

DEPARTMENT OF DEFENSE

JOINT CHIEFS OF STAFF
MESSAGE CENTER

ACTION *J5(2) 15A(10)*
DISTR

JCS	4	J6	MCD	PA	1	H&E	4	NSA	1
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SJCS	2	NMCCDDO	SECDEF	7	ARPA	DTACCS	CNO		FILE (1)
J-1		JRC	ADM		COMP	VSEG	CSAF	1	MCCO 1
J3	4	NWSB	ISA		LA	W/H	CMC	6	
J4	8	DAS	I/L	2	AE	STATE	NSC		
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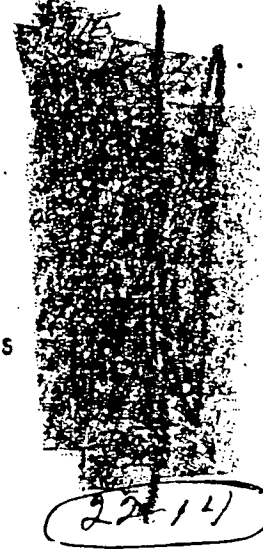
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SECT 01 OF 45305

ACTION
DISTR ~~JCS:M005~~ FILE (1)
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47 SOP 27C

TRANSIT/211110Z/271940Z/152130TOR0271927
DE RUMGSAA #2072 0211110
ZNR UUUUU
P 211110Z JAN 76
FM HICOMTERPAC/S SAIPAN MARIANAS ISLANDS
TO ZEN/ALDISTADS TERPACIS
ZFN/TT LNO GUAM MARIANAS ISLANDS
RUWMEGA/TT LNO KWAJALEIN MARSHALL ISLANDS
RUHNSAA/COMNAV MARIANAS GUAM MARIANAS ISLANDS
RUHNSAA/CINCPACREP GUAM/TTPI GUAM MARIANAS ISLANDS
RUHQHQA/CINCPAC HONOLULU HI
RUHQHQA/INTELLIGENCE CENTER PACIFIC (IPAC)
RUHJPBA/NAVINVSERV GUAM MARIANAS ISLANDS
RUWJAJA/COMTWELVE SAN FRANCISCO CA
RUEHC /SECSTATE WASHINGTON DC
RUEKJCS/SECDEF WASHINGTON DC
RUEKJCS/JCS WASHINGTON DC
RUENAAA/CNC WASHINGTON DC
RHHMBRA/CINCPACFLT MAKALAPA HI
RUHVAAA/CINCPACAF HICKAM AFB HI
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RUEHBAC/AMEMB CANBERRA AB
RUEHKO /AMEMB TOKYO JA
RUCDGDA/CDRBMDS COM HUNTSVILLE AL//BMD 3C-RO//
RUMGJAA/COMCOGARD MARSEC GUAM MARIANAS ISLANDS
BT



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*Hold item 1 pp 1-3
pp 8-11*

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SECTION 01 OF 04
COMTWELVE PASS ONFO FOR AMB WILLIAMS
SECSTATE PASS TO DEPT INT/SEC INTERIOR/DOIA OSN

Sec 1-4 of 4

PAGE 1

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DEPARTMENT OF STATE A/CDC/MR
REVIEWED BY W. H. H. H. DATE AUG 2 1985
RDS or XDS EXT. DATE _____
TS AUTH. _____ REASON(S) _____
ENDORSE EXISTING MARKINGS
DECLASSIFIED: RELEASABLE
RELEASE DENIED:

DEPARTMENT OF DEFENSE

JOINT CHIEFS OF STAFF

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ATTENTION
DISTR

DDCS	J6	MCPS	PA	SEI	GIA	NSA
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SJCS	AACDDDD	DEF/EF	AKPA	DTACCS	ONO	FILE (H)
JI	JHC	ADM	COMP	WSEG	CSAF	
J3	NWSB	ISA	LA	WFE	CMC	
J4	DAS	I/L	AF	STATE	NSC	
J5	SAGA	G/C	M/IA	DIA	NIC	TOTAL

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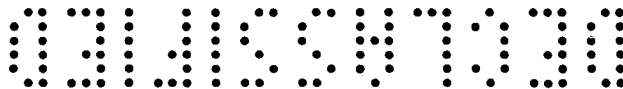
AMBASSY CANBERRA FOR PAC. ISL. MONTHLY
(MARIANAS COMMONWEALTH COVENANT PAGES SENATE FOREIGN
RELATIONS COMMITTEE)

