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Indonesia's Foreign Policy: Implications of Seeking a Higher Profile



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An Intelligence Assessment

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*EA 85-10165
September 1985*

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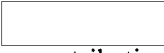



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Indonesia's Foreign Policy: Implications of Seeking a Higher Profile

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An Intelligence Assessment

This paper was prepared by  Office
of East Asian Analysis, with a contribution from
 Office of Central Reference.

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directed to the Chief, Southeast Asia Division,
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Key Judgments

*Information available
as of 5 September 1985
was used in this report.*

Over the past two years, Indonesia has undertaken a more aggressive foreign policy in an effort that we believe reflects a desire for a more prominent role in international politics, a return to "normalcy" following years of semiseclusion, and an attempt to redress major economic setbacks resulting from a soft world oil market and the global recession. Jakarta has:

- Improved trade relations with China, the USSR, and Eastern Europe.
- Arranged talks between ASEAN and Hanoi on the Cambodian issue.
- Stepped up participation in multilateral organizations.
- Hosted several prominent international conferences to bolster its image as a leader in the Third World.

In the coming months, Jakarta almost certainly will take other steps to boost its nonaligned credentials. We believe its ambition to enhance its prestige in the Third World and to demonstrate publicly that it is not a client of the West—particularly the United States—could lead it to become more aggressive in championing LDC causes, such as promoting access to developed country markets and disarmament.

Nevertheless, we do not believe Jakarta's recent moves foreshadow a major shift in its efforts to project an image of evenhandedness in its approach to East-West issues or its pragmatic approach to economic affairs, at least as long as President Soeharto remains in office. Indonesia's regional political interests have broadly paralleled those of the United States, and Soeharto appears intent on maintaining solidarity with ASEAN in dealing with Vietnam about Cambodia. Further, Indonesian authorities privately admit that they look to the US defense umbrella for protection against potential external threats.

Jakarta's intense distrust of Moscow and Beijing means that it will try to restrain Soviet and Chinese influences both domestically and in Southeast Asia. Indonesian officials continue to regard China as the region's primary security threat in the long term, and, despite some thaw in relations with Beijing, we believe political relations will improve only gradually. Trade with both Eastern Europe and China will probably increase as a result of recent initiatives, but the prospects for substantial gains are constrained by hard currency limitations in the Communist countries and Indonesian lack of interest in barter.

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In the longer term, Indonesia's Third World aspirations, strong sense of nationalism, and concentration of decisionmaking in a narrow elite could incline a successor to Soeharto toward a foreign policy course more independent of the West. In the meantime, Jakarta will settle for image building by hosting noncontroversial meetings of international forums and increasing its participation in these bodies.



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Figure 1
Association of Southeast Asian Nations (ASEAN)



Boundary representation is not necessarily authoritative.

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**Indonesia's Foreign Policy:
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The New Assertiveness

Jakarta submerged itself in a protracted period of low-profile foreign relations in the late 1960s following the political and economic upheaval of the Sukarno era. President Soeharto concentrated on domestic issues—promoting economic development and maintaining political stability. Foreign relations under Soeharto initially consisted largely of rebuilding economic ties to the West as a source of development assistance, foreign investment and technology, and access to commercial markets. Soeharto veered away from Sukarno's flamboyant Third World polemics, "froze" relations with China—a rejection of Sukarno's flirtation with Beijing—and played down dealings with Moscow.



with China serves national economic interests, and in the past year Indonesian security officials—almost certainly at Soeharto's urging—one by one have ended their opposition to direct trade. According to the US Embassy, Indonesian trade officials hope dealing directly will save the cost of using middlemen in Hong Kong and Singapore to conduct trade with China—estimated by the Indonesian Chamber of Commerce at \$750 million annually. In addition, Jakarta hopes to increase substantially its sales of plywood, cement, and primary commodities to China.

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During the same period Jakarta also has demonstrated a new approach to Moscow.¹ Soeharto called for better ties to the USSR and East European countries in his August 1984 National Day speech.

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Recently, however, Jakarta has undertaken a more aggressive stance in what it has traditionally termed a "free and active" foreign policy. We believe the new focus in part reflects Soeharto's growing self-assurance as a national leader who has made substantial gains in domestic economic development in the last five years and maintained domestic stability following the tumultuous Sukarno era. We believe it also reflects his strong desire to add the role of statesman to his political legacy by participating more actively in the international arena. Finally, as the financial boom of the OPEC price runups of 1973-74 and 1979-80 has dissipated, the Soeharto regime appears sufficiently hard pressed economically to cultivate trade relations with both China and the Soviet Bloc in an effort to diversify trade and promote Indonesia's nonoil exports.



