

## Indonesian-U.S. Ties: The View From Jakarta

BALI, Indonesia—When Ronald Reagan arrives here next week for a rest stop before going on to the economic summit in Tokyo, many Americans following their president's journey probably won't realize that this lovely island—the "morning of the world" in Jawaharlal Nehru's elegant phrase—is a part of Indonesia.

Indeed, a recurring complaint of Indonesians and of U.S. diplomats here is that

### Asia

by Melanie Kirkpatrick

the American people and government don't accord Indonesia the attention its size, political stability and strategic location merit. Former U.S. Ambassador John Holdridge, who left Jakarta in January, has called Indonesia "the land that Time, Newsweek, the New York Times [and] the Washington Post have forgotten."

Mr. Reagan's very presence in Indonesia should change that some. It will put Indonesia on U.S. TV screens and on the front pages of U.S. newspapers. More important, the visit is a clear signal to Jakarta that Washington doesn't take the good bilateral relations for granted. The visit is also a tacit acknowledgement of the more active role Indonesia has been playing in world affairs, particularly as a member of the Organization of Petroleum Exporting Countries, the Islamic Conference Organization and the Non-Aligned Movement. It's often one of the few moderate voices in these organizations and, indeed, in the North-South debate.

The appointment of senior State Department official Paul Wolfowitz as U.S. ambassador here is another measure of the U.S.'s interest. The former assistant secretary of state for Asian and Pacific affairs is known and liked in Indonesia, and his remarks during his Senate confirmation

hearing that the U.S. shouldn't appear "indifferent or insensitive" to Indonesia's concerns were well received here. Yet another sign is the administration's tentative approval of the sale of eight F-16 jet fighters to Indonesia. It approved F-16 sales to Thailand and Singapore last year.

But how does Indonesia view its relationship with the U.S.? "On bilateral relations, we are quite happy," says Foreign Minister Mochtar Kusumaatmadja, though he calls for a greater U.S. appreciation of the economic interdependence of developed and developing nations.

Indeed, most Indonesians view their ties with the U.S. as warm—though considerably short of an alliance. No one wants military links with any power. "The relationship is as good as it could be," says Jusuf Wanandi, head of the Center for Strategic and International Studies, a Jakarta think tank. Adds Roeslan Abdulgani, a foreign minister in the 1950s: "They're the best they have ever been if you exclude the period during the revolution when the U.S. supported Indonesia's fight for independence" from the Dutch.

The two countries share some basic attitudes. Both are staunchly anti-communist, with a strong distrust of the Soviets. They both want Vietnam to withdraw from Cambodia. And both favor free-market economies—though Indonesia often doesn't practice what it preaches.

The main topic of discussion between Presidents Suharto and Reagan is likely to be economics, in particular the anti-protectionist message that Indonesia wants to send to the seven industrial nations at the Tokyo summit. That message will be reiterated by the foreign ministers at the Association of Southeast Asian Nations meeting in Bali next week.

President Reagan's veto last year of the protectionist Jenkins bill, which would have cut Indonesia's textile exports to the U.S. by about 80%, along with a textile agreement forged last summer, soothed a

major irritant in economic relations. "The veto of the Jenkins bill was the symbolic turning point" in trade relations, says Jakarta economist Hadi Soesastro.

One of Indonesia's largest export markets—along with Japan and Singapore—the U.S. is also the No. 1 importer of Indonesian manufactured goods. These have become essential foreign-exchange earners in the face of falling prices of commodities—especially oil, the country's main export.

Two agreements may emerge from the Suharto-Reagan meeting. Mr. Mochtar says. Both would help private-sector U.S. investment here, which the Indonesian government wants to encourage. One is an aviation accord permitting direct flights between the two countries. The other possibility is a tax treaty, which would halt the double taxation of companies with offices in both the U.S. and Indonesia.

Indonesia is unlikely to address the economic issues that worry the U.S.: the country's unwieldy and often corrupt bureaucracy, its strong protectionist barriers, and its inadequate copyright and patent protection. Significant change, if it comes, will come slowly, despite a vocal national debate urging an end to what critics call the "high-cost economy."

