

PRINTED: Thursday, February 13, 2003

CODEWORDS: NF

AT: 17:36



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~~TOP SECRET~~

OCA-00060-03

# Memorandum for the Record

KEY: C/2003-00131

**EVENT:** STAFF BRIEFING      **DATE:** 02/13/2003    **TIME:** 11:00    **STATUS:** SCHEDULED  
**PLACE:** 211      HART  
**FOR:** SSCI  
**SUBJECT:** INDONESIA

**ATTENDEES:**

<u>ASSOCIATION</u>	<u>NAME</u>	<u>ROLE</u>	
		SUPPORT	(b)(3)
		BRIEFER	(b)(6)
		BRIEFER	
SSCI	DUBEE, MELVIN	STAFF	
SSCI	DUHNKE, WILLIAM	STAFF	
SSCI	HENSLER, JAMES	STAFF	
SSCI	MELLON, CHRISTOPHER	STAFF	

**Executive Summary:**

(TS/NF) Senators Leahy, Gordon Smith, Allard and Akaka have made inquiries in recent days re the killings of t (b)(1)  
 Amcits at Freeport Mines in Papua, Indonesia on 31 August 02. Sen. Smith wrote a letter on his and Allard's behalf (b)(3)  
 (murdered Amcits were their constituents) to DCI requesting information.

it was arranged that a new briefing would be provided to  
 SSCI staff leadership who in turn would undertake to brief the concerned Senators. If necessary, CIA would also brief  
 the interested Senators but not their personal staffs. The original briefing was given to SSCI leadership (Senators  
 Graham and Shelby, Staff Dirs Cumming and Duhnke) on 16 Oct 2002; this briefing was necessitated due to leadership  
 turnover.

**Summary Text:**

(TS/NF) 1. Only SSCI Staff Dir Duhnke and Minority Deputy Staff Dir Dubee showed for the briefing.

[Redacted]

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(TS/NF) 2. [Redacted]

[Redacted]

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(TS/NF) 3. In November 2002, a Wash Post article pointed to the TNI Chief as being behind the attack. [redacted]

[redacted]

(TS/NF) 4. [redacted]

[redacted]

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(TS/NF) 5. [redacted]

[redacted]

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(TS/NF) 6. [redacted]

[redacted]

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(TS/NF) 7. [redacted] said that we stand ready to brief the Senators concerned. Duhnke and Dubee said they will brief them and hope to have the issue stop there. They will get back to us if necessary. The FBI investigation is still ongoing and there has not been any briefing of SSCI or other Senators on their investigation to date. The briefing ran 1105-

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OCA Liaison Officer  
13 February 2003

Orig - OCA Chrons [redacted]  
1 - DAC (OCA Records)  
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**Follow-up Action Items:**

**Additional Information:**

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UNCLASSIFIED//AIUO

*Dubule  
Hensler  
Mellon  
Subee*

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[Redacted]

Office: OCA

01/23/03 01:46 PM

To:  
cc:

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Subject: Indonesia briefing

*2 Senators  
No staff*

A group of 4-5 staffers from the Senate Appropriations Subcommittee on Foreign Operations would like to get a briefing on Wed. 29 Jan. at 1000 at the Capitol on the well-publicized killings of 2 Americans in Aug. 2002 in Papua, Indonesia. According to the staffers, the Americans were allegedly ambushed by members of the Indonesian military and they would like to get updated intel regarding those killings, the loyalty of the Indonesian military to the gov't, and the status of ability to provide security throughout the country.

The staffers have SI,TK,G clearance and brief status report on their investigation.

If this briefing is doable on this date, please advise the briefers and their ss#s by noon on the SW (Berlin Wall) exit.

If there is a scheduling conflict, contact the staffers. If you have any questions regarding this briefing, please contact the staffers.

