RELEASED IN FULL

U.S.-INDONESIAN SECURITY RELATIONS

- -- WE SHARE WITH THE GOI SOME IMPORTANT STRATEGIC PERCEPTIONS AND INTERESTS. ABOVE ALL, BOTH OF US HAVE A VITAL INTEREST IN THE SECURITY AND STABILITY OF THE ASEAN STATES.
- -- INDONESIA HAS PLAYED A KEY ROLE IN FORMULATING AND IMPLEMENTING ASEAN'S SUCCESSFUL STRATEGY ON KAMPUCHEA, WHICH WE UNRESERVEDLY SUPPORT. THE GOI HAS ALSO SPOKEN OUT AGAINST SOVIET AGGRESSION IN AFGHANISTAN.
- -- WE MAINTAIN A MODEST SECURITY ASSISTANCE PROGRAM IN INDONESIA. OUR FMS CREDIT PROGRAM IS DESIGNED TO ASSIST THE GOI'S LEGITIMATE MILITARY MODERNIZATION EFFORT; OUR IMET PROGRAM HELPS MEET CRITICAL TRAINING NEEDS IN THE TECHNICAL AND ADMINISTRATIVE AREA.
- -- INDONESIA IS NOT A U.S. ALLY, AND NEITHER WE NOR THE GOI HAS ANY INTEREST IN FORGING AN ALLIANCE RELATIONSHIP.

Indonesia, though formally non-aligned, is firmly anti-Communist. It regards the PRC as the most dangerous long-term threat; sees Vietnam, too, as a threat, though also as a potential barrier against the Chinese; and is concerned about growing Soviet power in Southeast Asia. It is comfortable with our security presence in the region, and in fact would like to see us commit more attention and resources to our bilateral and regional relations.

WATCH OUT FOR:

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- -- PORTRAYALS OF THE U.S. AND INDONESIA AS ALLIES. INDONESIA IS SENSITIVE ABOUT ITS NON-ALIGNMENT.
- -- SUGGESTIONS THAT WE MIGHT BE INTERESTED IN ESTABLISHING BASES IN INDONESIA. WE ARE NOT.
- -- QUESTIONS ON LOS OR STRAITS TRANSIT MATTERS. THOUGH NOT CURRENTLY CONTENTIOUS, THESE ISSUES ARE EXTREMELY SENSITIVE TO BOTH SIDES AND THE SUBJECT OF OCCASIONAL PRIVATE EXCHANGES.
- -- QUERIES ON U.S.-PRC RELATIONS. THE GOI FEARS THAT WE PLACE LESS PRIORITY ON OUR INTERESTS IN SOUTHEAST ASIA THAN IN OUR RELATIONS WITH CHINA. OUR CONSISTENT LINE HAS BEEN THAT WE WILL NOT SACRIFICE OUR INDONESIAN/ASEAN INTERESTS IN PURSUIT OF BETTER RELATIONS WITH BEIJING.

UNITED STATES DEPARTMENT OF STATE REVIEW AUTHORITY: MURRAY D ZINOMAN DATE/CASE ID: 11 JUL 2007 200504968

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