WASHINGTON, D.C., JAN. 21 (MNS)--THE COMMITTEE ON FOREIGN RELATIONS OF THE UNITED STATES SENATE MET JANUARY 20 ON THE SUBJECT OF THE COVENANT TO ESTABLISH THE MARIANAS COMMONWEALTH. BY A VOTE OF 7 TO 4, THE COMMITTEE INDICATED ITS APPROVAL OF THE COVENANT. HOUSE JOINT RESOLUTION 549, WHICH EMBODIES THE COVENANT, WILL NOW GO TO THE FLOOR OF THE SENATE WITH A POSITIVE RECOMMENDATION FROM THIS IMPORTANT COMMITTEE OF THE SENATE. THE FOREIGN RELATIONS COMMITTEE HAD REQUESTED THE RIGHT TO REVIEW THE COVENANT TO SEE WHAT IMPACT ITS APPROVAL WOULD HAVE ON UNITED STATES FOREIGN AFFAIRS. THE COMMITTEE'S POSITIVE VOTE IS THE CULMINATION OF SEVERAL WEEKS OF STUDY BY THE COMMITTEE AND ITS STAFF ON THE MARIANAS COMMONWEALTH QUESTION.

BEFORE THE COVENANT IS BROUGHT TO THE FLOOR OF THE SENATE FOR FULL DEBATE AND VOTE, THE SENATE ARMED SERVICES COMMITTEE MAY ALSO MAKE A RECOMMENDATION. THE ARMED SERVICES SUBCOMMITTEE ON GENERAL LEGISLATION CHAIRED BY SEN. HARRY F. BYRD, JR., (D-VA.) ALSO MET JANUARY 20 AND VOTED NOT TO SUPPORT THE COVENANT INDICATING THAT THERE WILL BE MAJORITY AND MINORITY REPORTS FILED FOR CONSIDERATION BY THE FULL ARMED SERVICES COMMITTEE WHICH WILL HOLD ITS HEARING PRIOR TO JANUARY 27.

THE SENATE FOREIGN RELATIONS COMMITTEE'S APPROVAL OF THE COVENANT WAS CONSIDERED A VERY IMPORTANT EVENT BY THE ADMINISTRATION AND BY MARIANAS REPRESENTATIVES IN WASHINGTON. THE MOOD OF THE COMMITTEE WAS FRIENDLY AND CONFIDANT. SENATOR ROBERT H. HUMPHREY OF MINNESOTA, A DEMOCRAT, PRAISED THE HARD WORK ALL THOSE INVOLVED HAVE PUT IN ON THE COVENANT AND DECLARED THAT THE MARIANAS PEOPLE ARE READY FOR SELF-GOVERNMENT. SENATOR CHARLES PERCY (R-ILL.) ALSO HAD KIND WORDS FOR THE PEOPLE OF THE MARIANAS AND WENT ON TO PRAISE THE WORK OF THE MICRONESIAN CONSTITUTIONAL CONVENTION. HE ALSO PRAISED THE FAIRNESS AND CONCLUSIVE RESULTS OF THE MARIANAS PLEBISCITE.

SENATOR ROBERT GRIFFIN COMMENTED THAT THE PEOPLE OF THE MARIANAS HAVE CLEARLY EXPRESSED THEIR SUPPORT FOR THE COVENANT AND "THIS LEAVES NO DOUBT IN MY MIND



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ACTION/DISTR	J-8	MCEB	PA	M&E	CIA	NSA
CJCS		USRMCLD	DDRE	ASD PA&E	CSA	RF/ACB
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SJCS	NMCCDDO	ADM	COMP	WSEG	CSAF	
J-1	JRC	ISA	LA	W/H	CMC	
J-3	NWSB	I/L	AE	STATE	NSC	
J-4	DAS	G/C	M/RA	DIA	NIC	TOTAL
J-5	SAGA					

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THAT THE FOREIGN RELATIONS COMMITTEE'S DECISION WAS A WISE ONE." SENATOR JACOB JAVITS AND SENATOR CLIFFORD CASE ALSO SPOKE STRONGLY IN SUPPORT OF THE MARIANAS COMMONWEALTH LEGISLATION. FULL SENATE DEBATE AND ACTION IS ANTICIPATED FOR EARLY FEBRUARY.