In Indonesia's eyes, the main difference of opinion between Washington and Jakarta remains China, and Mr. Reagan is likely to try to reassure Mr. Suharto on that score. Indonesia, like other Southeast Asian nations, considers China a long-term security threat and fears that the growing Sino-U.S. ties are strengthening China. Officials remember China's involvement with the local Communist Party that mounted a bloody coup attempt in the 1960s, and the fear of communism remains strong. Recently the government has warned of a possible communist resurgence and infiltration from abroad. There's also a worry that China will beat out Indonesia in attracting U.S. investment.

Some here also worry about the com-

munist threat in the nearby Philippines and hope that the U.S. will influence Manila to check communism there. "Despite all the genuine respect and admiration toward President Corazon Aquino, there is a seeping concern that she might be too naive about who the communists are and what communism is about," says Sabam Siagian, editor of the Jakarta Post.

If there's a lesson to be learned from the U.S. role in the overthrow of the Marcos government in the Philippines, many Indonesians say, it's that too-close relations with any superpower are unwise. "It's a reminder not to rely too much on any one country," says Mr. Siagian. U.S. criticism of human-rights issues has also caused some ill will here, an example being a House resolution a couple of years ago condemning Indonesian actions in East Timor.

While there's little indication that the U.S. does much behind-the-scenes lobbying for improvements in human rights, some dissidents feel subtle efforts on their behalf. An example is the recent trial of political dissident H.R. Dharsono, a retired general and diplomat convicted of subversion. "One thing is obvious," says Slamet Bratanata, a former cabinet minister and a prominent political dissident, "only the American Embassy sent their officials regularly to observe the trials. The Americans made their presence there clear."

If many Indonesians view the U.S. with some reserve and suspicion, it may be the inevitable result of the difference in their world roles. It may also be the way Indonesia treats everyone. Unlike China, which has dozens of "best friends," Indonesia firmly maintains that it has no special relationships. Indonesia's non-alignment nevertheless has a tilt toward the West and President Reagan's visit should help preserve that.

*Ms. Kirkpatrick is editorial features editor of The Asian Wall Street Journal.*

# THE ASIAN WALL STREET JOURNAL

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## Of Pain and Persistence: A Letter From East Timor

*The following excerpts are taken from a letter sent from East Timor, the former Portuguese colony invaded by Indonesia in 1975 and annexed the following year. Dated Feb. 20, it was received in Portugal by Mgr. Martinho da Costa Lopes, the Apostolic Administrator of the Roman Catholic Church in East Timor from 1977 to 1983.*

*While it is impossible to verify the accuracy of the information in the letter, it is from a source whose reports in the past have largely been verified, Mgr. Lopes says. At the very least, the report on military activities would indicate that fighting continues in the territory. The letter writer clearly is a supporter of the guerrilla movement that has opposed the Indonesian occupation, the National Front for the Liberation of East Timor, or Fretilin. References to "concentration camps" likely are to resettlement villages in which the Indonesian military has grouped many farmers and tribesmen from the interior since the late 1970s.*

*Details in the letter would indicate that the writer is in the capital, Dili.*

Mainly in the areas of Lospalos, Baucau, Viqueque, Manatuto, Same, Ainaro and Bobonaro the actions of our guerrillas have been taking place most intensely in the months January, March, April, November and December of 1985, causing the invader many dead and wounded and capturing many modern arms. At the present

moment, the resistance forces continue to control the greater part of the territory, staying close to the villages and concentration camps.

Some of the guerrillas were captured. Some of them were put into the Dili Comarca prison, others are in the regional military hands or in the hands of the Red Berets, (an Indonesian elite unit). Among those who disappeared is Cecilia Ximenes, who was captured in Lospalos with a weapon at the beginning of last year. After being tortured for a long time, it has been said that she "disappeared" in the regional military command.

### **Burying the Dead**

On Feb. 6, 7 and 8 (of 1986), Indonesian forces encircled the stony mountain range of Matebia with the help of the air force, with the intention of capturing Fretilin leader Xanana, who at the time was at that place. On the first day of the attack, nine dead Indonesian soldiers arrived at the cemetery of Dili. On the second and on the third day of the attack, eight dead Indonesian soldiers arrived at that cemetery. We do not know how many were buried in Baucau and how many were transported directly to Java on a Hercules C-130 transport plane. On our side there were no casualties. Daily there is no lack of dead bodies for the (Indonesian military) cemetery in Dili. A new cemetery was built between Baucau and Uailili and is almost full.

