



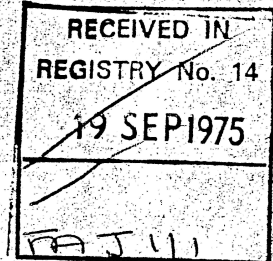
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BRITISH EMBASSY
 JAKARTA

15 September 1975

C W Squire Esq MVO
 South East Asian Department
 Foreign & Commonwealth Office
 LONDON SW1A 2AH

DR J. M. 9



Dear Bill,

As the bag leaves first thing tomorrow morning it may be helpful to you if I give you a bit more background to the Portuguese Timor situation on which I last reported in my telegram No. 342 to the FCO. (106)

2. Over the weekend there were a number of developments which suggested that Indonesia is moving further towards intervention.
3. On Saturday, Foreign Minister Malik, who has hitherto been regarded as a dove, returned from New York and spoke in harder terms than he has yet used. According to the press, he said "We have sufficient potential to act if we are endangered. This is our right and no-one can deny us this". He stated bluntly that Dr Santos should carry out the promise of the Portuguese President to decolonise Portuguese Timor through consultations with the three political parties there with Indonesia's support. When asked if Portugal was in a position to act he is reported to have replied "We are capable of doing it but Portugal is responsible for it".
4. On Saturday too, Mr Francisco Xavier was reported as claiming that his Party had achieved a total military victory in Portuguese Timor and appealed for humanitarian medical aid. In the meantime, Mr Xavier Lopez da Cruz, Chairman of the UDT party in Timor is reported to have stated that he and his supporters would declare themselves Indonesian citizens if the Party's petition to the Indonesian Government asking for its integration into Indonesia got a positive response. He commented that an orderly decolonisation of the colony was no longer possible though he was willing to meet with Dr Santos. He said that he was convinced that about 400,000 to 600,000 of the colony's inhabitants shared his opinion that it was better to merge with Indonesia than live under Communist rule.

of Fretilin

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5. From our talks with the Australians, who are in close touch with the Indonesians, it seems clear that the Indonesian Government regard the talks with Dr Santos, which ended on Friday, as a failure. They are still hoping for a political solution, and if the Portuguese manage to set up a Macao meeting on 20 September, they will ensure that the pro-Indonesian parties do not appear to sabotage the initiative. Nevertheless their plans are increasingly turning to a military solution. This still does not however, involve overt intervention. Instead they plan to step up clandestine intervention designed to look like popular uprisings by UDT and Apodeti supporters. At best this might, they hope, result in the defeat of Fretilin, and at worst, it should support the thesis that Fretilin is not in control and that Timor is still in chaos. This in turn would help to justify overt intervention.
6. No doubt as part of the scenario construction Brigadier-General Pranoto, Commander of the Udayana XVI Military District, has denied Fretilin's claim to control 90% of Portuguese Timor. He said that Fretilin controlled Dili and Bacau but even there was not in full control in the true sense of the word. This statement was issued on Saturday on his return from an inspection tour of his command and the border areas of Portuguese Timor. Meanwhile UDT and Apodeti leaders have been reported in the press as stating that their forces had recently attacked Fretilin's position and that roads outside Dili and Bacau were practically under their control. Brigadier-General Pranoto indicated that there was a possibility that the forces of UDT and Apodeti might launch an attack against the two towns against which their guerillas had already been launching hit and run raids.
7. The local television programmes have been full of graphic reports of the condition of refugees, now stated by Brigadier-General Pranoto to number over 28,000; and public attempts are being made to raise a relief fund for these people. The Indonesian National Youth Committee has issued a sharp statement about the situation (see enclosed cutting from Antara) which must have been inspired by the Government.
8. The only limitation on clandestine activity now appears to be of its exposure. The Indonesians are clearly worried about this. According to the Australians, President Suharto this morning told General Yoga, the head of Bakin, that he would not agree, for the present, to step up clandestine activities beyond their present level. A particular hurdle to be got over is a plane load of Australian journalists and politicians who are due to visit Timor, apparently at Fretilin request, to investigate allegations of Indonesian intervention.
9. My Malaysian colleague told me this morning that he thought that the Foreign Ministry were now siding with the hawks in the Armed Services and that President Suharto seemed almost alone in wanting to hold back on action. He said that the Malaysian Government thought that the only long-term solution was the

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incorporation of the colony into Indonesia but that like ourselves and the Australians, they hoped that this could be done in a way which seemed compatible with the principles of self-determination. He indicated that some elements in his government, including Mr Ghazali (my telegram number 333 to the FCO) thought that the Indonesians were being over-slow about the whole business.

10. One other piece of information, the interpretation of which is open to doubt, is the fact that General Beni Moerdani, who has recently been in charge of the Indonesian Irregulars, is believed now to be on his way to the USA. He is closer to the Americans than most of the other senior Officers in Hankam and, though in charge of intelligence, so far as the American Embassy here know, he is going to the States in connection with the deal for American military equipment which the President is known to want. But equally, he could be going there as an apologist available to explain matters if things get out of hand in Portuguese Timor.

11. I am sending copies of this letter and enclosures to the Chanceries at Kuala Lumpur, Singapore, Lisbon and Canberra. The information from the Australians is sensitive and should not be played back to them or repeated to other missions.

Your eve,

John

J A Ford