Since 1983, exchanges of high-level trade and diplomatic delegations with the USSR have increased. Mochtar's visit to Moscow last year was the first by an Indonesian foreign minister in a decade. In May 1984 Indonesia reopened to Soviet merchant vessels four ports that had been closed since the 1982 expulsion of several Soviet officials for espionage. Indonesian officials have relaxed visa requirements for East

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A Different Profile on East-West Issues. Potentially, Soeharto's most significant foreign policy initiatives are his tentative steps since early 1984 to renew direct contacts with Beijing. Soeharto, for example, met briefly, but publicly, with Chinese Foreign Minister Wu during the April 1985 Bandung Conference—the first visit by a high-level Chinese official since relations were frozen in 1967. Soeharto has promoted a consensus among Jakarta officials that direct trade

¹ Moscow for many years has sought to improve economic and cultural relations through increased offers for joint commercial ventures and favorable loans to finance trade.

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Jakarta's Basic Orientation

Under Soeharto's rule, Jakarta's approach to foreign relations has been pragmatic, moderate, low profile, and quietly pro-West. In addition, Indonesia's economic ties are overwhelmingly to the West and Japan:

- *Indonesia has earned a reputation as a moderating influence in Third World circles—its diplomats frequently working behind the scenes to build consensus and compromise. Jakarta champions a practical approach to Third World causes, shies away from controversial issues, opposes politicization of international conferences, and often strives to tone down anti-Western rhetoric. The Soeharto government avoids dealing closely with groups or governments it considers radical, such as Cuba and Nicaragua. Dealings with Yasir Arafat, for instance, are polite, but Jakarta refuses to allow the PLO to open a local office. Jakarta appears to enjoy the esteem of a number of Third World capitals for its political moderation in the international arena. Occasionally, however, its reluctance to denounce such actions as the Soviet invasion of Afghanistan irritates Third World partners.*
- *Jakarta is cautious about participating in international meetings with a superpower orientation—East or West. Recently, for instance, security officials canceled a youth delegation's participation in a Jamaican conference, apparently concerned by its pro-West focus. To a degree, this posturing is*

intended to enhance Indonesia's nonaligned image. In its concern not to appear anti-Soviet, Indonesia usually soft-pedals criticism of Moscow, as when it quietly expelled a Soviet attache for espionage in 1983. In practice, however, Indonesia is deeply distrustful of Soviet and Chinese intentions.

- *The focus of Indonesia's foreign relations is regional, particularly its role within ASEAN. Diplomatic and military contacts with other ASEAN members are frequent and cordial, and these generally supportive relations enhance Jakarta's prestige and diplomatic leverage in other international forums. By virtue of its strategic location and being the largest nation in Southeast Asia—with a population of 170 million—Indonesia considers itself entitled to regional leadership. Reinforcing this perception is a strong ethnocentric bias of Indonesia's dominant Javanese.*
- *As the world's most populous Islamic nation, Indonesia maintains multiple political and religious ties to the Middle East. As a moderate in the Islamic Conference and in OPEC, Jakarta strives for cordial relations with fellow Muslim nations by being supportive on Middle East issues and by seeking to mediate disputes. In addition, Jakarta conducts a substantial labor export program with the Middle East, particularly with Saudi Arabia.*

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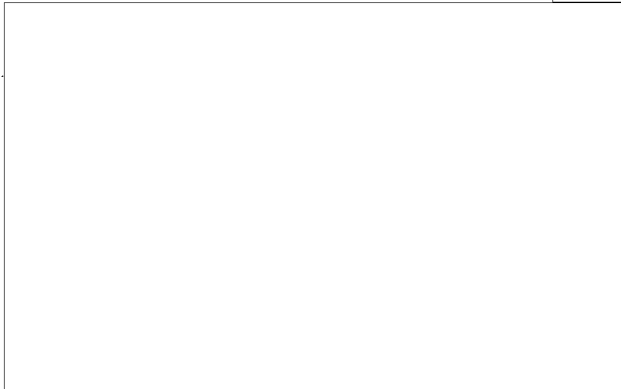
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European commercial representatives and recently agreed to permit Czechoslovak National Airlines to begin weekly flights to Jakarta. [redacted]

At the same time, Jakarta is positioning itself to champion more forcefully nuclear and disarmament issues in international—particularly Third World—forums. Soeharto has stressed superpower disarmament and nuclear arms control in a number of recent speeches, and in recent months Mochtar has repeatedly encouraged international support for Indonesia's proposed regional Nuclear-Weapons-Free Zone (NWFZ)—a condensed version of ASEAN's long-standing Zone of Peace, Freedom, and Neutrality (ZOPFAN) concept. Mochtar has also indicated Jakarta's participation in the upcoming International Disarmament Conference Preparatory Committee and a possible bid this year for chairmanship of the UN General Assembly Disarmament and Security Committee. [redacted]

Pursuing Third World Ambitions. Another major thrust of Jakarta's reinvigorated foreign policy is to enhance its stature as a leader among the Third World, and Soeharto himself appears to be behind these efforts. According to the US Embassy, Soeharto's keynote address at the 30th anniversary of the Bandung Conference in April 1985 was clearly intended to enhance his prestige by minimizing contentious issues such as Afghanistan and Cambodia. [redacted]



