

7255

1a

THE WHITE HOUSE

WASHINGTON

~~SECRET~~

DECLASSIFIED

AUTHORITY State Dept. Rev. 3/11/04

MEMORANDUM OF CONVERSATION

BY dal NLF, DATE 8/6/08

PARTICIPANTS: General Ali Moertopo, Deputy Chief of the State Intelligence Coordinating Body of Indonesia
Brigadier General Nichlany Soedardjo, Indonesian Defense Attache

Lt. General Brent Scowcroft, Deputy Assistant to the President for National Security Affairs
Kenneth M. Quinn, National Security Council Staff Member

DATE, TIME &

PLACE:

October 29, 1975

4 p. m.

General Scowcroft's Office

Scowcroft: It is a great pleasure to welcome you here to the White House. We are very glad you were able to visit us here. Have you had a good trip? Who have you been able to see during your visit here?

Moertopo: The trip has been very successful. We have been seeing a large number of people such as those at Cornell University and members of the Congress. We have had very good discussions, and I have become aware of information that I never knew before.

Scowcroft: Your contacts with the Congress are extremely important. And it is very good that the Congress gets to know the wonderful things that your country is doing to help its people. This will particularly help facilitate understanding of your country by the Congress. Oil prices now are so high that many members of the Congress cannot understand that you still have many problems and that you need our assistance. I believe your visit here will be very helpful in overcoming some of these beliefs.

~~SECRET~~



Moertopo: We have also had some difficulties regarding the human rights issue. However, I met with Congressman Fraser and we had a very good discussion. I believe he now understands our problem more fully.

Scowcroft: Yes, Congressman Fraser is a very sincere person, although we sometimes have our differences.

Moertopo: Some of the questions are difficult to answer. We also had a good discussion with members of the Senate Foreign Relations Committee and the House International Relations Committee.

Scowcroft: We will soon be sending up our proposals for security assistance. We are asking for a substantial increase in aid to your country. But you should be aware that this is going to be a very tough year with our Congress. We will do our best, however, to get everything we can for you. Your meeting with members of the Congress in this regard is particularly helpful.

Moertopo: I am sorry I missed seeing Otto Passman.

Soedardjo: Does Passman still have unworkable attitudes about us?

Moertopo: If I had just had the opportunity to discuss Indonesia with him, I am sure he would understand.

Scowcroft: Passman is very realistic. He would understand. He is a practical man. Besides, he has a very great interest in rice. We can work quite well with him. Your very helpful gesture on the recent OPEC price increase is appreciated. We will point this out when we deal with the Congress so they will be more sympathetic to your position.

Moertopo: We have been helpful to you twice. First, when we did not support the oil embargo and now when we did not go along with the recent price increase.

Scowcroft: The problem is that our Congress seems to lump all the OPEC countries together. You have been very responsible within OPEC and that has been very helpful.

Moertopo: From the outside, OPEC looks very strong. But inside it is not so strong because different members have different interests. There are three factors within OPEC which must be considered. First, is the problem of leadership in the Middle East. Second is the Israeli problem. Both of these are divisive issues within OPEC and they tend to make the organization



weak. The third internal factor is oil and here you have such sub-issues as price, supply and the preservation strategy. There are differences of view on all of these and they tend to make OPEC a complex situation which is not as strong as it seems from the outside. In addition, there are external factors which influence OPEC as well, such as relationships between the Middle East countries and Venezuela and between Iran and Saudi Arabia. A final point is that internally OPEC has some radical members such as Iraq, Libya and Syria. These three countries are radical because when OPEC was being founded, they were still negotiating with foreign countries which owned the oil companies within their borders. This experience pushed them in a radical direction and so now they are the ones who are always demanding price increases. Another problem is that Iran is not satisfied with the OPEC arrangement.

Scowcroft: Who is winning the leadership struggle?

Moertopo: Venezuela, Iran and Saudi Arabia are vying for leadership now, but it is not clear who will win. Previously, the Saudis were strong because the King knew where he was going. The new King is not certain. I have known this new King from before he was King, and I don't believe he is as strong as the old King. It is very difficult to cooperate fully with the Arab societies. We ourselves are a Muslim state, but you could not turn this into profits. It is only an emotional issue which comes into play from time to time. To increase our profits we joined OPEC.

Scowcroft: It is good that you are in OPEC. You are a force for modernization and balance, and we certainly appreciate these efforts.

Moertopo: If I may ask, what is going on now regarding a Middle East settlement?