(SUPPORT OF THE MARIANAS COMMONWEALTH LEGISLATION) WASHINGTON, D.C., JAN. 21 (MNS)---THIS STATEMENT WAS RELEASED BY THE OFFICE OF SENATOR ROBERT GRIFFIN (R-MICH.) REGARDING THE DECISION OF THE SENATE FOREIGN RELATIONS COMMITTEE.

"TODAY'S ACTION BY THE SENATE FOREIGN RELATIONS COMMITTEE IN APPROVING THE 'COVENANT TO ESTABLISH A COMMONWEALTH OF THE NORTHERN MARIANA ISLANDS IN POLITICAL UNION WITH THE UNITED STATES' IS MOST GRATIFYING.

"EARLIER THIS MONTH I HAD THE PRIVILEGE OF VISITING THE MARIANAS AND MEETING WITH MANY POLITICAL AND CIVIC LEADERS. THE WARM RECEPTION I RECEIVED, AND THE ARTICULATE EXPRESSIONS OF SUPPORT FOR THE COVENANT I HEARD, LEAVE NO DOUBT IN MY MIND THAT THE FOREIGN RELATIONS COMMITTEE'S DECISION WAS A WISE ONE. THE PEOPLE OF THE MARIANAS HAVE CLEARLY EXPRESSED THEIR SUPPORT FOR THE TERMS OF THE COVENANT, AND MY VISIT TO THE ISLANDS HAS LEFT NO DOUBT IN MY MIND ABOUT THEIR ABILITY TO PROGRESS FROM TRUSTEESHIP STATUS TO FREE AND DEMOCRATIC SELF-GOVERNMENT."

"WITH REGARD TO THE OTHER PEOPLES OF THE PACIFIC TRUST TERRITORY, I AM CONFIDENT THAT THEY, TOO, WILL SOON CHOOSE THEIR FUTURE STATUS. WHATEVER THEIR DECISIONS, I LOOK FORWARD TO A FUTURE OF CLOSE COOPERATION AND FRIENDSHIP BETWEEN THE UNITED STATES AND ALL OF THE MICRONESIAN PEOPLES."

(ALL USERS: PLEASE CREDIT CONGRESS OF MICRONESIA) (BASILIUS REQUEST COM TO SUPPORT MARIANAS COVENANT) SAIPAN, JAN. 21 (CONGRESS RELEASE)---CONGRESSMAN POLYCARP BASILIUS, OF PALAU, TODAY (JAN. 21), URGED MEMBERS OF CONGRESS TO SUPPORT THE MARIANAS COVENANT NOW BEFORE THE UNITED STATES SENATE FOR CONSIDERATION.

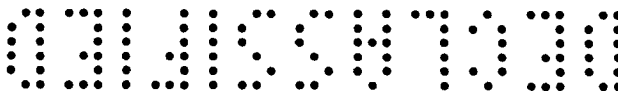
IN A SPEECH BEFORE THE HOUSE, BASILIUS NOTED HIS AWARENESS THAT SOME MEMBERS OF CONGRESS ARE RELUCTANT TO SUPPORT THE MARIANAS COVENANT.

"IT IS HIGH TIME CONGRESS TOOK DEFINITIVE ACTION BY MARSHALLING ITS SUPPORT BEHIND THE COVENANT,

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ACTION
DISTR

	J6	MCEB	PA	H&E	CIA	NSA
DJS	NMCC	USRMCDL	DDRE	ASD:PA&E	CSA	REMOB
SJCS	NMCCDDO	SECDEF	ARPA	DTACCS	CND	FILE (1)
J-1	JRC	ADM	COMP	WSEG	CSAF	
J-3	NWSB	ISA	LA	W/H	CMC	
J-4	DAS	I/L	AE	STATE	NSC	
J-5	SAGA	G/C	M/RA	DIA	NIC	TOTAL

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AND URGING THAT THE U.S. SENATE APPROVE THIS DOCUMENT AS RECOMMENDED IN HOUSE JOINT RESOLUTION NO. 6-199," BASILIUS DECLARED.

HE SAID, "IT IS CLEAR THAT THE PEOPLE OF THE MARIANAS WANT THIS STEP...IT IS OUR RESPONSIBILITY TO SUPPORT THEIR DESIRES."

"THERE IS NO LONGER ANY VALID REASON, IF THERE EVER WAS ONE, TO STAND IN THEIR WAY."