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on the 29th from

ie. If you have any

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-FAX-



# GORDON H. SMITH

UNITED STATES SENATOR FOR OREGON

TO: DCI Tenet %

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OFFICE: CIA (Cong. Affairs)

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FAX NO.:

FROM: Senator Smith %

(b)(6)

PHONE:

(b)(6)

DATE: 2/7/03

PAGES (INCLUDING COVER SHEET): 5

NOTE:  looking forward to  
arranging this trip with you.  
Best regards   
(Thanks for  
your assistance!)

(b)(6)

404 RUSSELL BUILDING - WASHINGTON, D.C. 20510-3704

(b)(6)

GORDON H. SMITH  
OREGON

COMMITTEES:  
FINANCE  
COMMERCE  
ENERGY AND NATURAL RESOURCES  
RULES  
AGING  
INDIAN AFFAIRS

# United States Senate

WASHINGTON, DC 20510-3704

February 7, 2003

The Honorable George Tenet  
Director Central Intelligence Agency

Dear Mr. Tenet,

Thank you for [redacted] recent phone call in response to my request for a staff-level briefing relating to the ambush in Papua, Indonesia last August which resulted in the death of two American citizens, Mr. Ted Burgon of Oregon and Mr. Rick Spier of Colorado. This letter is intended to be responsive to your Agency's request that this request be reiterated in writing.

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I have been in close contact with the State Department since last fall regarding this incident, and, as you might expect, am greatly interested in how the joint U.S.-Indonesian investigation is proceeding. Senator Allard and I expect to receive a briefing from Assistant Secretary of State James Kelly in early March, while FBI officials are to brief key members of our staffs in the near future.

In following this matter, I have noted with interest accounts in the U.S. and foreign press (i.e., New York Times article, January 31, 2003, attached) that U.S. intelligence agencies have information with direct bearing on the culpability of certain parties who have been implicated in this crime. I would ask that you arrange a briefing for key members of my staff by relevant U.S. intelligence community personnel, which addresses, in essence, the voracity of these reports particularly as pertains to information held by, or available to, the U.S. intelligence community. I ask that the briefing also address in as much detail as possible the known or suspected motivations for the attack in question, prospects for bringing the perpetrators to justice, and any additional information regarding this case that your community believes may be of interest to me.

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Please have your staff work directly with [redacted] who can be reached at [redacted] or by fax at [redacted] to establish the time and venue for this briefing which I hope will take place at the earliest possible opportunity. Thank you in advance for your assistance in this important matter.

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Sincerely,



Gordon H. Smith  
United States Senate

## U.S. links Indonesian troops to deaths of two Americans

Jakarta - Bush administration officials have determined that Indonesian soldiers carried out a deadly ambush that killed two American teachers returning from a picnic in a remote area of Indonesia last August, senior administration officials say.

The conclusion, which follows a preliminary investigation by the Federal Bureau of Investigation, is likely to muddy relations between Washington and Jakarta.

Indonesia is the world's most populous Muslim nation, and the Bush administration has been trying to persuade its president, Megawati Sukarnoputri, to take a more aggressive stand against terrorism and to support Washington's policy on Iraq.

Last month, in a reflection of the administration's concern about the killings, President Bush secretly dispatched an influential emissary to tell President Megawati that the Indonesians must mount a serious investigation — with F.B.I. participation. The official, Karen Brooks, is the National Security Council's senior Asian specialist; she also has a deep personal and professional relationship with President Megawati.

Indonesian leaders tend to bristle at outside interference, and especially as the United States prepares for a possible war with Iraq, which the vast majority of Indonesians oppose. Even so, Ms. Brooks's mission seems to have been successful, at least in part. Two F.B.I. agents arrived in Indonesia last week to help in the investigation.

The Indonesian military has denied any involvement in the ambush, which also killed an Indonesian teacher and wounded eight Americans. But a report by the country's police force last year suggested that the military was behind the killings.

The two F.B.I. agents now in Indonesia are gathering evidence for the Justice Department in Washington, American and other Western officials in the region said.

"There is no question there was military involvement," said a senior administration official. "There is no question it was premeditated."