The resistance of the East Timorese

people leads to imprisonments, exile and the disappearance of the best sons of East Timor of all ages, of both sexes and of different social backgrounds. Until the middle of September 1985, there were 177 political prisoners in the Comarca prison in Dili, some of them had been tried and others not; 43 other political prisoners were sent to Jakarta's central prison Cipinang. The number of prisoners in the regional military commands, in the hands of the Red Berets, in the central military commands is unknown.

On Dec. 24, 1985, (Lt. Gen. Benny) Mardani freed 15 military men and policemen from the Caicoli Comarca Prison; all of them were reintegrated into the service. We are certain that there are hundreds of East Timorese political prisoners who have been brought to various Indonesian islands; their whereabouts are unknown. Many of them were said to have disappeared in the years 1979, 1980 and mainly 1983.

At the present moment there are about 937 prisoners in the concentration camp on the island of Atauro; 936 of them are from Viqueque and one is from Lospalos. They have been separated from their families for over five years. During the last year the prisoners from the Manatuto and Same districts have been freed.

In the Purgoa concentration camp in Cailaco are those prisoners from the areas of Baucau, Viqueque and Lospalos who have been sent away from Atauro. Their

condition in this camp is a little bit better, but they are not allowed to go home. Prisoners from various parts of the country have been concentrated in Aileu. After a recent visit there by the wives of the governor and military commander, things have become a little better.

### **Conditions in Villages**

In the interior of the country, in many villages and concentration camps the people have no living conditions to help them survive as a people. If you, for example, go through the villages of Luro, Laivai, Tutuala, Iliomar, Uatolari, Cajularan, Lacluta, etc., you will see that the people live in a state of permanent encirclement.

They are not allowed to leave their villages beyond three kilometers (1.9 miles). Besides, they always have to have a "pass" issued by the Indonesian military authorities. It happens easily that East Timorese are accused of having contacts with the guerrillas, then they are immediately the victims of torture, massacres, etc.

In every little village and hamlet agents of the state family planning program (ke-luarga berencana) are present in order to make people limit their number of children, and each family is only allowed to have three children. In the interior the military forces our women to receive injections, and "pills" are distributed to them for the same effect. All the women are forced to take part in this. It is one way the enemy has to make our ethnic identity disappear.

Wednesday, April 30, 1986

EAST TIMOR April 30, 1986 (420 words)

**CHURCH OFFICIAL ASKS REAGAN TO SPEAK OF EAST TIMOR TO INDONESIA**

By NC News Service

East Timor's former apostolic administrator has asked President Reagan to speak to Indonesian officials on behalf of the church and people of East Timor.

Expressing concern about forced sterilizations and harassment of the Catholic Church, the former church official, Msgr. Martinho da Costa Lopes told Reagan in a letter that the East Timorese "are suffering ethnic, cultural and psychological genocide" at the hands of the Indonesians.

President Reagan visited Indonesia April 28-May 1, on his way to the western nations' economic summit meeting in Tokyo.

Msgr. Costa Lopes gave his April 14 letter to the president to New York Cardinal John J. O'Connor, head of the U.S. Catholic Conference's Committee on Social Development and World Peace.

The committee's East Asian Affairs advisor, Edward W. Doherty, forwarded the letter April 25 to the State Department's Assistant Secretary for Human Rights and Humanitarian Affairs Richard Schifter.

In a statement issued in mid-April, the White House said Reagan would be visiting the Indonesian island of Bali, a South Pacific resort, and did not plan any official functions during this portion of his Far East trip.

In his letter, Msgr. Costa Lopes charged that East Timor, which has already lost "perhaps a third of its population as a direct result of the Indonesian invasion and occupation," is now being subjected to a forced birth control program. Msgr. Costa Lopes charged this program involved sterilizing injections being given unwittingly to East Timorese seeking general medical treatment.