REPRESENTATIVE BASILIUS SAID, "I COULD NOT FORESEE THE PEOPLE OF THE MARIANAS TRYING TO BLOCK ANY FUTURE STATUS AGREEMENT BETWEEN THE OTHER DISTRICTS OF MICRONESIA AND THE UNITED STATES."

"IN FACT, IF WE GIVE THEM THE SUPPORT TO WHICH THEY ARE DUE, I HAVE NO DOUBT THAT THEY WILL GIVE US THEIR UNQUALIFIED SUPPORT IN THE FUTURE," HE SAID.

BASILIUS CITED THE FUTURE DISTRICT OF KUSAIE, WHICH WILL BECOME A REALITY IN 1977 THROUGH THE EFFORTS OF CONGRESS ON BEHALF OF THE PEOPLE ON THAT ISLAND.

BY THE SAME TOKEN, CONGRESS "CANNOT AND MUST NOT IGNORE THE WISHES OF THE MARIANAS."

"IT IS TIME WE TOOK DIRECT AND POSITIVE ACTION, NOT

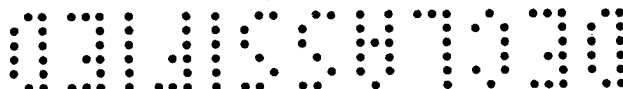
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~~NMCC/MC REFERENCE AND ROUTE~~

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ACTION DISTR	J6	MCEB	PA	H&E	CIA	NSA
DJCS	NMCC	USRMCLD	DDRE	ASD:PA&E	CSA	RF:MCB
SJCS	NMCCDDO	SECDEF	ARPA	DTACCS	CNO	FILE (1)
J1	JRC	ADM	COMP	WSEG	CSAF	
J3	NWSB	ISA	IA	W/H	CMC	
J4	DAS	I/L	AE	STATE	NSC	
J5	SAGA	G/C	M/RA	DIA	NIC	TOTAL

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(HB 6-405). A SIMILAR BILL WAS INTRODUCED IN THE SENATE, (SB 6-263) AND DIRECTED THE DIRECTOR OF THE DEPARTMENT OF TRANSPORTATION AND COMMUNICATIONS OF THE TT TO ENTER INTO AN AGREEMENT WHEREBY THE PACIFIC MISSIONARY AVIATION OF THE LITERENZELL MISSION, A NONPROFIT CORPORATION OF GUAM WITH ITS PRINCIPAL OFFICE IN YAP DISTRICT, MAY PROVIDE AN AIR TRANSPORTATION NETWORK BETWEEN DISTRICT CENTERS AND OUTLYING AREAS IN YAP, TRUK AND PONAPE DISTRICT, AND APPROPRIATE \$100,000 TO CARRY OUT THE PROVISIONS OF THIS ACT, (HB 6-405).

THE TWO JOINT RESOLUTIONS WERE: TO REQUEST THE HIGH COMMISSIONER AND ALL DISTRICT ADMINISTRATORS TO TAKE APPROPRIATE STEPS TO ENSURE THE RAPID COMPLETION OF ALL CONGRESS OF MICRONESIA FUNDED PROJECTS, (HJR 6-127) AND TO REQUEST THE HIGH COMMISSIONER AND ALL DISTRICT ADMINISTRATORS TO IMPROVE FIELD TRIP SERVICES TO THE INHABITANTS OF THE OUTER ISLANDS THROUGHOUT MICRONESIA, AND MOST PARTICULARLY, IN PALAU DISTRICT, (HJR 6-128).

FLOOR ACTION IN THE SENATE WAS LIGHT WITH THE INTRODUCTION OF NEW BILLS BEING THE ONLY ACTIVITY.

TWO BILLS WERE OFFERED: A NATURALIZATION BILL (SB 6-264) AND A BILL CONCERNING THE EXPIRATION DATE FOR SALARY SCHEDULES (SB 6-264).

THE ONLY JOINT RESOLUTION INTRODUCED WAS TO REQUEST THE HICOM TO CONSULT WITH EACH OF THE SIX DISTRICT LEGISLATURES TO OBTAIN A CONSENSUS AS TO THE TIMING OF CALLING A REFERENDUM ON THE DRAFT CONSTITUTION OF THE FEDERATED STATES OF MICRONESIA (SJR 6-74).

(COM AUDIT PROPOSED)

SAIPAN, JANUARY 2: (COM RELEASE)---REPRESENTATIVE KUNIRO NAKAMURA OF PALAU, SPOKE IN SUPPORT OF A MEASURE TO PROVIDE FOR AN INDEPENDENT FINANCIAL AUDIT OF THE CONGRESS OF MICRONESIA IN A BRIEF SPEECH WEDNESDAY.

