

TRUSTEESHIP COUNCIL



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COMMUNICATION FROM SENATOR ROMAN TMETUCHL, CHAIRMAN, PALAU POLITICAL STATUS COMMISSION, CONCERNING THE TRUST TERRITORY OF THE PACIFIC ISLANDS

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PALAU POLITICAL STATUS COMMISSION

P.O. Box 499
Koror, Palau
Western Caroline Islands
96940

29 June 1977

President
Trusteeship Council
United Nations
New York, N.Y.

Dear Sir.

The purpose of this letter is to make certain brief comments on the Palau indicative development plan which you so kindly placed on the record of the recent forty-fourth session of the Trusteeship Council. 1/ This Commission also extends our optimum gratitude for your personal fairness and interest in our people's well-being and affairs as exemplified at this meeting.

The basic differences in Palau's economic development plan and the Congress of Micronesia's plan are substantive. The latter plan calls for an amount of decentralization that is so impractical that it is even illegal under the proposed constitution of the Federated States of Micronesia. 2/ Nevertheless, the Palau Legislature recognized, after many months of thorough study, that: (a) such a balanced growth plan could only be viable in Palau if Palauan approaches and ideas are blended with the economic specialists' recommendations; (b) any economic development plan would fail in Palau if an expensive, unwanted and unnatural "central government" had de facto control over development; and (c) the needed tax base for our future economy must be predicated upon our plan's principle that "all taxes raised in Palau, must stay in Palau".

^{1/} See T/PV.1464.

 $[\]underline{2}/$ For the text of the proposed constitution, see document T/COM.10/L.74, annex. 78-01139

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Mr. President, we thank you again for your responsiveness and sincere interest in our affairs. We trust that the socio-economic and political wishes of our people will harmonize with the decisions of the honourable delegations of the Trusteeship Council.

With respect

(Signed) Senator Roman TMETUCHL Chairman