

~~July 12, 1969~~  
May 26, 1970

MEMORANDUM

THE WHITE HOUSE

WASHINGTON

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MEMORANDUM FOR THE PRESIDENT

FROM: Henry A. Kissinger

SUBJECT: Your Meeting with President Suharto of Indonesia

1. Schedule.

You have a meeting with President Suharto at 10:30 a. m. Tuesday, May 26 immediately following the 10:00 a. m. arrival ceremony. You will see him again that evening at dinner at the White House, and in a thirty-minute meeting on Thursday, May 28 at 10:00 a. m. prior to his departure for New York. (I have briefed you on Suharto's desire to include members of his party in the Thursday meeting.)

Suharto has made brief stops in Honolulu, where he talked with Admiral McCain, and In Williamsburg. While in Washington he will lunch with the Vice President, meet with the heads of the IMF and IBRD, speak at the National Press Club, and have a session with the Senate Foreign Relations Committee.

2. Background.

There are no issues between the U. S. and Indonesia, and our relations are excellent. Suharto's visit was scheduled primarily as a means of strengthening the ties which you established with him last year in your visit to Djakarta. Suharto's original stated purpose was to thank us for the aid we have provided. This has been a major factor in the marked improvement which has taken place in the Indonesian economy.

However, Suharto's visit comes in the wake of the recent events in Indo-China, in response to which Indonesia organized and hosted a twelve-nation meeting on Cambodia which called for the withdrawal

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of all foreign forces from Cambodia and for joint efforts to preserve Cambodia's neutrality and territorial integrity. (Besides Indonesia the participants were Japan, South Korea, the Philippines, South Vietnam, Laos, Cambodia, Thailand, Malaysia, Singapore, Australia, and New Zealand.) This meeting cost Indonesia something in reducing its non-aligned image, since all the participants except Singapore and Malaysia can be identified with the U. S. , but Indonesian concerns over the security situation in Indo-China outweighed this cost. Suharto and his Generals have wanted to give Cambodia military aid, while Foreign Minister Malik has held back for fear of impairing Indonesia's non-aligned credentials. (A compromise seems to have been worked out whereby Indonesia offers advisers and training but no actual arms aid at the present.)

Accordingly, this visit not only provides you with an opportunity to renew your personal bond with Suharto but also to commend Indonesian's highly useful activities on behalf of Cambodia, to reassure Suharto of your support for Indonesia's non-alignment, to review the political and military balance in Southeast Asia, and to emphasize our firmness of purpose in dealing both with the immediate problems of Indo-China and the longer-term objectives of helping to promote Southeast Asia's military security, political stability, and economic growth. What Suharto has done and is doing accords perfectly with your concept of Asian responsibilities under the Nixon Doctrine.

Suharto will be aware of our recent efforts on behalf of continuing international assistance for Indonesia, and of your decision to increase our MAP to Indonesia to \$15 million, including combat-type equipment.

3. What Suharto Will Want.

a. He will want your appraisal of developments in Cambodia, and of the possible affects of these developments on the situation in Vietnam and on the stability of the region. He will express Indonesia's interest in doing what it can to help Cambodia, and may express willingness to send arms and other military help provided the U. S. makes up depleted stocks.

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b. He will want your views on developments in South Vietnam, and on whether you believe your Vietnamization policy is still working. (He may wonder if you can still hold to your timetable for withdrawing 150,000 men by next spring.)

c. He may request your thoughts on what Indonesia may do next to focus international attention on the need for a political settlement in Indo-China. In this, he may stress the desirability of Indonesia's maintaining a non-aligned stance, although this may not be so important to Suharto as it would be to the civilian leaders in Indonesia.

d. He may express thanks for the increase in Indonesian MAP, and point out the importance to the Indonesian military leaders of receiving combat-type equipment. (Our previous MAP program has been focussed heavily upon the civilian assistance field, such as road-building equipment, and has omitted weapons. Tab A lists the principal combat items presently envisaged under the expanded MAP.) Suharto may in addition ask for a four-year military aid program to allow replacement of Soviet-supplied equipment, which is wearing out:

e. He will probably repeat his remarks to you of last summer on the importance to Indonesia of the successful completion of its first five-year plan for economic development. In this respect, he may ask for reassurances on:

-- Continued economic support for, and assistance to, Indonesia. (Here he may thank you for our own economic assistance, as well as for our help in getting the international aid donors to keep up their contributions and to defer Indonesia's repayments of outstanding debts left over from the Sukarno era.)