NAKAMURA INTRODUCED A MEASURE YESTERDAY TO PROVIDE \$20,000 TO FUND SUCH AN AUDIT BY AN INDEPENDENT CERTIFIED PUBLIC ACCOUNTANT.

"AUDITS ARE NEVER POPULAR," HE SAID.

"IN MUCH THE SAME WAY AS A PATIENT SHOULD HAVE A PERIODIC CHECK-UP BY A QUALIFIED PHYSICIAN, THE CONGRESS MUST PERIODICALLY SUBMIT ITSELF TO...AN AUDIT...THIS, THE CONGRESS HAS NEVER DONE," NAKAMURA SAID.

IN NAKAMURA SAID OF THE PROPOSED AUDIT BILL, "IT IS ONLY MY DESIRE TO SUSTAIN THE INTEGRITY AND FINANCIAL EFFICIENCY OF THE CONGRESS WHICH HAS LED ME TO INTRODUCE

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ACTION
DISTR

	J-6	MCEB	PA	H&E	CIA	NSA
OJS	NMCC	USRMCD	DDRE	ASD:PA&E	CSA	RE:MCB
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J-1	JRC	ADM	COMP	WSEG	CSAF	
J-3	NWSB	ISA	LA	W/H	CMC	
J-4	DAS	I/L	AE	STATE	NSC	
J-5	SAGA	G/C	M/RA	DIA	NIC	TOTAL

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THIS MEASURE."

HE SAID IT SHOULD, FOR THE FIRST TIME, GIVE THE CONGRESS INDEPENDENTLY SUBMITTED INFORMATION ON THE STATUS OF CONGRESS OF MICRONESIA ACCOUNTS WHICH WILL BE INVALUABLE IN PROGRAM AND BUDGET PLANNING, AS WELL AS IN THE OVERALL INTERNAL OPERATIONS OF THE HOUSE, THE SENATE, AND THE OFFICE OF THE LEGISLATIVE COUNSEL.

(PALAUANS ON SAIPAN SUPPORT SUPERPORT)

SAIPAN, JAN. 21 (MNS)---PALAUAN RESIDING ON SAIPAN, MOST OF WHOM ARE HOLDING HIGH POSITIONS IN THE TT EXECUTIVE BRANCH AND THE CONGRESS OF MICRONESIA, HAVE SENT A LETTER OF RECOMMENDATION TO THE PALAU LEGISLATURE ENDORSING A "FEASEABILITY STUDY" FOR THE PROPOSED SUPERTANKER PORT TO BE LOCATED ON KOSSOL REEF NORTH OF BABELTHAUP ISLAND.

AMONG THOSE WHO SIGNED THE RECOMMENDATION WERE EUSEBIO RECHUCHER, DIRECTOR OF THE TT DEPARTMENT OF RESOURCES AND DEVELOPMENT; KOICHI WONG, DIRECTOR OF PUBLIC WORKS; KALEB UDUI, LEGISLATIVE COUNSEL FOR THE CONGRESS OF MICRONESIA; SENATOR LAZARUS SALII; DAVID RAMARUI, DIRECTOR OF EDUCATION; DR. MASAO KUMANGAI, DIRECTOR OF HEALTH SERVICES; MAMORU NAKAMURA; DEPUTY ATTORNEY GENERAL; ELIAS OKAMURA, DEPUTY

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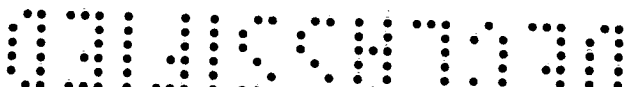
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J5(2) ISA(10)

ACTION DISTR	EJCS	J8	MCEB	PA	HZE	CIA	NSA
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	J1	JRC	ADM	COMP	WSEG	CSAF 1	mgcc 1
	J3 4	NWSB	ISA	LA	W/H	CMC 6	
	J4 8	DAS	7/L 2	AF	STATE	NSC	
	J5	SAGA	G/C 1	M/RA	DIA 10	NIC	TOTAL 74

