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FM AMEMBASSY JAKARTA

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INFO AMEMBASSY BANGKOK

AMEMBASSY CANBERRA

AMEMBASSY KUALA LUMPUR

AMEMBASSY MANILA

AMEMBASSY SEOUL

AMEMBASSY SINGAPORE

AMEMBASSY TOKYO

USMISSION USUN NY

CONFIDENTIAL JAKARTA 4890

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USUN FOR AMBASSADOR YOUNG

E.O. 11652: GDS TAGS: PFOR, ID

SUBJECT: MEETING WITH SUHARTO

1. SUMMARY: IN MEETING WITH PRESIDENT SUHARTO APRIL 14, ASSISTANT SECRETARY HOLBROOKE REVIEWED BASIC POINTS AD-MINISTRATION'S ASIAN POLICIES, ASSURING HIM OF CONTINUING INTEREST IN INDONESIA AND SEA. SIGNIFICANT POINTS OF HIS REACTION INCLUDED ACKNOWLEDGEMENT OF HIS UNCERTAINTY CONCERNING ADMINISTRATION'S POLICY, EXPRESSED DESIRE FOR PROMINENT AND MEANINGFUL U.S. PRESENCE IN AREA, IMPORTANCE OF SELF-RELIANCE IN SEA, RACE FOR TIME BETWEEN OPPOSING SYSTEMS, EARLIER DISAPPOINTMENT WITH U.S. MILITARY HELP, SEARCH FOR OTHER SOURCES, AND DESIRE TO MAINTAIN DIALOGUE ON HUMAN RIGHTS. END

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2. IN ONE HOUR AND HALF MEETING WITH PRESIDENT SUHARTO AT HIS PRIVATE HOME, HOLBROOKE HAD UNUSUAL OPPORTUNITY TO REVIEW BACKGROUND OF PRESIDENT CARTER'S ELECTION, HIS DEEP INTEREST IN HUMAN RIGHTS AND

UNITED STATES DEPARTMENT OF STATE REVIEW AUTHORITY: DONALD A JOHNSTON DATE/CASE ID: 06 AUG 2004 200402559

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ESSENTIAL POINTS OUR ASIAN POLICY IN KOREA, JAPAN, CHINA, VIETNAM AND SOUTHEAST ASIA. HE STRESSED THAT THERE WAS NO SUBSTANCE TO FEAR U.S. WAS TURNING ITS BACK ON ASIA, THAT WE WERE SINCERE IN OUR DESIRE RESUME RELATIONS WITH VIETNAM (PROVIDED MIA ISSUE RESOLVED) BUT THIS DID NOT MEAN LESSER PRIORITY FOR OUR TRADITIONAL FRIENDS. HE WELCOMED INDONESIAN SUPPORT FOR OUR INITIATIVE. IN INDIRECT RESPONSE TO PREVELANT LOCAL FEELING, HE SAID U.S. BUFFER ON ASIAN MAINLAND NO LONGER NEEDED FOR INCREASINGLY SELF-RELIANT COUNTRIES OF SEA. HE EMPHASIZED THAT WHILE JAPAN WAS NOW SIGNIFICANT WORLD ECONOMIC POWER AND U.S. WOULD NOT TALK TO SEA THROUGH JAPAN. (SUHARTO NODDED VIGOROUS ASSENT TO THIS POINT.) HE CONCLUDED WITH STRONG REITERATION OF PRESIDENT CARTER'S INTEREST IN HUMAN RIGHTS, AT SAME TIME ACKNOWLEDGING EFFORTS PRESIDENT SUHARTO APPEARED TO BE MAKING TO RESOLVE INDONESIAN PROBLEMS. HE APPLAUDED SUHARTO'S JUDGEMENT IN PERMITTING CODEL WOLFF MEMBERS TO VISIT EAST TIMOR.

- 3. PRESIDENT SUHARTO, IN REPLY, MADE THESE POINTS:
- A. NATIONS OF SOUTHEAST ASIA FOLLOWED CARTER CAMPAIGN AND HAD "BIG QUESTION MARK" REGARDING FUTURE U.S. POLICIES IN SOUTHEAST ASIA. MESSAGES WE HAVE SENT SINCE AND HOLBROOK'S VISIT HAVE SERVED TO DISPELL APPREHENSIONS AND CONVINCE PEOPLE THAT THE U.S. WILL STILL PLAY PROMINENT AND MEANINGFUL ROLE IN ASIA. SUCH U.S. POLICY WILL BE PARALLEL WITH ASPIRATIONS AND POLICIES OF COUNTRIES IN SEA. B. PRIOR PRESENCE OF U.S. TROOPS IN SEA POSTPONED DAY WHEN SEA
- WOULD BECOME SELF-RELIANT. PROBLEM IS NOT OVERT AGGRESSION, BUT SUBVERSION. NOT ONLY MILITARY PRESENCE BUT ECONOMIC DEVELOPMENT IS REQUIRED COMBAT SUBVERSION.
- C. NON-COMMUNIST NATIONS IN SEA ARE IN RACE AGAINST TIME IN RELATION TO COMMUNIST STATES. IF THE RATE OF DEVELOPMENT IN COMMUNIST WORLD IS FASTER, COMMUNISTS WILL GLOAT AND THEIR SUCCESS WILL BECOME THREAT TO NON-COMMUNIST NATIONS. CONFIDENTIAL