Scowcroft: The Sadat visit is going very well. The important thing is to not let things stagnate. We have to keep the momentum going. The settlement is good, but there are some problems in the Arab world, especially with the Syrians who feel they will be left out. We will try to get some movement going on the Syrian front. On the whole, we are making progress. But there are difficult times ahead. We have done the easiest steps first. The Golan Heights, the Palestinian question and the status of Jerusalem are much more difficult issues. President Sadat is a very far-sighted man. He is doing very well for his people. He has a genuine interest in achieving a settlement.

Moertopo: A settlement is also in our interests. Our burden will be lessened by a Middle East settlement.



Scowcroft: Yes, you're right. Another conflict or embargo would put very bad pressure on Indonesia.

Moertopo: I have met Sadat before. Sadat seemed serious about settling. The economic conditions will get worse. This is probably forcing him to reach a settlement.

Scowcroft: Yes, Egypt needs to devote its resources to economic development instead of to military equipment. But this isn't easy for him. He has his problems too with the settlement.

Moertopo: I have been sure that you were on the right course for some time now. We had hoped that there would be success. The emotional feeling created by your progress would help solve problems in the future. But these problems will be much more difficult. The question of Jerusalem, for instance, is a very emotional problem.

Scowcroft: I agree. Each step forward gets the two sides more used to negotiating with each other, even though they are doing it now through us. But the progress so far helps build the confidence on both sides and in the future they will be willing to make additional steps. Success with Syria is uncertain. We are exploring possibilities in this regard with Sadat. President Ford is very determined to keep this momentum going and to achieve further agreement on the remaining questions.

Moertopo: I would like to talk to you for a minute about ASEAN. Indonesia will exercise the mechanism of national resilience to control and secure its area. National resilience is a national equilibrium, an ability to solve problems. It refers to increasing the capacity of a nation and is made up of seven factors:

1. Ideology which creates the motivation of the nation.
2. Politics which involves increasing living standards, job opportunities and national development.
3. Economy which influences economic production, which means agriculture, but also attracting foreign capital. Agriculture is the base upon which we will build and which will influence the other areas of the economy.
4. The social condition which involves the status of society and change from a traditional to a moderate society and from an inward looking one to an outward looking one.
5. Cultural.



6. Military.

7. Technology.

These factors all pertain to our relations to our neighbors. If we want to control our neighbors, we must develop relationships in all areas. Now we have some agreement with our neighbors. We want to use this understanding to improve our relationship with all our neighbors. We want to use this understanding with all our neighbors to develop regional resilience. This does not mean establishing a military pact. But it does mean cooperating together in such things as joint exercises and exchanges of hardware and software.

Scowcroft: Have you discussed security then within ASEAN?

Moertopo: Yes, yes. But our final backbone is the U.S. For the next 10 to 15 years we will need U.S. presence. We must accept these conditions and use this time to develop ourselves. Everyone agrees on the U.S. presence remaining there. The U.S. is an Asian power and Pacific power and must remain. We are within the nuclear umbrella and the nations of Asia and the Pacific must accept these realities. In fact, we need it. The U.S., Russia and China are all contending in this area. We prefer that the U.S. be the controlling power in this relationship and help maintain this balance. We need this. Other states like the Australians and the Philippines must accept this reality. Our cooperating with some other states in the area is difficult. For instance, dealing with India is hard for us. They now have a security agreement with the USSR. Burma is difficult too because they are so isolated. But in this balance the Indian Ocean and the Pacific, the U.S. presence is needed. Now that you are there, we will take this opportunity to create cooperation between Indonesia, Japan, the ASEAN states and Australia, Japan is very willing to increase this cooperation because it believes it will insure stability in the area. But we need your understanding and your support in this endeavor.

Scowcroft: You have it. We want to be a good and reliable friend. If President Ford has it his way, it will be like this. Some people in the Congress think that we have no further role to play in the Pacific. We think they are wrong. We will continue to be active, but we look to you for leadership in the area. We will be a good friend.

Moertopo: Leadership must be earned. It is difficult to achieve. We could not do it without the U.S. We are still too weak.



Scowcroft: You are working at it. We hope to maintain a very close relationship with you to exchange ideas and to work closely together to maintain stability.