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SECT 03 OF 45385

ACTION
DISTR JCSME(01) FILE(1)
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P 211110Z JAN 76
FM HICOMTERPACIS SAIPAN MARIANAS ISLANDS
TO 77/ALDISTADS TERPACIS
ZFM 77 LNO GUAM MARIANAS ISLANDS
RUEKJCS/77 LNO KWAJALEIN MARSHALL ISLANDS
RUEKJCS/COMNAVMAIRNAS GUAM MARIANAS ISLANDS
RUEKJCS/CINCPACREP GUAM/TTPI GUAM MARIANAS ISLANDS
RUEKJCS/CINCPAC HONOLULU HI
RUEKJCS/INTELLIGENCE CENTER PACIFIC (IPAC)
RUEKJCS/NAVINSERVO GUAM MARIANAS ISLANDS
RUEKJCS/COMTWELVE SAN FRANCISCO CA
RUEKJCS/SECSTATE WASHINGTON DC
RUEKJCS/SECDEF WASHINGTON DC
RUEKJCS/JCS WASHINGTON DC
RUEKJCS/CNO WASHINGTON DC
RUEKJCS/CINCPACFLT MAKALAPA HI
RUEKJCS/CINCPACAF HICKAM AFB HI
RUEKJCS/CGFMFPAC CAMP H M SMITH HI
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RUEKJCS/SAMTEC VANDENBERG AFB CA
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RUEKJCS/AMEMB CANBERRA AU
RUEKJCS/AMEMB TOKYO JA
RUEKJCS/CDRBMDS COM HUNTSVILLE AL//BMD SC-RO//
RUEKJCS/COMCOGARD MARSEC GUAM MARIANAS ISLANDS
BT
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SECTION 03 OF 04
DIRECTOR OF TRANSPORTATION AND COMMUNICATIONS, AND MARUO
WILTER, TT BUDGET OFFICER.

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ACTION
DISTR

CJCS	J6	MCEB	PA	H&E	CIA	NSA
DJS	NMCC	USRMCLD	DDRE	ASD:PA&E	CSA	RF/MCB
SJCS	NMCCDDO	SECDEF	ARPA	DTACCS	CNO	FILE 111
J1	JRC	ADM	COMP	WSEG	CSAF	
J3	NWSB	ISA	LA	W/H	CMC	
J4	DAS	I/L	AE	STATE	NSC	
J5	SAGA	G/C	M/RA	DIA	NIC	TOTAL

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THE LETTER TO THE PALAU LEGISLATURE STATED THAT "IF PALAU IS TO ADVANCE THE WELL-BEING OF ITS PEOPLE AND TO PROMOTE GROWTH AND PROGRESS, THE FIRST ORDER OF BUSINESS IS TO ADVANCE ECONOMIC DEVELOPMENT".

"WE THINK THAT PALAU SHOULD ADOPT A POLICY TO WELCOME AND ENCOURAGE FOREIGN CAPITAL TO ESTABLISH PIONEER ENTERPRISES THAT ARE CAPITAL INTENSIVE; WE THINK PALAU SHOULD ENCOURAGE FOREIGN CAPITAL THAT WOULD UTILIZE A SUBSTANTIAL AMOUNT OF DOMESTIC RAW MATERIALS, IN JOINT VENTURE WITH SUBSTANTIAL PALAUAN CAPITAL; WHENEVER AVAILABLE."

"BASED ON THE ABOVE DISCOURSE, OUR POSITION WITH REGARD TO THE SUPERTANKER PORT BEING PROPOSED TO BE LOCATED IN NORTHERN BABELDAOB SHOULD BE OBVIOUS. THE PROPOSAL ITSELF HOLDS A GREAT POTENTIAL SOURCE OF REVENUE FOR ALL OF PALAU, AND AUGURS WELL FOR THE FUTURE ECONOMIC WELL-BEING OF THE PALAUAN PEOPLE; IT WOULD SET IN MOTION ECONOMIC INDUCEMENTS AND INCENTIVES TO ENABLE PALAU DISTRICT TO LAUNCH A PROGRAM TOWARDS THE ACHIEVEMENT OF AN ECONOMIC SELF-SUFFICIENCY. NOT ONLY WILL THE PROPOSED FACILITY PROVIDE EMPLOYMENT AND TRAINING FOR PALAUANS IN A VARIETY OF SKILLS, BUT WE UNDERSTAND ALSO THAT THE FACILITY WILL INCLUDE PALAU DISTRICT AND PALAUANS AS ITS OWNERS AND OPERATIONAL MANAGERS."

