April 14, 1975

DGL-T:CBC 97309

Messorandus

To:

Acting Director of Territorial Affairs

From:

Assistant Solicitor, Territories

Division of General Law

Subject: Slot Machines on Saipan

You have asked for my comments and recommendations regarding the above subject. I have read the report of William S. Lynch, Chief. Organized Crime and Racketeering Section, Criminal Division, Department of Justice, and attachments.

I am particularly impressed with the Report to the High Commissioner from the Ad Hoc Committee on Gambling in Micronesia. I agree with their recommendations and believe they should be presented to the Congress of Micronesia for appropriate action as soon as possible. In the meantime, as a very minimum, the current moratorium on the introduction of new slot machines should be continued until the COM has had an opportunity to act. In fact, based upon the Report of the Ad Hoc Committee, I believe the High Commissioner would be justified in taking appropriate action to ben the slot machines, pending action by the COM. I believe, however, that, in the last analysis, whether or not there should be gambling in Micronesia is a matter for local self-determination unless it can be demonstrated that it is destroying the cultures and economic viability of the local population and is leading to the introduction of organized crise as well as to an unsupportable level of local criminal activity.

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C. Brewster Chapman, Jr.

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