-- Holding disposals from our rubber stockpile to levels which will not affect the Indonesian economy. (We have informed rubber-producing nations the rules under which we will begin again to dispose of rubber, and they claim that the protracted threat of sales has damaged the world rubber market.)

-- Continued access to U.S. markets for Indonesia's petroleum exports.

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-- Additional U. S. capital investment, particularly in the timber and tourist industries.

f. Any further ideas which you may have on development of regional organizations such as ASEAN, and on Soviet and Chinese Communist intentions in the region.

4. What We Want.

Your principal purposes will be:

-- To explain your policies in Vietnam and Indo-China and to retain Indonesian support for them.

-- To encourage Indonesian initiatives on Cambodia (including providing military aid), and in search of a peaceful settlement of the conflict in Indo-China.

-- To maintain warm personal relations with Suharto, and to be forthcoming on his requests for economic and military assistance.

-- To outline your thoughts on importance of national self-help and regional cooperation in Asia and on the similarities between Indonesian and U. S. goals.

5. Points You Should Stress.

a. Vietnam and Indo-China:

-- Our objectives in Vietnam remain unchanged (i. e. achieving a just peace, and assuring the South Vietnamese the right to determine their own future). Our moves in Cambodia were intended to support these goals, and not to expand the war. They were necessitated by the NVA/VC invasion of Cambodia, which if not reacted against would have adversely affected both the chances of a negotiated settlement and your Vietnamization program. The security of U. S. and allied forces in South Vietnam would also have been threatened.

-- Hanoi must understand that it cannot take us for granted, and that it cannot with impunity extend the Vietnam war into Laos and Cambodia. We will take the actions we deem necessary to deal with

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any heightened challenge to the security of the Indo-China countries and their neighbors. We consider that our responses in Laos and Cambodia to North Vietnamese aggression have been effective, although serious security problems admittedly still exist.

-- There has been no movement in the Paris talks toward a peaceful settlement. The other side continues to refuse to negotiate in good faith. Nevertheless, we will continue to pursue a negotiated settlement and will be prepared to respond affirmatively whenever the other side decides to take our very forthcoming position seriously.

-- Meanwhile, Vietnamization is proceeding ahead of schedule and you are confident that our Cambodia actions will permit you to withdraw 150,000 U. S. troops by next spring without adversely affecting GVN security and that of our own forces. In fact, the results of Cambodia are likely to improve significantly the prospects for Vietnamization.

b. Indonesian Initiatives in Response to Cambodia and Indo-China:

-- You may wish to congratulate Suharto for the initiatives his country has taken in connection with the situation in Cambodia and Indo-China. The Djakarta conference helped greatly in solidifying the diplomatic position of the Lon Nol Government, and helped to preserve Cambodian neutrality and sovereignty. It also will strengthen the hand of those searching for a peaceful settlement of the fighting throughout Indo-China. The Djakarta conference demonstrated clearly the capabilities Indonesia possesses for organization and leadership.

-- You are aware of the problem posed by the Djakarta conference with respect to Indonesian's non-aligned status. You do not believe that this status has been materially impaired (many other nations claiming to be non-aligned are in reality much less so than Indonesia) and the benefits of increased regional consciousness on the part of the participants were considerable. As you have already noted, the conference made a real contribution toward peace, and this is what really counts. You of course wholly support Indonesian non-alignment.

-- In your opinion, Indonesia's follow-up to the Djakarta conference (undertaking a joint effort with Japan and Malaysia to restore the International Control Commission in Cambodia and to promote further international and United Nations efforts to bring peace to Cambodia and Indo-China) is an imaginative and very helpful step.

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You wonder if it might be feasible to bring other nations into this effort, including some which did not take part in the Djakarta conference. You would appreciate Suharto's views on this, and on any other possible international initiatives.

-- You believe it is important to strengthen the Lon Nol Government, and would hope that Indonesia can find the means to do so, at least in the fields of military training, liaison, and advisors, if not in outright arms aid. You consider that helping Lon Nol is primarily an Asian matter, although we will provide some assistance. (If Suharto discusses sending arms and asks for us to replace what he sends from Indonesian stocks, you may wish to suggest that this could be looked into at the working level.)

c. Military Assistance.

-- You understand the desire among Indonesian military leaders for increased U.S. military assistance, including combat equipment. You understand that within the increased \$15 million MAP figure we have adopted there has been a general meeting of minds among Indonesian and U.S. planners on:

-- First building up Indonesia's logistics and maintenance capabilities so as to permit effective utilization of new materiel.