"MANY INDIRECT ECONOMIC IMPACTS TO BE DERIVED FROM SUCH A FACILITY MUST NOT BE OVERLOOKED. A FACILITY OF THIS MAGNITUDE WILL MORE THAN LIKELY ATTRACT ADDITIONAL BUSINESSES AND INVESTMENTS TO PALAU. EVEN ASSUMING THE MULTIPLIER EFFECTS OF CAPITAL IMPORTS TO PALAU TO BE SMALL, THE PROSPECT OF HUGE CAPITAL INFLOW INTO PALAU WILL DEFINITELY GENERATE FURTHER EMPLOYMENT AND ECONOMIC DEVELOPMENT THAT WOULD NOT OTHERWISE COME TO PASS. AT THE VERY LEAST, THE SPIN-OFF FROM THE FACILITY AND ATTENDANT BUSINESSES SHOULD PROVIDE PUBLIC REVENUES TO BENEFIT PALAU DISTRICT AS A WHOLE AND THE PALAUANS AS INDIVIDUALS FOR THEIR LOCAL ENTERPRISES."

"WE ARE, OF COURSE, MINDFUL THAT SOME PEOPLE HAVE RAISED OBJECTIONS CONCERNING THE ENVIRONMENTAL

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IMPACT OF THE PORT FACILITY. WITH REGARD TO THE ENVIRONMENTAL ISSUE, TWO POINTS SHOULD BE CONSIDERED. FIRST, THIS WILL BE THE MOST MODERN, ADVANCED FACILITY OF ITS KIND IN THE WORLD, AND WILL BE ALSO THE MOST ENVIRONMENTALLY SOUND PORT BUILT. SECOND, THE POSSIBLE DETRIMENTAL EFFECTS TO PALAU'S ECOSYSTEMS IS AT BEST A MOOT QUESTION AT THIS TIME, SINCE EXHAUSTIVE STUDIES ON THIS SUBJECT HAVE YET



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ACTION
DISTR

ACTION DISTR	JCS	J6	MCEP	PA	H&E	CIA	NSA
	DJS	NMCC	USRMCD	DDRE	ASD-P&E	CSA	RF:MCC
	SJCS	NMCCDDO	SECDEF	ARPA	DTACCS	CND	FILE (1)
	J1	JRC	ADM	COMP	WSEG	CSAF	
	J3	NWSB	ISA	LA	W/H	CMC	
	J4	DAS	I/L	AE	STATE	NSC	
	J5	SAGA	G/C	M/RA	DIA	NIC	TOTAL

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TO BE MADE, CONCERNING THE CULTURAL AND SOCIAL IMPACTS OF THE PORT (AND THE ECONOMIC DEVELOPMENT GENERATED FROM IT), WE OFFER THE OBSERVATION THAT PALAUANS HAVE SUCCESSFULLY ADAPTED TO CHANGE AND ITS CHALLENGES."

"WE RECOMMEND STRONGLY THAT THE MEMBERS GIVE SERIOUS CONSIDERATION TO APPROVING THE PROPOSAL IN PRINCIPLE, AND RESERVE THEIR FINAL DECISION UNTIL A LATER DATE, WHEN MORE DETAILED INFORMATION CONCERNING ALL ASPECTS OF THIS MATTER BECOMES AVAILABLE TO ALL OF US, NOW IS NOT THE MOST PROPITIOUS TIME TO INTERPOSE ANY RESERVATIONS OR DISAPPROVAL OF THE PROPOSED PROJECT, THEREBY EFFECTIVELY DETERRING OR STIFLING THE PROPOSED PROJECT IN ITS FORMULATIVE AND PRELIMINARY STAGE, WE THINK THAT THE PALAU DISTRICT LEGISLATURE SHOULD PROMPTLY AND STRONGLY ENDORSE THE FEASIBILITY STUDY OF THIS PROJECT TO TAKE PLACE AT THE EARLIEST POSSIBLE TIME," THE LETTER CONCLUDED.

(TRANSPORTATION REPORT SLAPS SAIPAN ROUTE CASE TO JAPAN)
WASHINGTON, JAN 21 (MNS)---THE U.S. DEPARTMENT OF TRANSPORTATION (DOT) TOLD THE CIVIL AERONAUTICS BOARD (CAB) THAT IT COULD NOT SUPPORT SCHEDULED AIR SERVICE BETWEEN JAPAN AND SAIPAN ON GROUNDS THAT THE SERVICE WOULD BE UNPROFITABLE.