Jakarta is building on its successes at Bandung by more openly expressing to US and other foreign diplomats its interest in eventually chairing the Non-aligned Summit. Mochtar recently admitted to US Embassy officials that Jakarta wants the Nonaligned

Movement chairmanship, but that Soeharto remains reticent about making an open bid for the position, preferring to be drafted by a consensus of nonaligned members. The US Embassy [redacted] report that Mochtar has begun to seek backing for Indonesia's candidacy. Jakarta, we believe, would have to lobby intensively between now and the September 1986 Nonaligned Summit in order to chair the 1989 summit. [redacted]

Undertaking Regional Initiatives. Soeharto appears to share the concern of some of his subordinates that protracted confrontation with Hanoi undercuts ASEAN interests by isolating Vietnam and driving it ever closer to the Soviet Union, and simultaneously reinforces Chinese influence in the region. Jakarta has thus refrained from formal ASEAN military aid to the Cambodian resistance, and Soeharto has allowed Mochtar, Armed Forces Commander Murdani, and the Center for Strategic and International Studies (CSIS)—a quasi-official think tank—substantial leeway in maintaining a dialogue with Hanoi in order to explore initiatives for settling the Cambodian issue. Mochtar in particular has recently pursued initiatives—his so-called new dimension, which envisages stepped-up US-Vietnamese cooperation to clear up the MIA issue and normalized relations following a Cambodian settlement—to break ASEAN's impasse with Hanoi. Although Indonesia is ASEAN's designated "interlocutor" with Vietnam, some of Jakarta's initiatives and statements—such as Murdani's remarks that he believed Hanoi's claims about withdrawing from Cambodia—irritate some other ASEAN capitals, particularly Bangkok, leading them to doubt Jakarta's reliability [redacted]

The Foreign Policy Apparatus

The precise shape of Jakarta's "new look" in foreign policy is a reflection of Soeharto's dominance as president and the interaction among his key deputies—particularly the intense rivalry between Foreign Minister Mochtar and Armed Forces Commander

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Domestic Political Imperatives

Any Indonesian regime must appear mindful of popular sensitivities in conducting foreign relations. Jakarta's nonaligned orientation, in particular, enjoys broad support from a majority opposed to appearing too close to either superpower. US Embassy officials report that activist elements have criticized Jakarta for working too closely with Washington. [redacted]

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Jakarta's moderate diplomatic style appeals to Javanese cultural imperatives of avoiding both extremism and open confrontation. Some 90 percent of the population is at least nominally Muslim—predominantly Sunni, as opposed to the more radical Shiite sect. Although the moderate mainstream rejects the radicalism of Iran and Libya, it feels a degree of religious fraternity with Muslim countries of the Middle East—a sentiment the regime cannot afford to ignore [redacted] for instance, Foreign Department officials maintain pro-Palestinian positions in the United Nations—thus often taking anti-Israeli stands—in part for fear of provoking domestic reaction. Jakarta is under no pressure from its conservative, anti-Communist Muslim masses to reestablish ties to China. Indeed, Soeharto's cautious approach to improving ties may in part be to avoid reawakening popular suspicions of Beijing and widespread resentment of Indonesia's financially powerful ethnic Chinese minority.

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[redacted]

Murdani. The policy inclinations of Soeharto, Mochtar, and Murdani, in turn, reflect Indonesia's economic ties to the West and the basic conservatism of the Armed Forces—the country's dominant political force. [redacted]

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The Preeminence of Soeharto. As a now retired general who came to power as head of the Army's Strategic Command, Soeharto shares the military's foreign policy views, particularly its deep-seated anti-Communism, suspicion of China and the Soviet Union, wariness of Third World and Muslim radicalism, strong sense of nationalism, and sensitivity to perceived slights and foreign meddling in Indonesian

internal affairs.² Although mindful of military sensitivities, Soeharto is not hostage to them. Such recent initiatives as coaxing security officials to relax their veto of direct trade with China and cracking down on corruption and inefficiency in the ports and customs service—formerly a financial fiefdom of the military—demonstrate Soeharto can move confidently against established institutions when he sees vital national interests at stake. [redacted]

Soeharto's style of decisionmaking is an important component of the foreign policy process. He retains ultimate authority over foreign policy and, although he allows his deputies substantial leeway to maneuver and express their often opposing viewpoints, no significant decisions are made without his approval. Often working behind the scenes in what some US academic observers call a "puppet master" style, Soeharto manipulates his deputies and competing institutional interests against each other to keep them off balance and to reinforce his own position. This style occasionally gives outsiders the impression of serious disarray in Jakarta's foreign policy—an impression compounded by the frequent overlap of personal and bureaucratic responsibilities and the thin veneer of talent at the top of the bureaucracy. [redacted]

