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FE - Mr. Rice
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Office of Exec Sect
Political-Military Contingency
Planning files 1963-66
Box 2

February 5, 1963.

TO : FE - Mr. Harriman
FROM : S/P - W. W. Rostow
SUBJECT : Indonesia and Portuguese Timor

There is attached a paper prepared by Bob Johnson of S/P in response to your memorandum to me of January 12 on Indonesia and Portuguese Timor. It discusses both actions that might be taken to avert or delay a clash and actions in the event a clash occurs.

This is indeed a most intractable problem. But despite the apparent inflexibility of Portuguese colonial policy and the lack of Indonesian incentive to seek a political solution, it is conceivable that the two sides may find some delay desirable. Intrinsicly Portuguese Timor is of little importance to either side.

If Sukarno can be shown that military action will adversely affect the environment within which consideration is given to expanded US economic aid, he may find it useful to seek involvement of the UN as means of keeping the issue simmering and building up international awareness and support.

It is also possible that Portugal would find UN involvement of an appropriate kind desirable if it can be convinced that otherwise it has little chance of holding the territory for very long. The Portuguese might possibly take the Timor problem less seriously if they were not concerned about repercussions of a defeat there upon the situation in their African territories. Thus the prospect of delay may have some attraction.

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The paper proposes a UN strategy. It will require some fairly blunt talking to both sides to make such a strategy work. Such talk will obviously be peculiarly difficult in the case of Portugal because of the indefinite prolongation of the Azores base negotiations.

The paper was prepared after consultation with a number of people in FE, EUR, IO and INR. It has not, however, been cleared with those bureaus. For the present we are making no distribution of the paper outside of the Far East Bureau. We would leave it to your judgment as to whether and when such further distribution should be made.

We of course stand ready to be of assistance in any further work on this subject.

Attachment:

Indonesian-Portuguese
Timor Paper.

cc - FE - Mr. Rice
 Mr. Bell
 Mr. Cuthell

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INDONESIA AND PORTUGUESE TIMOR

There is no need here to repeat the basic facts of the situation which have been well developed elsewhere.* Facts or estimates relevant to particular aspects of the problem will be introduced as appropriate into the discussion which follows.

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I. The Problem of the Relevance of Principles

Our policy toward colonial areas has always had in it a strong element of principle joined to important elements of immediate self-interest. The principles that we have applied have included self-determination, self-government and independence and peaceful change. These principles are embodied in the UN Charter except for independence which is, however, now contained in the UN resolutions. (The U.S. abstained in the vote on the UN "Declaration on the Granting of Independence to Colonial Countries and Peoples" adopted by the General Assembly on December 14, 1960, which made complete independence a right of dependent peoples. We voted for a resolution reiterating and reaffirming that declaration on November 27, 1961.)

As we near the end of the colonial period we are having to deal with an increasing number of problems to which one or more of these principles have little relevance - partly because the remaining colonial powers have made little or no effort to prepare the colonial peoples for self-determination and independence, partly because they have not always been prepared to

relinquish

*In addition to Governor Harriman's memorandum of January 17, and its attachments (including the INR paper), the following are the most useful sources of information on the Timor situation: (a) Background Paper by the UN Secretariat on Timor (Doc. A/AC.108/L.13 of 3 December 1962; and (b) CIA Geographic Support Project paper on Timor (CIA/RR GP 62-388:L of December 1962). On general Portuguese colonial policy see James Duffy, Portugal's African Territories: Present Realities Carnegie Endowment for International Peace (Occasional Paper No. 1); 1962.

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relinquish power peacefully and partly because the territories often do not provide an economic base for viable independence.

In Timor we face the colonial problem in its most difficult form. To press the Portuguese for measures to prepare for self-determination may be a useful tactic at some stage, but both we and the Portuguese would have to recognize that self-determination for Portuguese Timor is meaningless for the indefinite future.