PRESIDENT FORD LAST NOVEMBER SENT BACK TO THE CAB THE BOARD'S SELECTION OF CONTINENTAL AIRLINES TO FLY NONSTOP SCHEDULED FLIGHTS BETWEEN SAIPAN AND TOKYO, ACCORDING TO A REPORT FROM WASHINGTON BY THE GANNET NEWS SERVICE (GNS). FORD SAID MORE INFORMATION WAS NECESSARY ON THE VIABILITY OF THE SERVICE AND DIRECTED THE TRANSPORTATION DEPARTMENT TO PREPARE A REPORT FOR SUBMISSION TO THE CAB.

"ANY REALISTIC LEVEL OF SERVICE OPERATED BEFORE THE END OF FISCAL YEAR 1977 AT THE EARLIEST WILL NOT, IN OUR ESTIMATE, PRODUCE SUFFICIENT RETURN TO JUSTIFY ITS OPERATION AND WILL RESULT IN INCREASED LOSSES FOR U.S. FLAG SERVICE AS A WHOLE," THE TRANSPORTATION DEPARTMENT'S REPORT SAID.

IF THE ROUTE "CANNOT BE OPERATED PROFITABLY, DOT WILL NOT SUPPORT AWARD OF THE ROUTE AUTHORITY," THE REPORT SAID.

THE DEPARTMENT NOTED THAT IN THE PAST, "UNDER CONDITIONS OF RAPID TRAFFIC GROWTH AND GENERAL AIRLINE PROFITABILITY," NEW INTERNATIONAL ROUTES WERE OFTEN AWARDED "MERELY ON THE GROUND THAT AIR SERVICE WOULD BE INCREASED AND THE CARRIERS WERE WILLING TO SERVICE THE ROUTES."

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DEPARTMENT OF DEFENSE

JOINT CHIEFS OF STAFF

MESSAGE CENTER

ACTION
DISTR

JCS	J6	MCEB	PA	M&E	CIA	NSA
DJS	NMCC	USRMCLD	DDRE	ASD:PA&E	CSA	RF:ACB
SJCS	NMCCDDO	SECDEF	ARPA	DTACCS	CNO	FILE (1)
J-1	JRC	ADM	COMP	WSEG	CSAF	
J-3	NWSB	ISA	LA	W/H	CMC	
J-4	DAS	I/L	AE	STATE	NSC	
J-5	SAGA	G/C	M/RA	DIA	NIC	TOTAL

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CURRENT CONDITIONS, HOWEVER, INCLUDING HIGH-COST FUEL, INFLATIONARY PRESSURES, TRAFFIC DECLINES AND PROBABLY SLOWER GROWTH, REQUIRE "A CHANGE IN THE JUSTIFICATION FOR NEW ROUTE AWARDS," DOT TOLD THE AERONAUTICS BOARD.

INSTEAD OF SEEKING NEW ROUTES, AIR CARRIERS SHOULD IMPROVE THE PRESENT JAPAN-GUAM-Saipan ROUTE SERVICE, DOT SUGGESTED. PAN AMERICAN WORLD AIRWAYS OPERATES THE JAPAN-GUAM LEG AND CONTINENTAL-AIR MICronesia FLIES THE GUAM-Saipan ROUTE.

(CREDIT UNION TOPPED ONE MILLION DOLLARS IN ASSETS)

SAIPAN, JANUARY 21 (MNS)---BOB KEJU, COOPERATIVE/CREDIT UNION ADVISER OF THE BUSINESS DEVELOPMENT BRANCH OF THE HEADQUARTERS ECONOMIC DEVELOPMENT DIVISION ANNOUNCE THIS WEEK THAT THE SECOND TRUST TERRITORY CREDIT UNION HAS TOPPED ONE MILLION DOLLARS IN ASSETS.

AS OF DECEMBER 31, 1975, THE KWAJALEIN EMPLOYEES CREDIT UNION WENT OVER THE MILLION DOLLAR ASSET GOAL. THE TRUK GOVERNMENT EMPLOYEE CREDIT UNION REACHED THIS MARK SEPTEMBER 30, 1973. KEJU INDICATED THAT THE KWAJALEIN EMPLOYEE CREDIT UNION WILL NOW SEEK DATA PROCESSING SERVICE FROM HONOLULU AND WILL PIONEER MODERN COMPUTER BOOKKEEPING

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ANNOTES

NMCC/MC:REFERENCE AND ROUTE

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