The administration official and diplomats from other countries said there was still a mystery about who ordered the killings and why. They said the most likely explanation was that soldiers were trying to send a message to the teachers' employer, an American company that operates one of the world's largest copper and gold mines in the area. The company, Freeport-McMoRan Copper & Gold, had reduced payments and other benefits to soldiers, the officials said.

"Extortion, pure and simple," said a Western intelligence analyst, explaining what he believed was behind the attack.

Freeport has declined to answer any questions about the killings or about payments to the police and the military.

"This is a police matter, and we cannot comment on the ongoing investigation," said a company spokesman, Siddharta Moersjid. "Freeport hopes the perpetrators, whoever they are, will be brought to justice."

The victims, who taught at Freeport's international school, were ambushed last Aug. 31, as they traveled a twisting mountain road between two military posts near Tembagapura, a mile-high company town on the equator in Irian Jaya, an eastern province also known as Papua.

The party — the school's new principal, his teachers and their families — had cut its Saturday picnic short when fog and mist rolled in. At a bend in the road back to town, with a steep gorge on the right and a small hill on the left, several men sprayed the group's two Toyota Land Cruisers with automatic weapons fire.

The Americans slain in the ambush were the principal, Edwin Burgon, 71, a former smoke jumper in Idaho who had taught around the world, and Ricky Lynn Spier, 44, a fourth-grade teacher from Colorado. The school's Indonesian teacher, Bambang Riwanto, was also killed.

Immediately, Indonesian and Freeport officials blamed a separatist group, the Free Papua Movement, which has been fighting a low-level guerrilla war for independence, or at least more autonomy for Papuans, for several decades. Many Papuans harbor deep animosity toward Freeport; along with some international human rights groups, they say the company has destroyed sacred lands, ravaged the environment and failed to share mineral wealth with local communities.

Soon after the ambush, a team from the American Embassy, including an F.B.I. agent from Singapore, went to Irian Jaya to investigate; the F.B.I. also interviewed survivors, who had been flown to a hospital in Australia.

Suspicion quickly turned away from the separatists, though. In the course of that early investigation, the Australian government gave the United States a telephone intercept between Indonesian military commanders. The conversation, which took place after the incident, leaves no doubt of military involvement in the killings, said a Western official, but he added that it did not implicate senior army commanders.

Indonesian police investigators also exonerated the rebels. For one thing, the police report says, the group "does not have the quantity of bullets" used in the attack, and the organization "never kills white people." The report, dated last Sept. 28, concluded that "there is a strong possibility" that the killings were perpetrated by members of the Indonesian Army.

But that was pretty much the end of the police investigation.

"The police don't have any right to investigate the army," said Brig. Gen. Raziman Tarigan, who was deputy police chief in Irian Jaya until he was abruptly removed this month and assigned to a desk job in Jakarta.

Still, the police report does raise the possibility that money from Freeport may have been the motivation. A soldier's pay is roughly \$15 a month, the report says, adding that soldiers have a "a high expectation" when they get assigned to the Freeport area. But they had been disappointed by what they received, and some "perks" had been reduced.

General Tarigan said Freeport regularly gave policemen and soldiers money and other benefits, like airline tickets to Jakarta. A general received a first- or business-class ticket, while colonels and others received economy tickets, he said. In addition, former Freeport employees said the company had a \$10,000 monthly "slush fund" for government security personnel.

The Indonesian military receives less than one-third of its budget from the government. To make up the difference, it relies on its own business activities as well as supplements from foreign businesses, especially natural-resource companies.

Freeport had begun to reduce these payments, on the advice of company lawyers who said they would have to be disclosed under new American corporate-responsibility laws, Western officials and people close to the company said. They also said the military wanted a portion of payments — 1 percent of profits — that Freeport makes for community projects, part of its effort to improve local relations.

That pressure was apparently on the increase: investigators say they have been told that, in the weeks before the attack, Freeport had received threats of retaliation from the military if more money was not forthcoming. -- *New York Times*



<b>ROUTING AND TRANSMITTAL SLIP</b>		Date <b>MAR 05 2003</b>
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