It is a territory which is almost totally undeveloped politically and economically. For example, according to one report two native Timorese have graduated from universities during the 450-year period of Portuguese rule. A modest post-war effort to increase vocational education soon ran aground because there is almost no economic activity other than agriculture in which trained individuals can be employed. In the last elections to the Portuguese national assembly the total vote in a population of 478,000 was 1,892. There is little or no sense of national or territorial identity; the Portuguese have pursued a policy designed to isolate the population from the outside world. Portuguese Timor could hardly exist as an independent entity. Realistically, it has only one possible future - as a part of Indonesia.*

Nor is it possible to hold out hope that change can be effected peacefully in Portuguese Timor. While some more realistic Portuguese seem to recognize that they cannot and will not hold Timor indefinitely, there is no apparent inclination to develop the territory politically and economically or to

seek

*In a speech on June 30, 1961, Salazar pointed out that Portuguese Timor could not live an independent life set, as it was, within the islands of the Indonesian Republic. He went on to say that "without embarking on disagreeable comparisons", Portugal could not be held less worthy, able or ready (than others) to govern and exert a civilizing influence over this and other overseas territories of Portugal.

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seek a non-violent way out. Since none of the visible alternatives to Salazar is likely to favor a basically different colonial policy, no hope can be held out that even a change in the Portuguese regime will create a situation more favorable to change in Timor. (It is, of course, possible that the conditions under which Salazar leaves will be such as to compel a change.)

In these circumstances we may very well, as a tactic, wish to insist to the Indonesians that they recognize their obligation to work for change in Portuguese colonial policy by peaceful means, but we ought also to recognize that Portuguese policy makes such a plea an insistence that the Indonesians accept the status quo indefinitely. "Peaceful change" offers little hope of progress.

The Indonesians have no legal basis for a claim to the territory. They have implicitly admitted as much. They do have a right to press, under the UN Charter, for economic, social and political progress. In March 1961 the U.S. abandoned its support of the Portuguese fiction that by making its territories provinces of Portugal it escaped responsibility for promoting such progress.

The failure of the Portuguese to recognize their responsibility and the inability of the UN to force such recognition is as much a denial of Charter principles and a failure of the UN system as an Indonesian use of force against Timor which the UN fails to prevent or to stop. The one failure does not justify the other, but both failures reflect the imperfections of a system that is less than world government. We must deplore military action by Indonesia just as we should publicly deplore Portuguese colonial failures. But we ought not to view such Indonesian action as the second act in a drama which began with Goa and which will end with the death of the UN.

II. U.S. Interests.

Certain U.S. interests in the Timor situation are obvious. We attach great importance to the Azores bases. We also wish to

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avoid appearing to support Portuguese colonial policy. We have already pledged to the Portuguese in an aide memoire in connection with the Azores base negotiations, that we will include in a speech by a high ranking U.S. official a statement that we will oppose "interventionist or expansionist aspirations or predatory attacks" against the overseas territories of any nation by any other nation. We have indicated that we will, in fact, oppose diplomatically, politically and in the United Nations attempts to take over Portuguese territories.

This pledge means that, in the event of actual attack, we are likely to be forced into a highly visible stance of supporting Portugal against Indonesia. This circumstance, plus existing and latent emotions with respect to Indonesia and Sukarno in the U.S. and within the British Government may very well mean that an Indonesian attack would so circumscribe our freedom of action as to make larger scale aid to the Indonesian economy virtually impossible (assuming that we have decided on other grounds that such aid would be desirable). A Timor takeover could thus deprive us of the most important lever we have in influencing the future orientation of Indonesia. (It is, of course, conceivable that expanded aid will be ruled out earlier by an overt Indonesian move against the Borneo territories.)

It is necessary to say something about the theories now abroad with respect to Indonesian expansionism. I have commented critically elsewhere on an extreme hypothesis of this kind.* This present paper is based upon the estimate that, while some Indonesian leaders (including Sukarno) may have vague, grandiose expansionist ideas somewhere in the backs of their minds, their actual actions will represent responses to immediate opportunities. The need, therefore, is not for some kind of grand confrontation between ourselves and the Indonesians, but for more limited efforts to contain specific Indonesian moves. An Indonesian action against Timor should not be taken as a forecast of general Indonesian expansionism unless it takes place against a background of new evidence which would clearly support such a view. In this connection our own interests in the area are obviously much more seriously engaged by Indonesian actions in Borneo than by an Indonesian effort to take over Timor.

*My memorandum to Mr. Rostow on "Guy Pauker's Paper on 'The Strategic Implications of Soviet Military Aid to Indonesia'" dated Jan 21, 1963.

