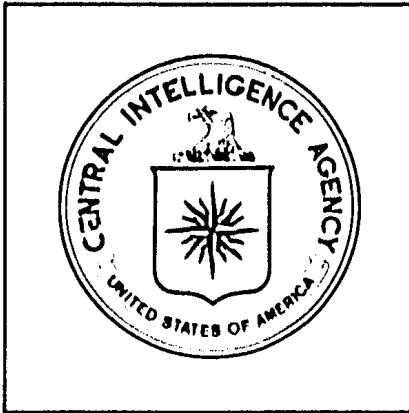


25X1

Approved For Release 2005/07/01 : CIA-RDP86T00608R000300110003-5

Approved For Release 2005/07/01 : CIA-RDP86T00608R000300110003-5

**Top Secret**



# STAFF NOTES:

## East Asia

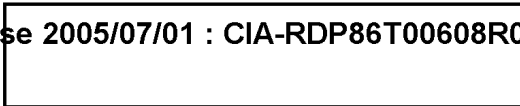
**Top Secret**

140

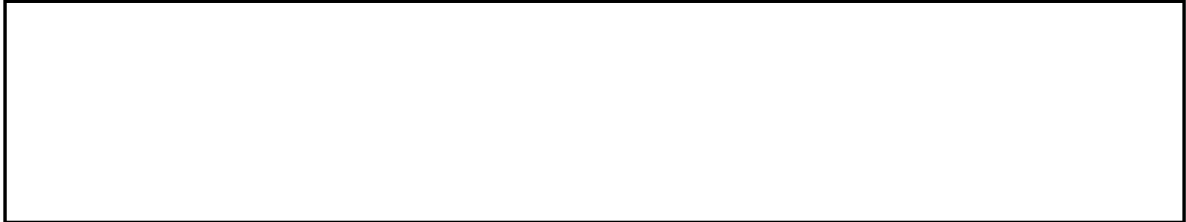
25X1

Approved For Release 2005/07/01 : CIA-RDP86T00608R000300110003-5

Approved For Release 2005/07/01 : CIA-RDP86T00608R000300110003-5



EAST ASIA



CONTENTS

February 10, 1975

SOUTHEAST ASIA

Indonesia's Timorous Aspirations. . . . .	1
Malaysia: A Fettered Press . . . . .	7

NORTH ASIA

South Korea: Pak's Referendum. . . . .	9
--	---



## SOUTHEAST ASIA

## Indonesia's Timorous Aspirations

25X1

Portuguese Timor, a long-neglected stock in Lisbon's imperial portfolio, may soon become the focus of international attention and the cause of some diplomatic embarrassment. Changes of government in Lisbon since last April have had repercussions in Dili, capital of the Portuguese overseas province, and in Jakarta, which controls the other half of the island. In June, Portugal proposed a plebiscite in Timor in March 1975 on the colony's future status. This announcement stimulated a flurry of political activity in Timor and reawakened fears in Jakarta that the colony would become a gateway for subversive activity directed at Indonesia.

Jakarta's concerns about the stability of a prospective independent state on Timor are well founded, for the colony is hardly a viable candidate for self-rule, either economically or politically. Once the source of a lucrative sandalwood trade, Timor today produces a little coffee and copra for export but has been an economic liability for Lisbon for years. While some day Timor may provide limited revenue from oil and tourism, its land is poor and unable to support more than subsistence farming, and rich fishing grounds nearby are controlled by Jakarta. Portuguese Timor has a population of some 600,000 in an area of 7,000 square miles. About 20,000-25,000 of the residents are literate, but few have graduated from high school. Many of the educated are from the Chinese community of some 6,000, which dominates the colony's economy. There are also a few hundred permanent Portuguese residents and about 1,000 soldiers sent from Lisbon.

An independent Timor state, cut off from current Portuguese subsidies, would need new foreign

February 10, 1975

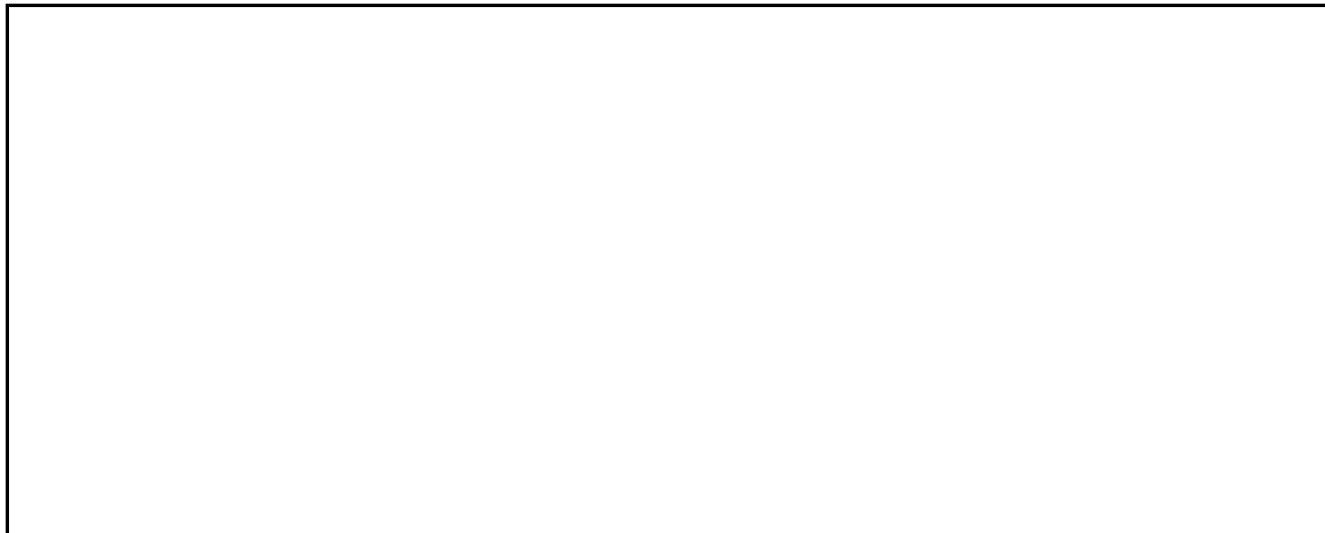
sponsors, and Jakarta fears it would fall prey to blandishments from the Soviets or Chinese. Even if Timor avoided becoming a communist puppet, Jakarta believes that the regime would be unstable and thus attract a great deal of Communist attention. Indonesia also worries about the possibility that Timor might become a way station for illegal Chinese immigration into Indonesia via the long-standing Portuguese ties between Macao and Timor.

