachment

Coordination:
ASD(I&L) *ASD 1-28-75*

Morton I. Abramowitz
Deputy Assistant Secretary

Sec Def Cont Nr. X-0282

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29 January Meeting With Ambassador Williams

Objectives

- Discuss Ambassador's rationale behind his controversial land acquisition decisions
- Outline general approach to authorization/appropriation of funds for land acquisition
- Obtain commitment from Ambassador to explain situation/rationale to appropriate Armed Services and military appropriations committees.
- Regarding other (Micronesian) negotiations, reach agreement on a plan to negotiate a status of forces agreement

Discussion Points

Marianas V. Provisional agreement reached on a major issue; concluding talks expected early February.

- DOD supports overall agreement and agrees to implement portions applicable to military (TAB A)
 - However, anticipate difficulty in developing Congressional support for certain decisions
- Lease vice purchase: how can we show that every effort was made to advocate fee purchase?
- Leaseback: how do we defend our business judgment in leasing back for \$1 per acre, one third of the land we have just leased at \$1000 acre?
 - furthermore we don't think we should lease some of the land to private individuals; rather it all should be leased back to the Northern Marianas
- Memorial Park Saipan: since DOD is not in park business, we believe the \$2 million for 177 acres in Tanapag should be considered only under special legislation (TAB B)
- Eminent Domain: DOD General Counsel is of the opinion that the wording of certain sections of Article VIII of the Covenant, could cloud the exercise of eminent domain in the Northern Marianas.
 - Corrective language was sent over in Mr. Abramowitz' letter of 23 January. (TAB C)

Marianas Final Round. Ensure that Ambassador Williams is taking a DOD representative to the final Marianas talks next week.

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Congressional Approval of the Covenant is part and parcel of Congressional authorization and appropriation of funds for the land.

- Believe a joint approach necessary by representatives of the Executive Branch.
- If Marianas package presented to Congress late summer 1975, estimate DOD would seek special authorization/appropriation in FY 1977 program.
 - FY 77 program would be briefed informally during fall, and officially presented about March 1976.
 - need specific authority. Currently, we may not lease for a firm term in excess of 5 years outside CONUS.
- Ask for the Ambassador's assistance in developing Congressional understanding for the method of acquisition.

Micronesia Status of Forces Agreement. DOD proposed a draft SOFA (called "Jurisdictional Agreement") to Ambassador's office early in 1973.

- Since Ambassador was making significant progress in 1974 toward Micronesian agreement, we became concerned that SOFA was not receiving adequate attention, thus sent letter at TAB D.
 - Our concern is to insure that negotiation of important substantive SOFA issues is not delayed until after the U.S. has substantially exhausted its financial and negotiating leverage in the course of concluding the Compact.
 - These issues include exemption of U.S. contractors from Micronesian taxation (involving approximately \$5 million annually), the status of third country nationals in Micronesia for U.S. defense activities, and special maritime and territorial jurisdiction over U.S. citizens within the defense sites.
- DOD requests Ambassador Williams' agreement to the following procedures to insure that these concerns are met:
 - early review of the draft SOFA by the Interagency Group to assure broad understanding.
 - inclusion in the Draft Compact a requirement that SOFA be successfully concluded before the Compact of Free Association goes into effect.
 - commencement of negotiations on SOFA before Ambassador Williams concludes negotiations with the Micronesian Joint Committee.