The Catholic Church in East Timor is suffering "harassment and coercion," including limits put upon the movement of priests by the occupying forces, the letter said.

"Mr. President, you are known as a strong defender of religious freedom," Msgr. Costa Lopes wrote. "I would be grateful if during your conversations with President Suharto (of Indonesia) you would seek assurances that such acts of coercion and harassment will be stopped."

Msgr. Costa Lopes also protested the lack of international relief and restrictions on travel into and from the country. The monsignor said his niece is not allowed to leave the island.

Msgr. Costa Lopes told National Catholic News Service in April the Vatican had asked him to resign from his church post after incurring Indonesian displeasure for criticizing military atrocities. He has been in exile in Portugal since 1983.

East Timor, once a Portuguese colony, was declared independent in 1975, and was subsequently invaded by Indonesia.

The population of East Timor is estimated at 600,000, with an estimated 393,000 Catholics. Indonesia is predominantly Moslem.

END

# FINANCIAL TIMES

Tuesday April 29 1986

## OVERSEAS NEWS

### Reagan to sidestep human rights issue

By Reginald Dale, US Editor, in Honolulu

THE US President, Mr Ronald Reagan, will try to stay above a growing controversy over allegations of corruption and human rights violations by the Indonesian Government when he meets President Suharto in Bali on Thursday, according to US officials accompanying the President on his 13-day Pacific tour.

Despite pressure from the US Congress and private human rights groups, Mr Reagan will stick to his policy of "quiet diplomacy" in dealing with the alleged abuses, the officials said.

Nevertheless, the issue was emerging as a potential stumbling block as Mr Reagan continued his leisurely swing through the Pacific on the way to next week's Western economic summit in Tokyo.

A recent State Department report raised serious questions over human rights deficiencies in Indonesia, including unexplained deaths and disappearances.

● In a letter released yesterday 125 congressmen urged President Reagan to raise charges of human rights abuse in East Timor with President Suharto, Reuter reports from Washington.

As President Reagan flies to Bali, Alain Cass considers the prospects for his host

### Why Suharto's control is vital to region

PRESIDENT Ronald Reagan flies to the island of Bali today, a sanitised holiday enclave which is all that most foreigners see of Indonesia.

His two-day stop-over en route to the summit of industrialised nations in Tokyo is described, a little disingenuously, as the President's first visit to Indonesia. That would be like equating a visit to Goa with one to India or a trip to Puerto Rico with a stay in the US.

Mr Reagan will meet President Suharto of Indonesia and his senior advisers as well as foreign ministers of the six-nation Association of Southeast Asian Nations (Asean) to review the balance of power in this pivotal area of the world where the US sees its traditional pre-eminence challenged by the Soviet Union.

The recent upheaval in the Philippines has, if anything, heightened US concern over the growing Soviet presence in Vietnam and the eventual fate of the American military installations at Clarke Field and Subic Bay north of Manila.

Mr Reagan, fresh from his expedition against Libya, will want to stiffen the resolve of those who wish to accept the situation in Indochina since the US withdrew in 1975 and negotiate an agreement which



Mr Suharto: firm grip

recognises Vietnamese suzerainty over Kampuchea and Laos in return for a withdrawal of Hanoi's troops.

Foremost among those who will be President Suharto, his host in Bali. He takes an intensely practical view of relations between the Asean group and the marxist states of Indochina and regards Indonesia's non-aligned status as the sheet anchor of its foreign policy despite being virulently anti-communist.

If Mr Reagan had time to leave his island tourist-trap and visit the rest of this sprawling archipelago, which end to end is as wide as the US, he would understand why.

Indonesia, with 165m people,

Insurgents fighting Indonesian rule in the former Portuguese colony of East Timor have produced documents, including what they claim is a captured military map, purporting to show a level of guerrilla activity that contradicts Indonesian accounts of reducing the resistance movement to a few demoralised bands, AP reports from Lisbon. The Revolutionary Front for an Independent East Timor has fought a guerrilla campaign since Indonesia invaded in 1975 following the breakdown of Portuguese colonial rule.

is the world's fifth most populous nation and its 13,000 islands straddle Asia's vital seaways between Japan and the oil fields of the Middle East. It is, at the same time, enormously powerful and intensely vulnerable.

