

cc.: DGPZ 321.15 Lenz
Z 7 13W 80/3

SECRET

GEHEIM

Aan :

Geschied 11 513

Ik heb de heer Cope toegezegd het nodige te zullen verrichten opdat M zo spoedig mogelijk wordt ingelicht in afwachting van het rapport van Hr.Ms. Ambassadeur te Londen. Hij begreep dat hij niet terstond een reactie kon verwachten.

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The United Kingdom Representative should take the earliest opportunity of raising in the North Atlantic Council the question of Arms Supplies to Indonesia. He should recall that this matter was previously dealt with by the Council on February 12, March 6, June 10, September 10 and December 19, 1958, and should explain the reasons why Her Majesty's Government now consider that the time has come for a new appraisal of the considerations which should govern the policy to be adopted by members of N.A.T.O.

2. As the Council will be aware, the United Kingdom put a stop to all exports of arms to Indonesia in December 1957, following upon the Indonesian seizure of Dutch property. When armed insurrection broke out in 1958 Her Majesty's Government maintained the ban and have continued to do so up to the present time apart from one exception which consisted in an authorisation for the export during the next few years of eighteen Gannet aircraft. The reasons for this were explained to members of the Council in Sir F. Roberts's letter of December 14, 1958. Her Majesty's Government now intend to revise this policy and to grant licences for the export of such arms and equipment as appear to them to be within the reasonable requirements of Indonesia. That is to say, the licences would be refused only when Her Majesty's Government had any reason to think that the supplies requested would add dangerously to the offensive potential of the Indonesian forces.

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3. When permitting the export of arms to the Indonesian Government Her Majesty's Government intend to make it clear to them they are doing so on the faith of the categorical assurances given by the Indonesian Government that no attempt will be made to settle the question of Netherlands New Guinea by force. They also intend to leave the Indonesian Government in no doubt that if, after receiving British arms, they should become involved in any hostilities against Netherlands territory, the United Kingdom would inevitably lend its support to the Netherlands. A warning of this kind has already been given to the Indonesian Government in connexion with the licensing of the Gannet aircraft, and we intend to repeat this in the future. We recognise that there is a moral obligation on us to take these steps in order to build up a deterrent to any inclination which the Indonesian Government may have to pursue their aims by force. This matter of a deterrent is indeed of paramount importance. Any resort to arms by Indonesia would have a disastrous effect on Western interests, whatever the outcome, because it would range Indonesia irrevocably against the West and on the side of the Communist bloc. A policy of supplying arms coupled with the clear indication that we cannot be indifferent to their misuse can and will help in building up the necessary deterrent. But a ban on arms by the West would not be a deterrent nor would it be an effective policy because of the availability of arms from Communist sources. In addition, if we refuse arms we shall be neglecting the best method open to us of countering Communist influences in Indonesia, both inside and outside the armed forces. It should be our aim not only to deter Indonesian leaders from aggression but also to predispose them towards closer reliance on the free world.

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4. That is the essence of our case but it may be useful to set out some of the considerations already alluded to more fully as follows:

(i) The policy of absolute restraint in the export of arms to Indonesia has been ineffective owing to Indonesian arms purchases elsewhere. In addition to military equipment supplied or promised by the United States, Indonesia is acquiring substantial and spectacular supplies of arms from Communist bloc sources. These latter have been the subject of a paper recently circulated by SHAPE. In particular, the Soviet bloc countries are equipping the Indonesian Air Force with MIG jet fighters and IL bombers, and the Indonesian Navy with destroyers, submarines and other small warships on a considerable scale, apart from the many items of equipment which they are sending to the Indonesian Army. Indonesia is also open to the influence of the many instructors from Communist countries who are training her air force.

(ii) The internal situation in Indonesia is now more under control, and Her Majesty's Government consider that the emergency policy imposed at the end of 1957 is no longer justifiable from that point of view.