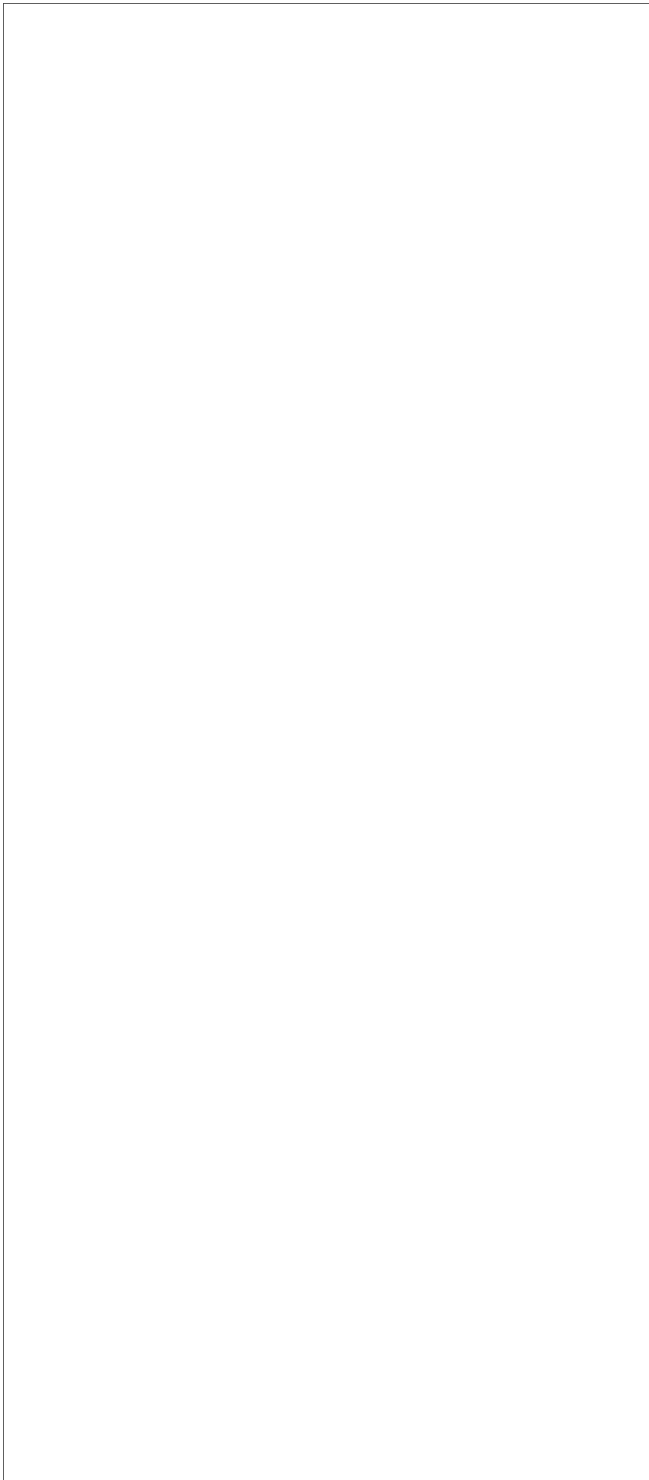
The Foreign Department—Military Rivalry. Ostensibly Jakarta's official spokesman for foreign policy matters, Mochtar—a civilian and Soeharto's foremost deputy for foreign affairs—actually has limited authority. Mochtar sometimes finds himself out of step with the palace because of Soeharto's manipulative style and frequent lack of clear instructions, as well as Mochtar's own tendency to get out ahead on initiatives. [redacted]

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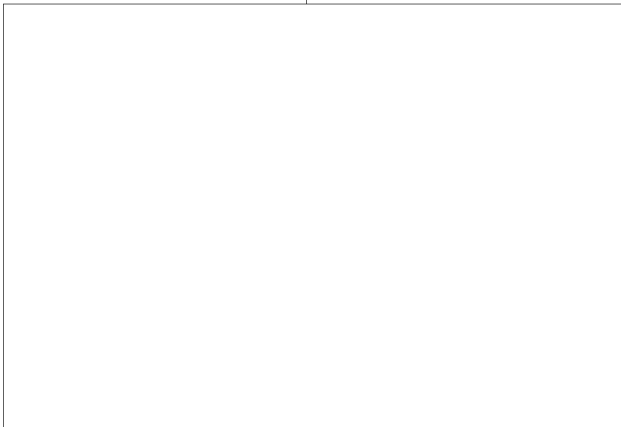
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Murdani is the spearhead for the military's viewpoint. He is a forceful spokesman who is frequently—and often publicly—at odds with Mochtar. To demonstrate his own authority and difference of view, Murdani occasionally tries to best Mochtar on a wide range of issues, including Vietnam, relations with China, foreign access to East Timor, and border relations with Papua New Guinea. [redacted] 25X1