-- Working out provision of combat-support aircraft, as well as trainers (we may be able to provide T-28s now, or T-37 jet trainers as production becomes available; the T-37s can be modified as A-37s.) We will also supply more C-47 transports which can be turned into "gun ship" versions.

-- Helping meet the Navy's requirement for patrol craft. We will also lend two LSTs.

-- Finally, we are looking into Ministry of Defense needs for communications and electronics equipment.

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(You will not wish to become bogged down in nuts and bolts, and should leave details to our respective military planners.)

-- If Suharto raises the possibility of a four-year program of U. S. military aid, you should express a willingness to have our respective representatives discuss this issue, but point out the complexities of dividing up the MAP funds likely to become available under present circumstances, and establishing priorities.

d. Economic Aid to Indonesia:

-- We will continue our present program of supplying Indonesia with about 1/3rd of its bilateral and non-food aid requirements plus a "fair share" of food aid needs. (This will include PL-480 rice.)

-- We will also continue our support for the multilateral system of coordinating foreign assistance from donors to Indonesia. The same applies to rescheduling Indonesian debt repayments.

-- We will of course consider any suggestions which Suharto may have on how our assistance may be made more effective. You appreciate the critical nature of Indonesia's five-year plan, and will want to be as helpful as possible. The economic progress already made is an excellent incentive for other donors to help out, and for private investors to broaden their interests in Indonesia.

(Again, you will not wish to go into economic matters in detail, e. g., on PL-480 rice, U. S. surplus rubber disposals, increased U. S. capital investment, and Indonesian petroleum exports to the U. S. but might inform Suharto if he raises them that these questions can be settled by our respective missions in Washington and Djakarta.)

e. Regional Cooperation and Related Matters.

-- You continue to favor increased cooperation on the part of the Asian nations on regional economic matters, as in ASEAN (the Association of Southeast Asian Nations). You are encouraged by this,

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and also by what seems to be a new awareness on the part of Asian nations that other matters, including security, are of common concern. The Djakarta conference was a case in point.

-- Favorable developments in regional identification will not be taken by us as an excuse to get out, but rather as the basis for a new, broader partnership with the Asian countries. So long as we can play a useful, stabilizing role, and are wanted, we will remain.

-- You have not noticed any new regional initiatives on the part of the USSR and Communist China. The Cambodian situation seems to have rekindled open Sino-Soviet animosities, and made it more difficult for either party to develop policies which are attractive to the non-Communist countries of the region. However, we will need to keep a close watch on both, since they clearly have special political objectives. We ourselves will deal with Peking and Moscow as opportunities present themselves for exploring areas where tensions might be reduced, but we will at the same time resist effort toward expansionism.

-- Although U.S. and Indonesian systems and traditions may differ in some respects, you are impressed by the fact that our goals in the region are very much the same -- peace, stability, and economic development.

-- You would welcome Suharto's thoughts on these subjects.

#### 6. Points to Avoid.

a. While we ourselves are anxious to see the Japanese play a wider political and security role in East Asia commensurate with Japan's economic strength, the Indonesians retain many reservations about Japan. The problem is not so much the legacy of World War II -- the Japanese were tolerated during the war for defeating the Dutch, and Suharto's military career began under them -- but rather the narrow definition of national interest which has characterized postwar Japanese economic activity in the region. The Japanese have given comparatively little assistance of a developmental nature, and have tied much of their aid to grants for purchase of Japanese goods. The Indonesians resent this, and see little benefit to them. We therefore should avoid recommending any special relationship with Japan, while hoping that the growing



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maturity in Japanese attitudes toward Southeast Asia will in time reduce the problem. (In this respect, Japan next year plans to devote one percent of its GNP to foreign aid.)

b. In increasing our MAP in Indonesia, we do not want to leave the impression that we are prepared to take over as Indonesia's prime supplier of arms and equipment. This would be an impossible task.

7. You Should be Aware That:

a. This is the first visit outside Indonesia for President and Mrs. Suharto, and their attitudes will probably be highly colored by the reception which they receive.

b. The Indonesian five-year plan is an over-ambitious and over-generalized schedule of developmental objectives which has nevertheless been regarded by us as a useful outline of Indonesia's needs in getting out of its economic doldrums and moving the economy forward. Such movement is crucial if the country's needs are to be met and Suharto is to survive politically. We have thus used the five-year plan, with some modifications, as a planning guide for our aid program.

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