(iii) On a long-term view of prospects in South East Asia it is clearly in the interests of the West to adopt all available means of restraining the uncommitted countries in the area from going over into the Communist camp. To offset Communist blandishments there must be tangible evidence of Western goodwill. We believe that the Indonesians wish to remain uncommitted to either side. The demand for reasonably up-to-date equipment for the Indonesian forces is, in our view, a natural and legitimate one, and by showing our understanding

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country who are anxious to preserve its links with the West. The countries of the Soviet bloc expect to gain political influence from the training of Indonesian naval, military and air force personnel and through the standardisation of the equipment of these forces on bloc lines. Thus, the air force is already geared to Soviet-type aircraft. But some trainer aircraft have been supplied by the West; and the Indonesian Navy, which has a fine tradition inherited from the Dutch, as well as the Army, whose leader is, if not pro-Western, at least anti-Communist, are showing considerable interest in Western sources of supply and technical assistance.

(iv) A separate, and not unimportant, result of supplying basic equipment is that we can keep ourselves better informed of Indonesian defence policy and can, if necessary, exert control through the provision of spares, ammunition, etc.

(v) The limited character of Indonesia's financial resources makes it unlikely, in our view, that Indonesia will use facilities for purchases in the West in order to build up forces out of proportion to her legitimate needs, which are in any case considerable having regard to the geographical peculiarities of her territory, in which she has already had to face armed rebellion.

(vi) We believe that the assurances given by Dr. Subandrio in London, and more recently again in Canberra, can be accepted as genuinely meant. But we also consider it important that the Indonesian Government should feel that we are closely and directly concerned in this matter and that we cannot stand aside if the assurances are not kept.

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5. The United Kingdom Representative should say that Her Majesty's Government are anxious to evolve with their allies in the N.A.T.O. a common policy on the supply of arms to Indonesia. They hope therefore that the other delegations will agree with the views expressed above. They believe that if there is common agreement on the principles involved it would be advisable for any NATO countries supplying arms to Indonesia to co-ordinate their policies together. For this purpose there should be renewed consultation in NATO from time to time so that members may assess together the situation in Indonesia as it develops and the relationship between the total supply of arms to Indonesia and her legitimate needs.

6. We have been told by the Dutch that they intend to take the line in NATO that "the Council should accept the principle that any military supplies to Indonesia will only be made by those countries which are prepared and able to bear responsibility in the Far East, in other words, only the United States and the United Kingdom". The Secretary of State has told the Dutch Ambassador that we feel a measure of agreement with the principle involved in this line but that we do not wish to give the impression that we (and the United States) are trying to reserve this market for ourselves. The Dutch claim that the Canadian and Belgian governments have expressed agreement with their proposal. When the point is made by the Dutch Representative the U.K. Representative should say that Her Majesty's Government have no interest in seeking to restrict the supply of arms to Indonesia to themselves and the United States Government. We agree however with the argument that any government which supplies arms assumes a
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moral responsibility for doing what it can to prevent the Indonesian Government from misusing these arms. While each Government will no doubt make its own decisions, taking into account the many factors and the responsibility involved, we think that consultation as suggested in paragraph 5 above would help to forestall the chain reaction which is foreseen by the Netherlands Government. The U.K. Representative should also make it clear that if it should so happen that it should be agreed that only the U.K. and the U.S. were to be suppliers of arms to Indonesia, we could not regard this fact as diminishing the obligations of other NATO members in regard to the maintenance of peace and security in Netherlands New Guinea; a Council resolution on the lines suggested by the Dutch would be liable to create misunderstanding about this.

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ARMS FOR INDONESIA

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No. 179298

This morning the British Minister of State gave to the Netherlands Ambassador in London an Aide Memoire describing the instructions being sent to the United Kingdom Permanent Representative to N.A.T.O. on the subject of Arms for Indonesia which Her Majesty's Government would like to raise in the North Atlantic Council next week. Her Majesty's Ambassador has been instructed to communicate the same document to the Minister for Foreign Affairs as soon as possible, and a copy is accordingly attached.

AFGESCHREVEN

BRITISH EMBASSY,
THE HAGUE.

February 27, 1959

MIN. VAN BUITENLANDSE ZAKEN	
DIR. DBI/PL.	VISIE
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B.W.