Although neither the Foreign Department nor the Armed Forces (ABRI) can unilaterally dictate Jakarta's foreign policy, ABRI has near-veto authority when national security interests are involved—a power it uses to rein in the Foreign Department and other civilian agencies, particularly in their contacts with Communist governments.⁴ [redacted] 25X1



The major points of contention between ABRI and the Foreign Department, however, continue to be China and Indochina. Murdani and many of his colleagues in the military see Vietnamese dominance 25X1

⁴ ABRI's influence extends from the highest levels of policy formation down to the working level. The access of senior military officials to Soeharto reinforces their foreign policy influence, as does the assignment of ABRI personnel to the diplomatic service. Military officers are consistently appointed as ambassadors to key countries such as the United States, other ASEAN members, South Korea, and Japan. [redacted] 25X1

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of Indochina as Hanoi's natural right and a fait accompli. Murdani minimizes the Vietnamese threat to Southeast Asia and [redacted]

[redacted] is emphatic that Hanoi poses no danger to Indonesia. He disparages ASEAN efforts to dislodge Vietnam from Cambodia as encouraging continued Soviet presence in Vietnam and harmful to concentrating on the real threat to the region—China—and argues for ASEAN-Vietnamese accommodation in order to counter China. Mochtar and the Foreign Department, on the other hand, downplay the China threat—seeking eventual restoration of diplomatic relations with Beijing—and seek to lead ASEAN in negotiating a Vietnamese settlement on Cambodia. [redacted]

US Embassy officials report Mochtar is under heavy domestic pressure to show progress in resolving the Cambodian problem or risk Soeharto's giving greater sway to the military's views. Mochtar's countermoves to this pressure probably contribute to his alternating between courting and chastening Hanoi, depending on its responsiveness to his initiatives. Recently, the Foreign Department appears to have reversed itself and is playing down the urgency of reaching agreement with Hanoi. In recent press remarks, Mochtar reaffirmed Jakarta's solidarity with ASEAN and squarely blamed Hanoi for the lack of progress—a

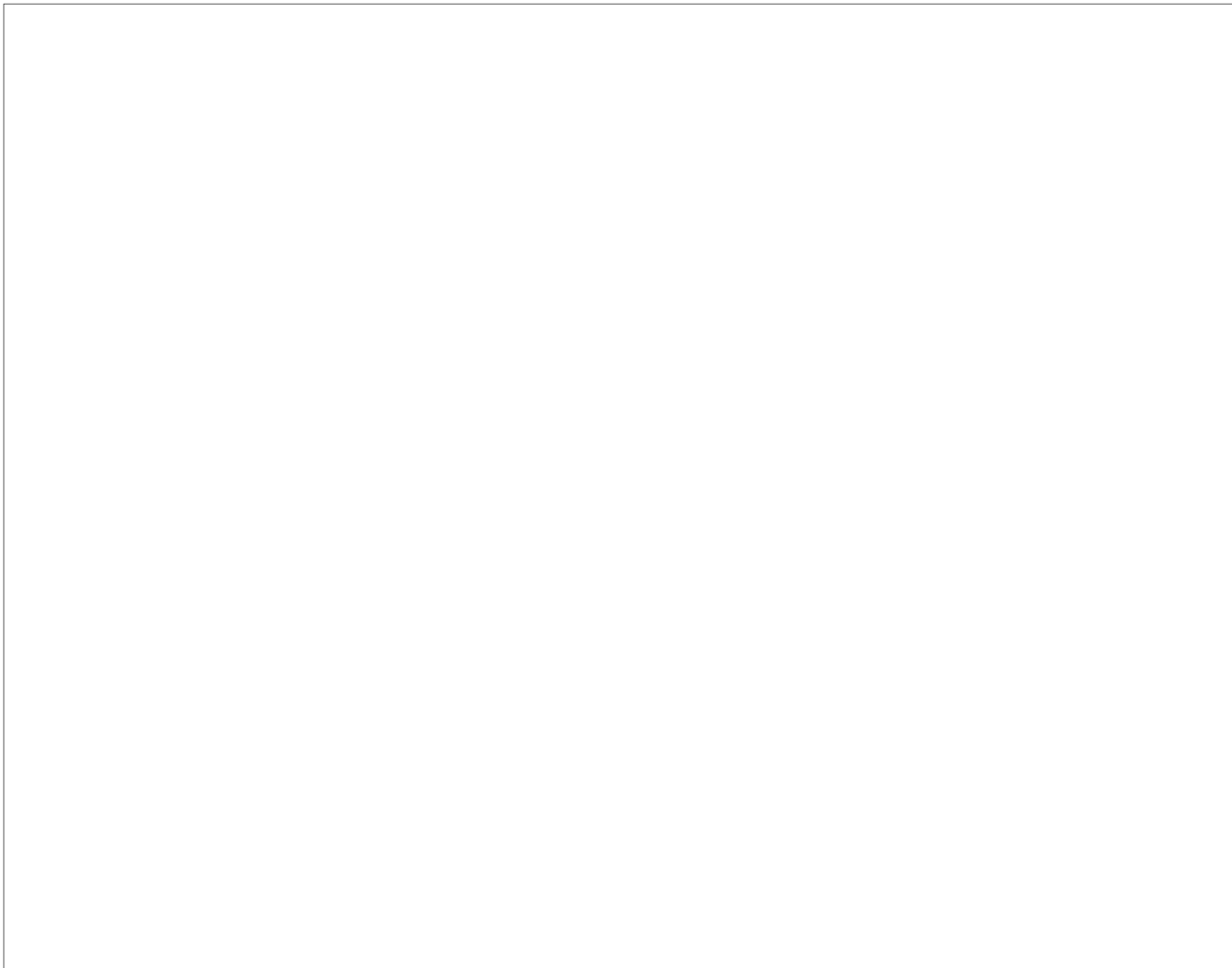
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move probably intended to undercut Murdani's accommodating remarks about Vietnam. Despite his apparent zigs and zags, we agree with US Embassy expectations that Mochtar will continue to push for breakthroughs to protect his image in ASEAN and at home—through proposals such as normalization of US-Vietnamese relations and MIA negotiations—to create at least the impression of progress in dealing with Hanoi. [redacted]