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- D. INDONESIA'S SECURITY FORCES HAVE BEEN NEGLECTED IN FAVOR ECONOMIC DEVELOPMENT. IF BALANCE IS NOT CORRECTED BY 1980, INDONESIA WILL BE WITHOUT ADEQUATE DEFENSE. INDONESIA HAS BEEN QUITE DISAPPOINTED IN U.S. ASSISTANCE AND, AFTER VIETNAM, REALIZES IT CANNOT DEPEND ON U.S. INDONESIA THEREFORE HAS BEEN MAKING APPROACHES TO OTHER FRIENDLY NATIONS FOR ARMS; BY 1980 DEVELOPMENT OF ARMED FORCES WILL BALANCE THAT OF ECONOMIC SECTOR. (NOTE: SUHARTO MEANT THE GERMANS, FRENCH AND OTHERS, BUT HE WAS NOT SPECIFIC.)
- E. HE AGREED WITH DESIRABILITY ESTABLISHMENT RELATIONS WITH VIETNAM. THIS IN ACCORDANCE ASEAN POLICY. ASEAN STATES HOPE THAT INDOCHINESE STATES WILL CONCENTRATE ON IMPROVING LIVING STANDARDS AND WILL NOT BECOME THE SATELLITE OF ANY MAJOR POWER. ASEAN HAS OPENLY OFFERED

RECONSTRUCTION AID TO THIS END. ASEAN STATES HAVE NO DESIRE IMPEDE PROGRESS OF OTHERS TOWARD BETWEEN RELATIONS WITH VIETNAM. SUHARTO SHARED OUR INTEREST IN CONTAINING SOVIET INFLUENCE IN HANOI. F. INDONESIA HOLDS IDENTICAL VIEWS WITH U.S. ON CHINA. IT IS BETTER TO INVOLVE CHINA IN WORLD AFFAIRS. RESUMPTION OF INDONEISAN RELATIONS WITH CHINA ONLY MATTER OF TIME, DEPENDING ON INTERNAL INDONESIAN SITUATION. INDONESIA'S MEMORIES OF RECENT PAST ARE TOO VIVID FOR THEM TO RUSH INTO RELATIONS WITH CHINA. (UNLIKE SOME OF HIS MINISTERS, HE DID NOT ASK ABOUT FUTURE STATUS OF TAIWAN.) G. ON HUMAN RIGHTS, INDONESIA HAS ALWAYS UPHELD BASIC PRINCIPLE. IT IS EASY, HOWEVER, TO UPHOLD LOFTY PRINCIPLES; QUESTION IS HOW TO IMPLEMENT THEM. WITH UNITED STATES IT IMPORTANT THAT INDONESIA ESTABLISH COMMUNICATIONS AND CONTACTS TO AVOID CONTROVERSY AND MISUNDERSTANDINGS IN THIS AREA. GOI DOES NOT SEEK TO HIDE ANYTHING, AS DEMONSTRATED IN CODEL VISITS TO TIMOR. TIMORESE, AFTER DIFFICULT TIME, WILL ULTIMATELY SEE WHERE THEIR INTERESTS LIE.

- 4. SUHARTO ENDED BY ASKING HOLBROOKE TO CONVEY TO PRESIDENT CARTER HIS WARM GREETINGS AND THE HOPE THAT THEY COULD GET TO KNOW EACH OTHER.
- 5. COMMENT: HOLBROOKE WAS RECEIVED AT PRESIDENT'S PRIVATE HOME IN EVENING, AN EXTRAORDINARY GESTURE AND INDICATIVE OF HIS INTEREST IN CONFIDENTIAL

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RELATIONS WITH UNITED STATES AND HIS SPECIAL CURIOSITY ABOUT POLICIES CARTER ADMINISTRATION. HE CLEARLY SIGNALLED THAT HE WELCOMES U.S. ROLE; HE HAD POSSIBLE ALTERNATIVES IF SUFFICIENT U.S. MILITARY ASSISTANCE NOT FORTHCOMING; HE AGREED WITH US ON VIETNAM ALTHOUGH WORRIED ABOUT RACE WITH COMMUNIST SYSTEM, AND HAS SUGGESTED CONTINUING DIALOGUE ON HUMAN RIGHTS. I CONSIDER ALL OF THIS ILLUMINATING AND GENERALLY POSITIVE CONCLUSION TO ASSISTANT SECRETARY'S BRIEF VISIT WITH CODEL WOLFF TO INDONESIA. NEWSOM

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