Moertopo: Maintaining relations with China is very difficult. There is not only the governmental relations to consider but also the influence on people in society. We must prepare our people first so that they can accept the idea of China as a neighbor. Current experience of Malaysia is valuable to us in this regard because we will be able to see the consequences of relations with Peking. Communists use two strategies at the same time. First, on a government to government basis, they stress peaceful coexistence; while secondly, on a Party basis, they support liberation movements which are trying to create Communist governments. This is very dangerous for us. So we must watch very carefully to see if China is really sincere. Finally, we have a domestic problem with the Chinese people in Indonesia. Actually, there are five different facets of dealing with China. First, PRC. Second, Taiwan. Third, the Chinese in the territory of Hong and Macau. Fourth, the international Chinese population split throughout other countries in Asia. Fifth, the domestic Chinese population in Indonesia itself. This is a Chinese problem. If it could coordinate all of these elements itself, it would make it the most powerful force in the whole world. Our strategy is to block unification of these five elements.

Scowcroft: You are smart. You have problems but you should also remember that it is useful to have the Chinese as a counterbalance to the Russians.

Moertopo: Your dialogue with Peking in this regard is most important. We have taken too much of your time already. Thank you very much for receiving me here today.

Scowcroft: It is always a pleasure to receive our Indonesian friends here at the White House.



MEMORANDUM

7255

NATIONAL SECURITY COUNCIL

~~SECRET~~

ACTION

October 31, 1975

MEMORANDUM FOR: GENERAL SCOWCROFT
FROM: JOHN J. TAYLOR
SUBJECT: Memorandum of Conversation

Attached at Tab A is a memorandum of conversation covering your meeting with Indonesian General Ali Moertopo.

RECOMMENDATION:

That you approve the memcon at Tab A.

APPROVE BT DISAPPROVE _____

DECLASSIFIED
E.O. 12958, SEC. 3.5
NSC MEMO, 11/2/00, STATE DEPT. GUIDELINES
BY 2/4 NARA DATE 6/4/04

~~SECRET~~

10

NSC CORRESPONDENCE PROFILE

DOC		RECD			NBR			INITIAL ACTION		
MO	DA	MO	DA	HR	7507253					
10	31	10	31	1						

SOURCE/CLASS/DESCRIPTION

TO: PRES _____ FROM: Taylor KISSINGER, H. _____ REFERENCE: _____ CIRCLE AS APPROPRIATE

KISSINGER _____ COLBY, W _____ S/S _____ UNCLAS LOG IN/OUT _____

SCOWCROFT X _____ SCHLESINGER, J _____ OTHER _____ LOU NO FORN NODIS _____

DAVIS _____ ST EX SEC _____ _____ C EYES ONLY EXDIS _____

_____ S CODEWORD _____

_____ TS SENSITIVE _____

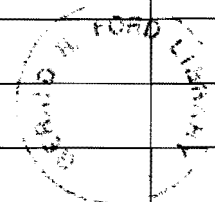
SUBJECT: Memcon of Scowcroft mtg w/ Maertopa of Indonesia

DISTRIBUTION/INITIAL ACTION ASGMT

INTERNAL ROUTING AND DISTRIBUTION			REC CY FOR	ACTION REQUIRED
	ACTION	INFO.		
ADVANCE CYS TO HAK/SCOWCROFT				MEMO FOR HAK (_____)
STAFF SECRETARY				MEMO FOR PRES (_____)
FAR EAST <u>Taylor</u>			<u>X</u>	REPLY FOR _____ (_____)
SUB-SAHARAN AFRICA				APPROPRIATE ACTION (_____)
MID EAST / NO. AFRICA / SO. ASIA				MEMO _____ TO _____ (_____)
EUROPE / CANADA				RECOMMENDATIONS (_____)
LATIN AMERICA				JOINT MEMO (_____)
UNITED NATIONS				REFER TO _____ FOR: _____ (_____)
ECONOMIC				ANY ACTION NECESSARY? (_____)
SCIENTIFIC				CONCURRENCE (_____)
PROGRAM ANALYSIS				DUE DATE: _____
NSC PLANNING				COMMENTS: (INCLUDING SPECIAL INSTRUCTIONS)
CONGRESSIONAL				
OCEANS POLICY				
INTELLIGENCE				

SUBSEQUENT ROUTING/ACTIONS

DATE	FROM	TO	S	SUBSEQUENT ACTION REQUIRED (OR TAKEN):	CY TO
10/31		Scowcroft	X	Decision (11/7)	
11/3		NSC/S	C	Scowcroft approved recon	



NSC/S INSTR

DISPATCH _____

CY RQMTS: SEE ABOVE PLUS: _____

NOTIFY _____ & DATE _____ BY _____

SPECIAL DISPOSITION: _____

CROSS REF W/ _____

SUSPENSE CY ATTACHED: PF FOLDER: _____

MICROFILM & FILE RQMTS:

NOV 5 1975 BY _____

CRT ID: _____ SA SF

OPEN PF _____ HP NS

CLOSE _____ WH EP

_____ PA DY