Other Players. Other participants in Jakarta's foreign policy process include the military's National Defense Institute and the more prominent Center for Strategic and International Studies, which has close ties to the

senior military intelligence leadership. Jakarta frequently uses CSIS to make diplomatic contacts, to host high-level seminars, to prepare policy studies, and to float the government's tentative proposals to gauge reaction. [redacted]

[redacted] CSIS's influence has apparently declined somewhat since it was headed by the late Ali Moertopo—former Chief of Intelligence, Information Minister, and longtime key member of Soeharto's inner

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circle. It is now headed by Sujono Humardani and Lim Bian Kie (an ethnic Chinese known also by his Indonesian name, Yusuf Wanandi, who also has demonstrated the ability to influence key decision-makers, including the palace). Lim serves as an intermediary between the Indonesian Government and the military, business, and intellectual communities, and frequently meets with US officials in Jakarta and Washington. [redacted]

Soeharto's ambitions for a higher international profile will lead Indonesia in the next few years to become more outspoken on popular Third World concerns—such as access to developed country markets, technology transfer, encouraging more foreign economic aid, and disarmament.⁶ Jakarta will be at pains not to appear to be a client of the West, and may be somewhat more inclined to take stands intended to demonstrate its independence. [redacted]

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State Secretary Sudharmono, Technology Minister Habibie, and Trade Minister Saleh exercise substantial influence on foreign economic relations.⁵ Although they do not participate directly in foreign policy formulation, their close ties to Soeharto and their broad institutional authority over foreign commercial investment, trade, government spending, industrialization policy, and technology transfer give them significant discretionary authority over Indonesia's foreign business dealings. All three men are friendly toward the United States. [redacted]

As Jakarta becomes more active internationally, we believe it will continue to promote an image of balance and nonconfrontation, largely for economic reasons. For the near future, Indonesia will remain heavily dependent on foreign markets and external sources for investment, technology, skilled manpower, and military equipment and supplies. On the other hand, Indonesia will probably be disappointed, in our judgment, about the growth of economic relations with Communist countries. Trade with the USSR, Eastern Europe, and China together now accounts for less than 5 percent of Indonesian exports, and we believe it is unlikely to reach significant levels soon. Jakarta will probably find China to be as much a trade competitor as a trade partner, especially in products such as textiles. Some Indonesian trade officials fear that China will be more attractive to foreign investors, and petroleum officials in Jakarta are concerned that China will become a major competitor for Asian oil markets. [redacted]

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Looking Ahead: Continuity Under Soeharto

Soeharto's future plans for a more prominent personal role on the world stage will depend heavily on international receptivity to his initial performance. His low-key style probably will handicap him with international audiences accustomed to more dynamic spokesmen.

[redacted]

In addition, Soeharto's middle-of-the-road approach may draw broad backing initially from nonaligned states, but it could quickly fade if he fails to produce clear gains for the Third World. We believe Soeharto may forgo his ambitions if response to him from Third World leaders is unenthusiastic. [redacted]

Despite initial contacts and upgraded trade relations, we do not anticipate resumption of diplomatic relations with Beijing in the near future. Soeharto, [redacted]

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[redacted] continues to separate trade from diplomatic normalization. In recent remarks to visiting Prime Minister Thatcher of the

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Nonetheless, as long as Soeharto remains President, we anticipate that Jakarta's priority on protecting its standing among the Third World mainstream and

⁶ Even if Soeharto were to leave the scene unexpectedly, we would expect his successor—most likely a Javanese Muslim general, such as State Secretary Sudharmono, but possibly Murdani, a Catholic—would continue such a course, at least initially. Over the longer term, the succession is more in doubt, and thus it is more difficult to predict the direction of foreign policy. [redacted]