After a period of rabid nationalism in the 1950s and 1960s under President Sukarno, when foreign policy fluctuated wildly and erratic economic management left the country virtually bankrupt, Indonesia has begun fulfilling its huge potential.

President Suharto, in power for 20 years, has governed with a shrewd mixture of political guile, sound economic management and ruthless military

discipline. Helped initially by soaring oil prices, he has been able to buy off criticism of his authoritarian regime with economic growth.

The ruling elite—primarily the military and their dependants—and a growing middle-class have benefited from the oil boom and now form part of an unbreakable web of support for the regime.

Indonesia has gone from being the world's biggest importer of rice to self-sufficiency in five years. It has slashed its population growth and is laying the foundations of an industrial society. Regionally, the country has emerged as an important diplomatic power after its early period of belligerency under President Sukarno and its more recent isolation.

But there are many reasons why Indonesia remains vulnerable, and President Suharto feels the need to retain a firm grip at home and avoid confrontation abroad.

The most serious problem is the recent fall in oil price which has had a dramatic effect on the country's spending power. Nearly 70 per cent of Indonesia's foreign exchange comes from oil and gas, and for the past three years the Government has introduced successively harsher austerity measures as the price has fallen further than even the pessimists predicted.

For every dollar drop in the oil price Government receipts fall by more than \$300m. This year, the state budget was cut for the first time in 17 years. With 1.5m new job-seekers coming on the market each year, a depressed industrial sector and millions still living at subsistence level the regime cannot afford a prolonged economic recession.

President Suharto must also watch his political front. His position is unassailable, and he seems set to stay in power for another term: after his present one ends in 1988. The Government party, Golkar, is almost embarrassingly successful as the army and the bureaucracy close ranks to support it.

However, dissent is increasing and the Government feels the need to deal with it harshly. Press freedom is steadily being choked while nonconformist political movements are firmly discouraged.

Potentially the most serious long-term threat is from Moslem fundamentalists. Although still insignificant, surprising for the world's biggest Islamic state, Moslem opposition to the relatively permissive nature of Indonesian society and the rampant corruption in government is growing and could upset what has, so far, proved a model of growth and stability in the developing world.

# Los Angeles Times

Wednesday, April 30, 1986

## Indonesia Bars 2 Journalists on White House Press Plane Over Suharto-Marcos Comparisons

By JACK NELSON and ELEANOR CLIFT, Times Staff Writers

BALI, Indonesia—The Indonesian government, already under attack for human rights violations, fueled the situation further Tuesday by barring two Australian journalists aboard a White House-chartered press plane from covering President Reagan's visit here.

The journalists were held at the airport and ordered to "transit immediately" in retaliation for an article that appeared in a Sydney newspaper. The article compared the wealth amassed by the family of Indonesian President Suharto to that of deposed Philippine President Ferdinand E. Marcos.

Reagan's plane touched down on the island of Bali shortly after the press plane. He was given a red-carpet welcome by Suharto and will meet privately with the Indonesian president on Thursday.

### Sensitive Question

Administration officials had hoped that the sensitive question of human rights would not dominate Reagan's discussions here, but the incident with the journalists is likely to bring the issue into sharper focus.

Indonesian authorities also barred Barbara Crossette, a New York Times correspondent based in Bangkok, Thailand, from covering the Reagan visit.

Crossette was expelled from Indonesia recently after writing articles that echoed the Marcos comparison and cited human rights violations. She returned to Bali on Tuesday but was ordered out once again, leaving aboard a plane for Singapore without her luggage, according to a New York Times spokesman.

White House officials had worked unsuccessfully to resolve the plight of the Australian journalists since Sunday, when they received a cable from the Indonesian Information Ministry advising them that they would not be al-

lowed to enter the country.

White House spokesman Larry Speakes said it is Administration policy that all accredited journalists be allowed to cover Reagan's visit.

As the two journalists left the plane in Bali after a 14-hour flight from Honolulu, they were accompanied by White House Deputy Press Secretary Edward P. Djerejian.

Djerejian made one last attempt on their behalf, but he was turned away by Indonesian officials. "They said their decision was firm," he reported.