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III. Possible Action in the Period Prior to Indonesian Military Move

General.

If there were easy solutions to the problem of Portuguese Timor they would have been thought of long since. All of the suggestions below are subject to objections, many of them serious. However, in a situation where some action seems required and none appears satisfactory we must obviously look more carefully at possibilities that would otherwise be rejected out of hand.

Most of the suggestions below would offer little hope of averting an eventual clash between Indonesia and Portugal; most offer only prospect of delay. If there is a basis for hope for either delay or a peaceful resolution, it must be found in the fact that Timor is of little intrinsic ^{importance} to either side.

Our position would be somewhat less difficult and the Indonesian position would also be somewhat stronger if, prior to any military action, Indonesia could make a case that it had availed itself of, and exhausted, the possible peaceful means of securing Portuguese action to further progress toward self-rule under UN charter provisions.

The following alternative courses of action are suggested. These are not mutually exclusive and some possible combinations are indicated.

Possible Actions

1. In a frank talk with the Indonesians about Timor we might make the following points. We are aware of the fact that they are undertaking certain preparatory measures directed against Portuguese Timor. We do not defend Portuguese colonial policy; in fact, we have been critical of it both publicly and privately to the Portuguese for the past two years. We agree that, in the long run, it is hard to see how Portuguese Timor can exist as an independent entity.

However, we cannot condone any effort to take over territory by force. Such action would be a violation of the UN Charter obligations that Indonesia has undertaken. We would have to oppose Indonesia diplomatically and in the UN in such a circumstance. We feel that Indonesia has not exhausted the means available to it within the United Nations to seek a change in Portuguese policy toward Timor in the direction of its political development. The UN resolutions on Portuguese territories have been broad enough to cover Timor, but we all know that they were directed against the situation in the African territories.

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We might suggest that there seems to be no reason why Indonesia should feel any sense of urgency about the situation in Timor; there are no great historical emotional factors operating as was the case for West New Guinea. Portuguese Timor would certainly not be an economic asset and could be a significant economic liability.

Finally, we might suggest that, small and unimportant as the Indonesians might view a military action against Timor, it could have rather large and uncontrollable effects upon the atmosphere within which expanded U.S. aid to Indonesia is considered.

The objective of such an approach would be to make clear to the Indonesian Government that we would oppose in the UN their use of force against Timor and to suggest that, whatever our desires, the effect on prospects for increased aid could be serious. We are already committed to make clear publicly our general position on the use of force against colonial territories. The proposed approach would apply that position to Timor. It seems important that we should at the same time suggest an alternative to use of force, even if in general terms. Under this proposal we would leave it up to the Indonesians to design their own UN strategy. (Under the proposal immediately following we would take the initiative to design and to suggest such a strategy.) The approach proposed here would give the Indonesians all of the principal considerations which, from our point of view, should be weighed by them. It might lead to Indonesian action in the UN which would delay military action.

It must, of course, be recognized that in crucial respects the Indonesian incentive to seek a political solution is less than in the case of West New Guinea. Not only are the prospects for such a solution much poorer, but the military conquest of Portuguese Timor would be much easier. On the other side of equation there is the fact that the Indonesian basis for a claim is only psychological since Portuguese Timor, unlike West New Guinea, was not part of the Dutch East Indies to which Indonesia is the successor state. It may be that Indonesia can be induced to play the game on a political basis for a time in order to strengthen international political support for later subversive and/or military action.

It may also be argued that any demarche to the Indonesians now will only stir up an issue on which they might otherwise be willing to defer action, particularly in view of their present involvement in the Brunei situation. While it appears that the Indonesians have not yet decided upon a timetable of action,

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intelligence reports and Indonesian actions during the last year indicate that preparations are in an active state. It seems likely that we can have more hope of influencing the Indonesian timetable if we move now than if we wait until preparations are far advanced. Such prospects as may exist for some kind of Portuguese action will also be better now than after the Portuguese are under threat of Indonesian military action.

2. Within the UN, through a third party or otherwise, we might seek appointment of an individual who would make a survey of the situation in Portuguese Timor and prepare a report with recommendations. We might, for example, wait until the next General Assembly and revive the rapporteur idea, but with specific provision for including Timor as well as the Portuguese African territories. Perhaps Portugal could be convinced to extend its agreement to the rapporteur concept to include Timor. If the Indonesians agree to a UN effort, they might also find the rapporteur approach of value. The extension of the concept to Timor might, in fact, provide a means of mustering additional UN support for the overall concept.