Jakarta's near paranoia about Timor is partly the result of the island's location far from the mainstream of Indonesian life in an area Jakarta knows little about and where it would have trouble detecting--much less controlling--subversive activities. Indonesia's leaders believe that independence is too risky a course, and most of them would support Indonesian absorption of the Portuguese colony by whatever means necessary.

25X1

February 10, 1975

-2-



Representatives of the pro-independence groups along with government officials and businessmen from Timor have gone to Lisbon to discuss the province's future. The governor of Timor referred to the group as a "constituent assembly," causing fears in Jakarta that Lisbon might recognize it as an interim government with authority to negotiate an independent Timor.

The Timor problem is compounded by ignorance in both Jakarta and Lisbon about each other's intentions and about the situation on Timor itself.

25X1



25X1

25X1

Jakarta has no permanent representative in Lisbon to assess Portuguese intentions or to lobby for Indonesian interests on Timor. Indonesia only recently decided to reopen diplomatic relations with Portugal after a 10-year hiatus.

25X1



February 10, 1975

Next 2 Page(s) In Document Exempt



Malaysia: A Fettered Press  
[REDACTED]

25X1

Until recently, Malaysia has escaped the unfavorable publicity sometimes given neighboring Singapore for suppression of the press. This situation has changed as a result of the Malaysian government's heavy-handed manipulation of the local press to advance its own distorted version of recent student unrest in Kuala Lumpur.

The Malaysian press, normally cowed and complaisant, meekly followed government orders in late November not to report that small rubber planters were staging protests against depressed economic conditions. Later, when students in the capital seized upon the rural disaffection to vent their own grievances against the Razak government some reporting was permitted, but the press was forced to blacken the student movement with unsubstantiated accounts of vandalism. Government officials also put out allegations that the Communist-leaning Chinese Language Society at the University of Malaysia had instigated the demonstrations, although in fact both the organizers and the participants were preponderantly Malay.

To justify stringent press controls, Kuala Lumpur argues that Malaysia's sensitive multi-racial make-up requires prohibitions against inflammatory reporting, and two pieces of legislation give the government extensive legal controls over the press. The Sensitive Issues Act, enacted in the wake of severe communal rioting in May 1969, makes the discussion of racially inflammatory issues a crime. The need for such curbs was widely accepted at the time, but public opinion has soured as the government has misused its authority to silence opposition politicians, particularly Chinese.

February 10, 1975

The second law is the Printing Presses Act of 1973, which requires newspaper publishers to be licensed annually by the government. Licenses can be withdrawn without any reason being given, and the government has repeatedly abused this power by suspending newspapers that support opposition political parties.

Another instrument for press control is the government-financed national news agency, Bernama. Since foreign news agencies are not permitted to supply local news to Malaysian papers and since few Malaysian newspapers have even national coverage, Bernama has captive customers. Government control is even more pervasive as a result of its controlling financial interest in the *New Straits Times*, the paper with the largest national circulation; various luminaries of the dominant United Malays National Organization also control other prominent papers.

Government control is facilitated by the media's reluctance to test the limits of the administration's forbearance. This, plus the government's growing tendency to see criticism, no matter how constructive or well-intentioned, as subversive, make prospects dim for a less fettered press.

The most recent abuse of press powers to slant reporting has reduced the credibility of both the government and the press. Independent-minded Malaysians, increasingly contemptuous of the subservient press, are now relying more on rumor for news. This public alienation is making the government's communication with its electorate more difficult and may make authorities--already testy over any questioning of their policies--increasingly insensitive to the public mood. In the absence of a strong political opposition to force it to consider other opinions, however, the government could in time follow an increasingly arbitrary course.

25X1

25X1 .

February 10, 1975

25X1

## NORTH ASIA

## South Korea: Pak's Referendum

25X1

The government has taken careful measures over the past two weeks to ensure solid endorsement of "the major policies of President Pak" in the national referendum scheduled for February 12. Pak's reasons for seeking at least the appearance of voter approval at this time are apparently tactical. He hopes to:

- Put his domestic opponents on the defensive; they had been planning a major anti-government campaign this spring.
- Lay the public relations groundwork for new suppressive measures if an opposition campaign materializes.
- Demonstrate to audiences at home and abroad--particularly in the US--that his opposition, though vocal, has relatively little support nationally.

The government program to assure Pak of his mandate has three main facets. The first is an all-out, though essentially conventional, effort to advertise the importance to the nation of Pak's leadership. This will be coupled with traditional political inducements, including bribes, to special interest groups. The second is an absolute prohibition on public presentation of opposing viewpoints.

25X1

February 10, 1975

A basic defect of Pak's referendum process, of course, is that it will solve none of his political headaches. His opponents will continue to demand limitations on his power, no matter what the final vote tally. [REDACTED]

25X1

February 10, 1975

-10-