The two journalists are Richard Palfreyman, Washington correspondent for the Australian Broadcasting Corp., and James Middleton, a radio reporter for the network. They had no direct involvement with the newspaper story that charged the Suharto government with widespread corruption.

However, Indonesia, which has been extremely sensitive to criticism in the past, barred all Australian journalists from covering Reagan's visit after the April 10 article in Australia's Sydney Morning Herald. The article alleged that Suharto and his relatives enriched themselves through favoritism and government contracts.

Palfreyman and Middleton were departing for Tokyo, where Reagan will confer beginning Sunday with the leaders of six other democratic nations in an economic summit meeting.

Paul D. Wolfowitz, the U.S. ambassador to Indonesia, had urged the Indonesians to withdraw the ban on the journalists for fear that it would draw attention to the

human rights issue. Administration officials had emphasized that Reagan had no plan to raise human rights with Suharto and would prefer that the issue not be raised publicly.

In a press briefing book compiled for the President's trip, the Administration said that "although problems remain, there were improvements in the human rights situation in Indonesia in 1985."

In fact, Reagan's visit comes in the aftermath of a crackdown on

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## BALI: Indonesia Bars Journalists

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dissidents. Among those arrested was a former Cabinet minister who was sentenced to 10 years in prison for subversion and has been put on trial for an alleged plot to kill Suharto.

In briefings for reporters on the Bali stop, officials have played down issues of human rights and civil liberties. On the flight here, Speakes said that the Administration's position on such issues is well known and that he did not know whether they would be raised in discussions.

In a letter released Monday, 125 bipartisan members of Congress urged Reagan to confront Suharto on reports of rights violations, including torture and summary executions, on East Timor, a former Portuguese colony invaded by Indonesia in 1975.

The weather was warm and humid when the President and Mrs. Reagan arrived Tuesday evening. They were given a festive welcome, with native Balinese dancers performing at the airport and thousands of well-wishers lining the roads.

The President's stop in Bali was assigned mainly as a rest stop as he heads to the Far East.



# ASIE

## Indonésie

AU COURS DE SA RENCONTRE AVEC M. SUHARTO

### Le président Reagan n'entend pas insister sur la question des droits de l'homme

Honolulu. — Le président Ronald Reagan a quitté, lundi 28 avril, Hawaï pour Bali (Indonésie), après avoir fait savoir qu'il n'avait pas l'intention d'insister auprès du président Suharto sur la question des droits de l'homme en Indonésie.

Les Etats-Unis souhaitent « le maintien d'un environnement stable permettant la poursuite du progrès économique, politique et social en Asie orientale », a déclaré M. Reagan, avant d'entreprendre la première tournée d'un président américain dans la région depuis dix ans. La Maison Blanche a indiqué que la question des droits de l'homme « ne sera pas une question importante à l'ordre du jour » de la rencontre de jeudi entre M. Reagan et le président Suharto.

Plus d'une centaine de parlementaires américains, démocrates et républicains, ont adressé récemment une lettre au président Reagan lui demandant d'« ajouter à l'ordre du jour (de ses conversations avec le général Suharto) le sort du peuple de Timor-Est », l'ancienne colonie portugaise annexée de force par l'Indonésie en 1975. Alors que le président a mis sa tournée asiatique sous le signe des « vents de la liberté » qui soufflent, selon lui, sur le Pacifique, les parlementaires l'ont adjuré de faire peser « le prestige et la force morale des Etats-Unis » afin d'améliorer la situation des droits de l'homme à Timor-Est.

#### M<sup>me</sup> Corazon Aquino bientôt en URSS ?

A l'exception des Philippines, qui n'ont pas officiellement pris position, les pays de la région, proches des Etats-Unis mais comptant tous de fortes communautés musulmanes, ont condamné le raid américain contre Tripoli. Ils ont par ailleurs fait savoir qu'ils étaient plus préoccupés par le pro-

blème de leurs relations économiques et commerciales avec Washington (leur principal partenaire après Tokyo dans ces domaines) que par les questions de lutte contre le terrorisme.