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United Kingdom, Soeharto reiterated his longstanding position that Beijing must publicly renounce support for the Communist Party of Indonesia as a precondition to restoring diplomatic relations—a demand the Chinese say they will not meet.⁷ Although the Indonesian military has acceded to direct trade ties to China for national economic interests, US Embassy reporting indicates Murdani remains adamantly opposed to any broader relationship, probably because of his fears of China as an external threat and his concern about Indonesia's ethnic Chinese minority as an internal threat to stability. Even Foreign Department officials—intent on reestablishing full diplomatic relations with China—concede they must progress slowly and in stages to accommodate the opposition of the military. Relations may improve through cultural and sports contacts, and Jakarta will continue to get around the lack of formal relations with Beijing via ad hoc contacts in third countries and at the United Nations. [redacted]

Prospects for substantially improved economic or political relations with the USSR also are limited, in our judgment. Out of concern for domestic security, Indonesian authorities continue to oppose any programs that would substantially increase the presence of Soviet and East European personnel. Jakarta's exchange of diplomatic and trade delegations with Eastern Europe have produced only limited trade agreements and appear largely intended to affirm Indonesia's nonaligned image. Indonesian trade officials have been dissatisfied with previous barter arrangements and consider their East European counterparts inflexible in trade dealings. [redacted]

Soeharto and Mochtar will have to build further consensus both domestically and among ASEAN before effectively pushing ahead with nuclear and disarmament issues. Mochtar's Nuclear-Weapons-Free Zone proposal, for instance, lacks broad domestic or regional support and is unlikely to make substantial progress as it now stands. In remarks to

⁷ Possibly to signal to domestic observers that it is not relaxing its hard line against Communism, Jakarta recently executed several long-imprisoned former Indonesian Communist Party activists sentenced to death in the early 1970s for participation in the 1965 coup attempt. [redacted]

US officials, senior Indonesian military officers indicate they oppose the NWFZ concept, disparaging it as Mochtar's initiative, and authorities in several other ASEAN capitals have expressed similar skepticism of the proposal. Indonesian diplomatic and defense officials concede that an NWFZ is a long-term goal that would have to accommodate the defense ties of Thailand and the Philippines to the United States, and, at any rate, regional states could not unilaterally curtail passage of nuclear-powered or -armed naval vessels in international waters. [redacted]

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Relations With the United States. We do not anticipate a significant change in Indonesia's basically positive assessment of its relations with the United States in the near term. Indonesian authorities privately admit that they look to the US defense umbrella for protection against such potential adversaries as Vietnam, the Soviet Union, or China. They likewise look to Washington as a preferred source of military equipment and are currently negotiating procurement of F-16s. Nonetheless, Jakarta remains steadfastly opposed to any overt military relationship that would compromise its nonaligned image. In addition, some senior military officials—in particular Murdani—question Indonesian reliance on US defense technology and the applicability of US military doctrine to Indonesia's Armed Forces, which remains concerned with defending an archipelago against external threats and continues efforts to contain insurgencies in Irian Jaya and East Timor. [redacted]

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Jakarta has its differences with Washington. Indonesian authorities have repeatedly complained to US officials over what they see as preferential treatment for China on a variety of issues. Indonesian authorities, for example, have expressed concern about US assistance for China's military modernization, particularly technology that could enable Beijing to project force in the region. On the other hand, the Soeharto regime's pragmatic interest in continued good political and economic relations with the United States will probably remain paramount over these concerns and Third World polemics, and we believe it will limit direct criticism of US policy. [redacted]

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Figure 2
Timor's Regional Setting



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Appendix

East Timor and Other Regional Stumblingblocks

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Jakarta undercuts its aspirations to regional leadership and good relations by its frequently condescending approach to its neighbors and heavyhanded domestic security policies. Efforts to counter international reaction to Indonesia's 1975 invasion and subsequent annexation of Timor Timur (East Timor), in particular, have disproportionately preoccupied Indonesian diplomats and irritated Jakarta's relations with Australia and a number of African and West European nations.⁸ Jakarta has dampened criticism of Moscow over such controversial issues as Afghanistan, in part to ensure the Soviet Bloc's continued abstention on the East Timor issue in UN committees and the General Assembly. Similarly, Jakarta has gone along with Syria and other Arab Middle East initiatives as a trade-off for their votes in the United Nation on East Timor. The issue has become mired in Third World polemics beyond the control of Indonesia and Portugal.

Several radical African and Middle Eastern countries, in particular, are reluctant to let Jakarta and Lisbon resolve it between themselves.