We may conclude, however, that we cannot wait until the next UNGA. It is my own view that we ought not to wait that long. In that case, we might attempt to obtain UN action through the Committee of Twenty Four. Since an initiative in that committee could be attractive to the Indonesians but repugnant to the Portuguese, the matter would have to be handled carefully. Possibly the request to the Secretary General for the appointment of an impartial fact-finder could be initiated within the committee with the understanding that the individual selected would work directly under the SYG and would report back to him. Alternatively, an initiative might be undertaken directly with the Secretary General (say by the Australians) without reference to the Committee of Twenty Four.

The Afro-Asians may insist upon terms of reference for the rapporteur or fact-finder that would make the concept unacceptable to the Portuguese. Indonesian agreement to simple, but broad terms of reference might be possible. With such Indonesian agreement Afro-Asian concurrence would probably be forthcoming. Perhaps it would be easier to work out such agreements if the matter were handled apart from regular General Assembly consideration of Portuguese territories and of the general rapporteur proposal.

Possibly, Portuguese agreement could be obtained by arguing that the appointment of such an individual would be a useful precedent which would help obtain approval of the rapporteur

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concept at the next UNGA. The Portuguese were, in the end, quite eager for the rapporteur proposal to succeed at the last UNGA. Portuguese agreement would be essential. Indonesian agreement would be highly desirable. However, if Indonesian action against Timor immediately threatened we might seek such UN action without Indonesian concurrence as a deterrent to an Indonesian move.

This approach might be combined with the demarche suggested under paragraph 1 above. We would inevitably be involved in the effort to obtain Portuguese agreement, but we might leave primary responsibility for maneuvering in the UN to a third party - perhaps to the Australians.

3. A demarche to the Portuguese has, of course, less prospect of success than an effort with the Indonesians. It is possible to make the Indonesians aware of the larger interests that they will place in jeopardy by a military move and to hope that this will have some effect, but there is little hope of making a real change in Portugal's short-sighted colonial policies. Partly the difference derives from the fact that we are more dependent upon Portuguese good will than they upon ours whereas with the Indonesians the situation is reversed. It may, therefore, be somewhat tempting to bear down only on Indonesia. But both our position with Indonesia and our position in dealing with Portuguese pressures in the event of an Indonesian attack should be stronger if we face the problem frankly with the Portuguese before such an attack or threat of attack. What kind of an approach would be useful?

We should at some point advise the Portuguese of our view that the Indonesians will sooner or later, overtly or covertly, move against Portuguese Timor. We should make clear that we are not prepared to come to the military defense of Portuguese Timor. We should state explicitly what we have already implied in our aide memoire - that our support will be limited to diplomatic, political and UN support.

We might point out that, in the case of Goa we all waited until it was too late. This time we were attempting to anticipate a problem and to explore with the Portuguese their views on it. We might ask the Portuguese whether they had given any thought to alternatives to their present policy of linking their policy toward Timor with their policy toward their African territories.

Apart from the general inflexibility of Portuguese colonial policy, the problem of Timor is complicated by its relationship to the intrinsically much more important problem of the African

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territories. Any change in Timor will be seen providing a precedent for Angola, Mozambique and Portuguese Guinea. Contrariwise - although this is obviously far from certain - some kind of reasonably stable solution to the problem of the African territories might increase flexibility with respect to Timor.

It will be argued that we cannot make such a frank approach so long as the Azores base problem is kept hanging over our heads. But to wait until the Azores issue is resolved may be to wait indefinitely. Timing will be difficult, but a frank talk before there is direct evidence of an overt Indonesian move would probably avoid longer-run difficulties by avoiding misunderstanding and seeking Portuguese action before they are under the gun and totally unable to move.

4. Either in connection with an approach along the lines of 3 above or otherwise (perhaps through the Australians) the Portuguese might be asked whether, in view of the apparent inevitability of the loss of Timor, they had given any thought to turning that loss to some advantage by selling or trading their half of Timor to Indonesia. Perhaps the Indonesians could be prevailed upon to pay for the facilities (e.g., airports) developed by the Portuguese. Perhaps they would be willing to compensate Portugal for the loss of its coffee exports by providing Portugal with an equivalent amount of Indonesian rubber or other product over some period of years. Possibly other forms of compensation could be devised.