Le président Reagan — qui a créé un certain embarras en s'entretenant au téléphone, le week-end dernier à Honolulu, avec M. Marcos — aura, d'autre part, un tête-à-tête avec M. Salvador Laurel, vice-président philippin. En attendant, on apprend à Manille que la présidente, M<sup>me</sup> Corazon Aquino, a reçu lundi le vice-ministre soviétique des affaires étrangères, M. Mikhail Kapitsa. Ce dernier, arrivé discrètement pour une visite de cinq jours, lui a notamment transmis les vœux de M. Gorbatchev. M<sup>me</sup> Aquino a déclaré, à l'issue de l'entretien, qu'elle comptait, d'une part, se rendre prochainement en visite en URSS, et, d'autre part, nommer un ambassadeur des Philippines à Moscou, poste vacant depuis quatre ans.

Enfin, sur un sujet qui préoccupe particulièrement les Etats-Unis, le ministre indonésien des affaires étrangères, M. Mochtar Kusumasudja, a déclaré lundi à un hebdomadaire de Hongkong qu'il ne considérerait pas la présence d'une base soviétique dans le port vietnamien de Cam-Ranh-Bay comme une menace pour les pays du Sud-Est asiatique. Le ministre souligne que les Américains disposent, pour leur part, de bases militaires aux Philippines.

Enfin, le gouvernement indonésien a maintenu son refus de délivrer des visas à la presse australienne, y compris à deux journalistes accompagnant le président Reagan. Cette mesure fait suite à la publication récente dans la presse de Sydney d'un article affirmant que M. Suharto et son épouse ont accumulé une fortune, à l'instar de M. et M<sup>me</sup> Marcos. — (AFP, Reuter.)

# Bali ousters unlikely to upset talks

The Associated Press

BALI, Indonesia — A top Indonesian official today said President Reagan's "winds of freedom" are still blowing on the eve of his meeting with President Suharto, but the government didn't much care for the "hurricane" that led to expulsion of two Australian journalists.

"We are not against press freedom," Foreign Minister Mochtar Kusumaatmadja told a news conference on this tropical resort island. "On the other hand, we don't have to like it. I mean when a hurricane hits you, you don't have to like the hurricane."

He said he regretted the expulsion of a *New York Times* reporter, adding he had tried to reverse her banning but failed when she entered the country on a tourist visa, was discovered and ordered to leave.

U.S. Ambassador Paul Wolfowitz delivered an "expression of concern" to Indonesian officials after the Australians in the White House press party were ousted, but American officials indicated they considered the case closed and Reagan was unlikely to raise it when he meets with Suharto tomorrow.

Nor, the officials said, would Reagan dwell on other human rights issues, such as what are known here as "mysterious killings" of suspected criminals and political repression in East Timor.

A U.S. source said the Reagan administration believes the government has halted the summary execution of suspected crime figures and that the suppression of political



The Associated Press

*U.S. Secretary of State George P. Shultz chatting with Salvador H. Laurel, Philippine vice president and foreign minister, in Bali today.*

opposition in Timor has eased.

Meanwhile, Philippine Vice President Salvador H. Laurel said today he hopes Reagan will clear up some "cobwebs of doubt" over whether the United States still supports Ferdinand E. Marcos or recognizes the government of Corazon C. Aquino.

Laurel, who is to meet with Reagan tomorrow, said Secretary of State George P. Shultz assured him today that Reagan has told Marcos "to forget all plans to return to power."

Reagan has made "the winds of freedom" the theme for his 13-day trip to the Far East, but officials said today he would concentrate on issues of free trade and free markets during his visit here to talk to Suharto and the foreign ministers of the Association of Southeast Asian Nations, a compact of non-Communist trading partners in the region.

All reporters working for Australian news media were banned from Indonesia following publication of an article in a Sydney newspaper comparing Suharto and his family to former Philippine President Marcos and his family. Barbara Crosette of *The New York Times* was banned after she wrote a similar piece.

Primary issues likely to be raised at the meetings today are Indonesian and ASEAN concerns about protectionist pressures in the United States, which is a major market for Southeast Asian textiles and raw materials, and a desire to reverse declining foreign investment in the region.

