PS/LORD GORONWY_XOBERTS

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cc: PS/Mr Ennals Mr McNally

13 MAR 1975

THE FUTURE OF PORTUGUESE TIMOR

I attach behind the paper by the Department which examines the present tug-of-war in Portuguese Timor, the main contestants in which are Portugal and Indonesia.

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- 2. The paper recommends, and I agree, that we should not wish to play any prominent part in this, but that Timor's eventual integration with Indonesia is probably the right answer.
- The paper suggests the line we might take if approached by the Portuguese or the Indonesians. I agree with this.

PR Male

P J E Male

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Bletter to Posts.

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17 March 1975

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Mr Male Mindord o.r. SWED

SWPD UND Research Dept Planning Staff News Dept

MR BEVAIN SWAD



THE FUTURE OF PORTUGUESE TIMOR

- The Portuguese Government's decolonisation policies have focused attention on this backward territory. Though remote, it is the nearest land to Australia's Northern coast. Our interest is minimal, but the question may impinge on our bilateral relations with both Portugal and Indonesia. It is bound to be discussed at the United Nations and is already the subject of articles in the press. What should our attitude be?

 Background
- 2. The Portuguese have declared that they intend to consult the Timorese on the future of the territory and perhaps to arrange for the election of a constituent assembly. They do not appear to have agreed any definite timetable for this. Their Minister of Overseas Territories, who visited the region last year, was impressed by the strong feelings in the colony in favour of some form of continuing association with Portugal. The main political groupings there seem to want a greater degree of autonomy and eventually independence. These groups and the Portuguese themselves recognise that independence in the colony's present rudimentary state of economic development would present considerable difficulties. The Portuguese also regard integration with Indonesia as an option and there is a small party within the territory which favours this.
- The Indonesian Government would like to see Portuguese. Timor integrated into Indonesia. They fear that an independent Timor, which was economically unviable, might become a base from which a power hostile to Indonesia could interfere in Indonesian affairs. But with their Irian experience in mind, they are well aware of the need for integration to take place as a result of at least some kind of expression of the will of the people of Portuguese Timor. They may be prepared to accept continued association with Portugal for a time,

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which they could be expected to use to try and consolidate support within the territory for integration. There have however been signs that they are trying to force the pace: they have increased their propaganda broadcasts to Portuguese Timor and there are indications of an increase in military and naval activity in that part of the country that borders on Portuguese Timor. This may be due to fears on their part that left-wing influences in Portugal will make the Portuguese Government decide that Timor should be made independent, and will expose Timor to Communist infiltration in the meantime. They have however repeatedly denied that they are bent on invasion.

4. Mr Whitlam has told the Indonesians that the Australian Government would fayour Timor's eventual integration into Indonesia in the interests of regional stability, provided that this could be done in a way which would satisfy international opinion. But public reaction to this attitude in political and official circles in Australia has driven the Government further towards recognition of the need to respect the principle of self-determination, and the Government's line in public is now that integration has to be the express wish of the Timorese. Recent developments in Indonesia have caused them some concern that they might be forced to condemn a rash move by Indonesia which would have unforturate repercussions for their relations with an important neighbour.

Conclusions

5. This is not an issue in which we want to play a prominent part. So long as the Portuguese and Indonesian Governments are able to sort this matter out amicably, it need not impinge on our relations with either country. We agree with Mr Whitlam that Timor's eventual integration with Indonesia is probably the right answer in terms of regional stability. But we need to be alert to the possibility that we may have to take a position (eg in the United Nations) favouring one side or the other to the detriment to our relations with the other party.

- 6. If so pressed by either side for our views, we should restate our support for the principle of self-determination. In addition we might tell the Portuguese that we support their aim to consult the wishes of the Timorese about their future, that we have no strong feelings about the eventual outcome, but that we understand their doubts about the present viability of an independent Timor. To the Indonesians we might say that in accordance with our support for the principle of self-determination we could support integration into Indonesia only if this is acceptable to them and is the choice of the inhabitants of Timor. We could make to both the Portuguese and the Indonesians the standard point that in our opinion the timing and method of implementing the principle of self-determination is a matter for the administering power. We should also keep in close touch with the Australians, both at the United Nations and in Canberra.
- 7. In public we should say, if asked, that HMG have repeatedly welcomed the steps taken by Portugal to bring about the decolonisation of her overseas territories. We should avoid being drawn into commenting substantively on the merits of the various options and stand pat on the statement of principle that we support self-determination.
- Obviously not all possible initiatives can be foreseen; but it would be useful to have preliminary guidance. I therefore recommend that Ministers be invited to endorse the proposals in paragraphs 5 to 7 above. We would take the line in paragraph 7 in reply to any Parliamentary Questions and MPs letters. South West European Department, United Nations Department and South West Pacific Department concur.

Jague.

C W Squire South East Asian Department DSW85 MA30

5 March 1975