Sale could be somewhat more acceptable to the Portuguese and perhaps more consistent with our own general policy principles with respect to colonialism if it were accompanied by Indonesian commitments to undertake measures for the educational, social and economic progress of the people of the territory. If we advance such a solution we might seek such commitments.

Admittedly this is a somewhat improbable kind of solution. Portuguese attitudes would have to advance into eighteenth or the nineteenth century. The Indonesians would have to be dragged back to the nineteenth century. Parcels of national or colonial territory are not generally bought and sold in this day. Yet such a solution would have one attractive feature to the Portuguese if they could be brought to recognize the impossibility of holding Timor. A solution along this line would avoid the difficulty of setting a precedent for their African territories. It is clearly inapplicable to those territories. But the Portuguese are likely to view it as a sale of their patrimony.

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Provided the cost were kept low and spread over some period of time, such a solution might appeal to the Indonesians if they view Timor as a minor colonial nuisance in their back yard and not as an issue which they want to use primarily for its domestic or international political value. Unfortunately they are likely to see some political value in the issue.

If we are to provide substantial economic aid to Indonesia we would, in effect, be picking up part of the cost of such a solution. But again provided that the cost were spread over some period of time or was small in total, this would be a small price to pay to avoid a major international embarrassment.

5. A tactic offering even less prospect of success would be an effort to get some kind of change in basic Portuguese policy toward its responsibilities in Timor. But the value of such an effort would lie less in the hope that it offers prospects either for delay or for movement in the direction of a solution than that it might be useful in our future dealings with the Indonesians and the Portuguese to have made a record of effort directed toward peaceful change.

Possible suggestions would include outright surrender of control or greatly accelerated educational and economic development programs designed to prepare the people for self-determination. Since the validity of applying self-determination in any meaningful sense is, as suggested earlier, highly doubtful, we would have some trouble making much of a case. The Portuguese, for example, might argue that greatly increased expenditure on a territory that was so vulnerable to Indonesian takeover would only increase the attractiveness of the prize at an economic cost which Portugal can ill-afford. The possibility of a transitional trusteeship arrangement under the UN or some third country would, presumably, be almost as unacceptable to Portugal as a direct hand over to Indonesia; the more so because of the example of West New Guinea.

The Choice, Timing and the U.S. Role

It is suggested that we begin with talks with the Indonesians and Portuguese along the lines of paragraphs 1 and 3 above. We might undertake the talks with the Indonesians, the Australians, with the Portuguese. We would not commit ourselves to any particular kind of UN strategy with the Indonesians.

The timing of such talks clearly must be related to any actions we take with respect to the North Borneo problem and should, in general, be subordinated to such action - which is

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more important and seemingly more urgent. However, the talks should not, other things equal, wait until we have clearer indications of an Indonesian intent to move. At that stage the Indonesians will be more difficult to influence and even minimal action by the Salazar regime is likely to become impossible. In all probability this means that we shall have to begin talks with the Portuguese well before there is a new agreement on the Azores bases.

In the light of these talks we could make a new assessment of the urgency of action. If we conclude that an immediate initiative in the UN along the lines of paragraph 2 would be desirable, we might seek to have the Australians arrange it. If we appear to have more time, action might be deferred until the next UNGA. In the latter case we might leave the UN initiative in Indonesian hands or we might take the initiative ourselves by preparing the ground for a revival of our rapporteur proposal broadened to cover Timor. In order to maintain some control probably the latter course would be preferable.

If such a line of action succeeds we shall ultimately be faced by a report which is likely to be quite critical of Portugal. It is impossible to suggest now how we should deal with such a hypothetical report. We shall have to determine our position on the basis of reassessment of the prospects for further delaying action or further efforts to bring about modification in Portuguese policy.

If, as is quite likely, these maneuvers do not succeed in initiating a process of UN involvement, we will have to reiterate our cautions to Indonesia and perhaps make a for-the-record statement to Portugal on the need for reform as suggested in para. 4. If there is any value in the sale idea it might be attempted just before this final stage if it had not been tried in the initial Australian talks with the Portuguese.

