

JMW:mj:2/21/74

Jim Wilson was in Micronesia from the end of January until this week end leading a U.S. Team that talked further with Salii and members of the Joint Committee on Finance. This exchange resulted from our suggestion to Salii last December that we see what could be done to bridge the gap between our respective positions on future economics and to Micronesia by having informal conversations including experts from both sides, to explore what we each had in mind and attempt to reach some sort of common understanding about goals and needs before getting together again on levels of assistance. Jim reports that while the conversations were slow they were most useful in bringing problems and issues up for informal discussion. District Administrators and their planners came in from each of the districts to put their ideas on the table as well. Their lists of what they considered to be "basic requirements" were obviously gold plated, but it soon became apparent to everyone that if even a large part to be met the maintenance and overhead would be so far beyond the capability of the Micronesian to finance on their own that it would only add to their long term economic dependence on outside help. This clearly ran completely contrary to their expressed desires for economic self-sufficiency in the near term.

Members of Jim's group also collected more basic material on physical planning for economic projects in the Marianas to be used in the on-going discussions here of the ad hoc committee on position planning. Jim himself had several private sessions with Senator Pangelinan and met informally last Thursday afternoon for a couple of hours with most of the Marianas Political Status Commission where the principal topics of conversation were the activities of the ad hoc committee and the problems of Tinian land. The Commission reaffirmed their agreement with the schedule Pangelinan and I had set out earlier.

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