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MEMORANDUM ON SEPARATE ADMINISTRATION

Separate Administration for the Mariana Islands is used to describe both the initial legal separation of the NMI from the remaining districts of the TTPI and the initial transition process (Phase i) towards local self-government. The Executive has agreed to initiate separate administration for the Marianas after approval of the Covenant. Because the approval process may go into the next calendar year, the question has arisen whether the U.S. should consider initiating separation administration prior to January 1, 1976. There are two issues to be addressed:

(1) initiating separate administration only upon approval of the Covenant or

(2) implementing a provisional, interim separate administration order prior to approval of the Covenant.

I. Separate administration upon approval of the Covenant.

Pro.

- would assure Congress that the Executive has not "pre-judged" Congressional approval issue;

- separate administration would not become an issue in the Senate Foreign Relations or Armed Services Committee hearings;

- would give additional time to consider the administrative structure which separate administration is to take;

- would give COM/Marianas leadership additional time to resolve outstanding issues;

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- would require separate administration as a major issue between the U.S. and COM;
- would give U.S. additional time to recruit staff personnel for Office of Transitional Studies and Plans (OTSP);
- U.S. monies for separate administration would be available for operation of the OTSP.

Con

- COM legislative authority would empower COM to enact laws applicable within NMI should approval process carry-over into next calendar year;
- local NMI pressures could build against the Commonwealth agreement;
- local NMI supporters of Commonwealth would increase their pressures for more local self-government and may feel misled by U.S. that separate administration for the NMI is forthcoming;
- friction between COM and NMI could be increased;
- friction between NMI and U.S. could be increased;
- separate administration is an Executive Branch determination in how best to administer the TTPI, acquiescence to Legislative Branch determination may
- NMI would remain part of Micronesian ConCon.

II. Separate administration issued prior to approval of Covenant. This would take the form of an interim, provisional separate administration order the permanence of which would be conditioned upon final approval of the

Covenant. COM jurisdiction over NMI would be removed; Marianas District Legislature given certain additional authority; COM tax revenues collected locally would rest with the NMI.

Pro

- would meet NMI expectations that separate administration would be instituted after approval of the Covenant;
- would alleviate potential conflicts between COM and NMI that could arise from COM legislation otherwise applicable to the NMI;
- would permit NMI to move towards more local autonomy;
- would enable U.S. to continue momentum towards institution of Commonwealth Government;
- would bring COM to more early awareness of the consequences of NMI separatism, perhaps bringing modification to COM status views;
- COM awareness of separatism may also permit districts to compromise individual positions on future Micronesian Government so as to maintain unity of the remaining districts;
- would remove NMI from further deliberations of the Micronesian ConCon;
- would dampen local NMI opposition to Commonwealth by instilling a sense of "fait accompli" to the new NMI political status and permit greater internal NMI unity.

Con

- would be contrary to U.S. Congressional guidance and would seem to many Congressional members that U.S. has prejudged approval process;

- separate administration would become an issue before Senate Foreign Relations and Armed Services Committee hearings;
- NMI/COM would not be given sufficient time to resolve outstanding issues;
- separate administration would become an issue before COM session;
- separate administration may raise conflict between COM and U.S. Government and work against early resumption of the COM political status negotiations;
- separate administration monies would not be available for operational expenses of Office of Transition Studies and Plans;
- OTA would not be given sufficient time to prepare adequate administrative structure for the NMI under separate administration;
- should Covenant fail, separate administration would become an embarrassment and administrative obstacle for the continued U.S. administration of the NMI and the TTPI in that separate administration would formalize NMI transition and would finalize local attitudes against any future unity with Micronesia.

RECOMMENDATION.

Separate administration for the NMI should be initiated after approval of the Covenant by the United States. Interim, provisional separate administration would make separate administration a potential issue before the Senate hearings and would not assist the Executive in assuring passage of the Covenant. There is the possibility that the COM would testify and that administrative policies would become scrutinized. Congressional inquiry

into these matters would detract from the major issues to be considered by the Senate Committees, would slow the approval process and would bring the Congress into purely executive matters. It is also noteworthy that Federal monies for Phase 1 can be used, under the present statutory provisions, only upon approval of the Covenant. Momentum towards and local interest in local self-government for the Mariana Islands can be maintained by other administrative actions such as calling a local constitutional convention and initial organization of the Joint Transition Committee.