We believe Indonesia will have to resolve East Timor as an issue in the United Nations before it can effectively promote itself on the world and regional stage. Growing Indonesian confidence about internal conditions in East Timor is prompting authorities to permit greater access by diplomats and journalists in an effort to move the issue off the agendas of the

⁸ Apprehensive of East Timor's vulnerability to external influences in the wake of Portugal's decolonization, Indonesian forces invaded in December 1975 and Jakarta declared East Timor a province in July 1976. In an effort to pressure Indonesia to conduct a referendum on self-determination, Portugal introduced censures in the United Nations that are still pending and have become an annual diplomatic hurdle for Jakarta in the General Assembly. For several years the Indonesian military waged an intense counterinsurgency campaign against the Revolutionary Front for an Independent East Timor (Fretilin) and an estimated 100,000 Timorese died as a result of hostilities and starvation. Sporadic fighting with Fretilin continues

United Nations and other international organizations.

Jakarta's quiet negotiations with Lisbon have contributed to a more cooperative atmosphere.

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Elsewhere in the region, mutual suspicions, fueled by ethnic tensions and its own condescending attitude, continue to undermine Jakarta's relations with bordering Papua New Guinea. The Indonesian military effectively dictates policy in the border province of Irian Jaya—the western half of New Guinea absorbed by Indonesia in 1963—often disregarding Papua New Guinean sensitivities and thwarting Foreign Minister Mochtar's efforts to improve relations with Port Moresby. Indonesian military operations against residual insurgents and resettlement of Javanese into the relatively empty province distresses the native Melanesians and continues to drive refugees into Papua New Guinea. Last year some 10,000 refugees fled across the border.

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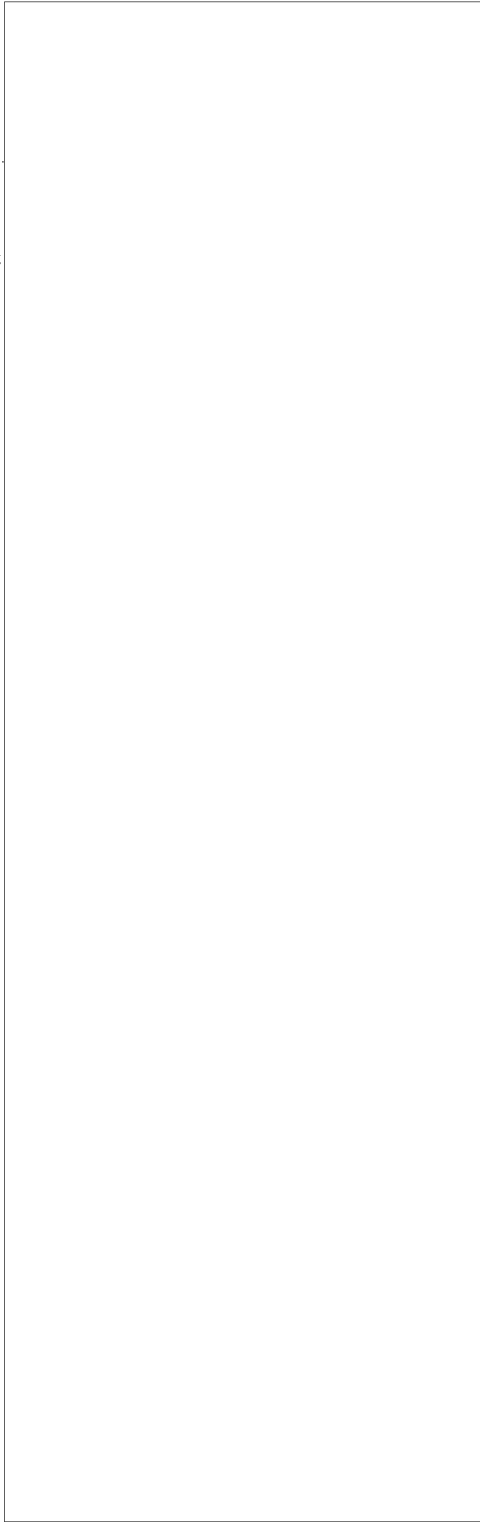
Diplomatic relations between Indonesia and Australia are generally cordial, but are vulnerable to frequent differences arising from such issues as Jakarta's heavyhanded approach to maintaining domestic order, its policies in East Timor, and criticism of Indonesian policies in the Australian media. There is strong public interest and sympathy in Australia for what are seen as small ethnic cultures threatened by Indonesian dominance in Irian Jaya, Papua New Guinea—a former Australian trusteeship—and East Timor, and there is intense distrust of Jakarta's intentions and policies, particularly within the Australian Labor Party. For its part, Jakarta is quick to resent any Australian criticism—official or in the media—as outside meddling in Indonesia's internal affairs.

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Jakarta also draws criticism from international organizations and governments in the region and beyond that regard some of its approaches to social and domestic order as repressive. Recent criticism has targeted such issues as transmigration, the suppression of crime by executing criminal suspects without trial, the execution of several long-jailed Communist activists, and restrictions on domestic labor and legal aid groups. Amnesty International recently published a detailed study critical of Jakarta's policies in East Timor. In addition, the Soeharto regime's efforts to suppress Islam as a domestic political force make it increasingly vulnerable to criticism from other Muslim nations. [REDACTED]



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