We ought to postpone the public statement we have promised the Portuguese on the general subject of forceful takeovers of colonial territories at least until after the first round of talks. If these talks promise some success we might argue with the Portuguese that indefinite deferral of such a statement would facilitate the effort to employ UN channels. At the same time we could make clear that we have privately advised the Indonesians of our views and would make the public statement if necessary to help deter Indonesian action later. (The Borneo situation could, of course, quite independently, force us into taking such a general stance.)

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IV. Possible Actions in the Period of Imminent or Actual Indonesian Attack

Probable Indonesian Actions.

It seems likely that for some period of time the Indonesians will confine themselves to subversive and guerrilla type activities. Either as a result of frustration generated by the inability of the Portuguese to contain such activities among a backward, malnourished and apathetic population, or because of an advance Indonesian plan, Indonesia may, however, mount a sudden military invasion on the basis of trumped-up border incidents or in support of a Timorese government operating on or near Indonesian territory.

Probably an Indonesian military move would be against the whole of Portuguese Timor. However, possible Indonesian political assets in Ocussi (the Portuguese enclave within Indonesian Timor) might, combined with the even greater ease of such an action, lead to an initial Indonesian move against the enclave alone. The Indonesians might establish a liberation government in Ocussi which would then be given more formal Indonesian Government support.

In either case the Portuguese would probably seek U.S. support for UN action. In the case of a takeover of Ocussi alone, however, it is just possible that the Portuguese would play UN involvement in a very low key without intent to seek UN action. From the point of view of ultimate U.S. interests in its relations with both Indonesia and Portugal a short, quick action would create fewer problems than a long drawn-out one. Subversion would create fewer problems than an attack. Actions suggested below relate only to an attack.

Possible Actions.

1. When an attack seems imminent we would have recourse to the usual instruments of diplomacy. We might, for example, seek talks between the two sides with a third party (e.g., the Secretary General) as mediator or reference of the dispute to the Security Council as a threat to the peace. If we had not done so previously we might, as suggested earlier, seek appointment of a UN fact-finder as a deterrent.

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2. In the event of attack, for reasons of principle and because of our commitment to the Portuguese we would have to take action against Indonesia in the UN. That action could appropriately follow the Goa model of support for a resolution calling for an immediate cessation of hostilities, withdrawal of Indonesian forces, and discussion between the parties to work out their differences. We ought to avoid, however, deliberately dramatizing the affair by making it appear as a threat to the very existence of the UN as we did in the case of Goa. As prior discussion has suggested, it is wrong to view it as that kind of situation. Nothing is accomplished by such action and much damage may be done. Much of the damage may be within the U.S. itself where such a posture will further undercut the prospects for aid which is essential to maintenance of long-run U.S. influence in Indonesia.

3. It was sometimes suggested in connection with West New Guinea that U.S. military forces (or an international force) be interposed to prevent military action by the Indonesians. In the case of Timor such action could be militarily effective, if at all, only if taken well in advance of an attack. Even then it is questionable whether it could be effective since Indonesian forces already in Timor are estimated to outnumber Portuguese forces (not including native Timorese forces) and these Indonesian forces are likely to be built up further before an attack. There is, moreover, some question about the loyalty of the Portuguese forces. Politically, of course, such military action by the U.S. would be disastrous to our influence in Indonesia and, to a lesser extent in the rest of the Afro-Asian world. Our aide-memoire to the Portuguese clearly, if implicitly, indicates that we will not provide military support. It is suggested above that this point be made somewhat more explicit.

4. In the event of an "uprising" in Ocussi and the establishment of a liberation government which then appealed to Indonesia for overt assistance we would be placed in an exceedingly difficult position. Perhaps the best tactic would be the dispatch of a representative of the UN who could serve as fact-finder and "presence". The initial stated objective should be to make recommendations for dealing with the immediate situation, but it would be desirable to make his terms of reference broad enough (and to encourage) a general

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examination of the Portuguese Timor problem. Would some kind of general UN responsibility for the development of Timor under these circumstances be acceptable to the Portuguese? Could Indonesia view a UN presence as a useful transitional arrangement? It is difficult at this remove to foresee the pattern of a possible solution for this kind of contingency within a contingency.

S/P:RHJohnson
February 4, 1963.

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