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PALAU POLITICAL STATUS COMMISSION  
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January 11, 1977

Jan 14, 1977

Senator Daniel K. Inouye  
Chairman  
Senate Intelligence Oversight Committee  
The United States Senate  
Washington, D.C.

Dear Mr. Chairman:

The purpose of this letter and enclosed **SITUATION REPORT** is to formally place before the Chairman and the distinguished members of the Committee this Commission's official and considered position regarding the issue of CIA activities in Micronesia. Unfortunately, the high moral purpose of the American people and their representatives to justifiably regulate gross improprieties within their own intelligence agencies is presently being infected with a disease of self-interest and political expediency by certain interests and representatives of the Congress of Micronesia. This frustration of our people will be the Committee's input and interest in the diligent effort of certain leaders in Micronesia who attempt to suppress our peoples' inherent right of self-determination.

The mendacious hypothesis of the Commission which contends that CIA activities have "exploited" Micronesia and "promoted" Micronesian disunity is a claim that is as absurd as "apples and oranges".

If the allegations that the CIA consistently monitored our negotiating positions and that our negotiations would represent an insult to our people and our relationship, and a mockery of human dignity, are true, the clearly records that the CIA is totally disinterested in the causes and irrepressible complexities of Micronesian disunity.

As Chairman of this Commission, a long-standing member of COM Committee on Future Political Status, and as an incumbent Senator of the latter body, I cannot recall in my thirty years of political experience a similar concrete circumstance or example of United States governmental "promotion" of Micronesian disunity. The Marianas agitated through their own separate general referendums before the United States could even entertain separate status negotiations. On the contrary, the past ill-advised American pressure for unity in an area that cannot be unified, is the crux of our political problem in Micronesia.

Apart from Palau's overwhelming case and necessity for separate political status as recorded in the SITUATION REPORT, there are many other hard facts which verify the certainty that Micronesian unity is a myth as it relates to the best interests of the people of Palau and which totally exclude the CIA as a rationale. We present to you some of these examples in outline form in the spirit of goodwill, internationalization, and common benefit.

A) The allegation that Micronesian disunity and or Palau's definite desire for separate political status began with the CIA began "three or four years ago" is absurd. Chronologically, the Palau, then, predecessor to the Palau Legislature, first expressed this national sentiment for a direct and close relationship with the United States public record in 1947 in a petition to the United Nations.

B) None of the different sections of Micronesia were consulted or privy to the formulation or adoption of the strategic Trusteehip agreement which imposed the "principle of Micronesian unity" in 1947. The reality in that time frame of history was that we dealt with the United States directly and exclusively on all matters and there was no tangible indication or evidence that this policy would change during the succeeding eighteen years. The Japanese had administered the different island groups and had never attempted to bring such a diversified people's together politically.

C) The present United Nations guidelines for continuing the "principle of unity" is that Palau (or the Marshalls), separate from the rest of Micronesia, would be a micro-state. This is the political and economic pressure of the international community. This is an obvious position that the United States of Micronesia would not accept. It would be but would be

represented in foreign affairs and national defense by the United States of America. A possible bi-lateral "compact" type of agreement would give the micro-state of Palau the same powerful world representation.

D) In 1965, the Department of the Interior created the Congress of Micronesia. The leaders of Palau were convinced that this structure was intended to be a very loose association of different island groups which would provide a useful public forum to express the problems, needs, and desires of each individual society.

E) The scheme for a future unified Federated States of Micronesia was politically accepted during the following years by a coalition of the leadership of the majority population areas of Yap and Ponape and certain American representatives and advisors. It was obvious to the leadership of Palau, the Northern Marianas and the Marshalls that this strategy was adopted for economic and political advantage by the first group of advocates, and fundamentally for convenience by the latter group.

F) By proceeding with a policy predominately based on convenience, the United States has created an unwarranted bureaucracy costing millions of dollars yearly. In Palau today, the Congress of Micronesia is considered an obtrusive and a costly brokerage house.

G) Palau recently hosted the first workshop to be held in Micronesia related to the 1970 Incentive Development Plan. Fifteen United States economic specialists together with many Palauans and a large local group discussed the disastrous present state of the Palauan economy. Twenty per cent unemployment, millions a year in an uncorrectable balance of trade, almost total reliability of the United States transfer payments, and erratic and unstable foreign investment climate due principally to political instability, unskilled labor, lack of basic infrastructure, etc., etc., etc. When Palau is accused of opting for separation because of a distant possibility of an independent revenue source and is emotionally charged superpower, we are precluded from being greedy before we have anything to offer. We must help others economically first.

H) Palau presently is a major contributor to the COM in money and administrative services, but realistically we are a major contributor to the making and benefits. These factors are not limited by fiscal and personnel statistics and the political weight given to district population by Congressional floor votes and committees.

I) The salient issue of the linguistic, cultural and historical differences between Palau and the rest of the territory alone is sufficient cause to render the CIA theory with regards to Micronesian disunity absolutely non-sensical.

J) The present draft Compact calls for future military land leases in Palau. The people of Palau do not recognize the legitimacy of other peoples participation in this bi-lateral issue and regard. If the compact or its approximation is presented to the people, they will want to know what the Necker, Compagnon, Marshallese, Yapese, or Kusians have to do with their lands.

K) The Marianas separation movement did not start earlier than that of Palau's and certainly does not have a broader base of support. Eighty-eight percent of our people intensely desire separate political status. The Marianas movement has only seventy-eight percent. Many people believe that this same level of broad base support for separation exists in the Marshallis.

Senator Inoué, please refer to the last three paragraphs of this letter. As you must know it is more difficult to reduce to words the aggregate sacrifice, expectation, frustration, and commitment embraced in a sovereign people's perpetual quest for freedom and self-determination. We extend our gratitude to you and the dedicated Senators of your Committee for your kind attention to this matter.

Respectfully yours,

Senator Norman Tmetuchl

RT/pk