The other ASEAN member states are Thailand, the Philippines, Singapore, Malaysia and Brunei.





President Reagan reaching out in a failed attempt to catch a coconut thrown by an aide as he strolled with his wife along a beach in Honolulu. The President was on a two-day stop-over in Hawaii on his way to Tokyo.

## Wind of freedom blows cool in Indonesia

By RICHARD BEESTON in Honolulu

PRESIDENT Reagan flew to Indonesia yesterday on his self-proclaimed "winds of freedom" trip to Asia. But while seeking to stress the Soviet threat to South East Asia, Mr Reagan has decided not to press the issue of human rights with President Suharto of Indonesia.

This is despite pleas from Congress alleging widespread killing and repression by Indonesia in the former Portuguese colony of East Timor.

Nor will he raise the issue of allegedly growing corruption of Mr Suharto and his family whom press reports have likened to that of the ousted President Marcos of the Philippines.

The first casualties of the "winds of freedom" visit are two Australian correspondents travelling with the White House press corps.

President Suharto, furious with Australian press allegations against him and his wife Madame Tien labelled "Madame Tien Per Cent." for her business dealings has banned all Australian journalists. A few hours before departure from Honolulu the two Australian Broadcasting Corporation correspondents, Richard Palfreyman and Jim Middleton, received a cable from Indonesia saying they would not be admitted to cover Mr Reagan's visit to Bali.

### White House plea

The White House had asked Indonesia to give the widest possible access to the world's press covering Mr Reagan's visit to Bali where he will meet the leaders of the six ASEAN nations. A United States official said the American ambassador to Indonesia "went to the mat" on behalf of the correspondents, but had been rebuffed three times by the Indonesian Government.

Issues of human rights, press freedom, political corruption and the unpopularity of the United States in Asia over the Libyan bombing are likely to cloud the trip, which Mr Reagan had hoped would be a restful prelude to his economic summit meeting in Tokyo.

He has told the ASEAN leaders he wants to focus on the long-term Soviet military build up in the Pacific, and especially at the Cam Ranh Bay base in Vietnam, and the power that this gives Moscow for "political blackmail" in the region.

Mr Reagan however intends to play down the request to "bring to bear his prestige and moral influence" on President Suharto to stop the repression in East Timor. Some Congressmen claim that 100,000 people have perished there in the last decade.

A White House spokesman said that Mr Reagan would treat human rights issues in Indonesia as "an internal matter".

## The Readers' Page

### Concern For East Timor

To the Editor:

East Timor is a predominantly Catholic country that we hear or know very little about. It is a land located in Southeast Asia, at the eastern end of the Indonesian archipelago. In 1975, the former Portuguese colony was invaded by Indonesia. Since then about one-sixth of its population, 100,000 people, have disappeared through torture, executions and other violent means. Highly regarded church sources confirm that serious human rights abuses continue.

Concern over East Timor was expressed by both Secretary of State Shultz and Pope John Paul II during visits to Indonesia in July, 1984. British Prime Minister Margaret Thatcher also raised the Timor issue when she visited Jakarta in April, 1985. Also, in June 1985, Amnesty International issued a detailed report on the human rights situation in East Timor and has published additional information in recent months.

A number of congressmen have expressed concern for the situation in East Timor. A joint House/Senate

One-sixth of East Timor's population has disappeared through violent means.

Resolution was introduced in Congress in December, 1985 by Tony P. Hall of Ohio.

President Reagan is due to travel to Indonesia during his trip to Asia in early May. Concerned congressmen are urging the president to encourage Indonesia to maintain and expand access to East Timor for international humanitarian agencies and to address current questions of basic human rights. President Reagan's trip to Indonesia provides a special opportunity for the prestige and influence of the United States to be brought to bear on the East Timor tragedy.

Write our legislators to request President Reagan to add the plight of the people of East Timor to his agenda in May.

SISTER MARGARET BRAULT

Coordinator

Intercommunity Center for Peace

and Justice

Diocese of Syracuse

# Dayton Daily News

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## EDITORIALS

# Congress should offer stick to use against Indonesia

Maybe it takes a scowling Congress to put some teeth behind President Reagan's smile when he does his "constructive-engagement" number with pro-American tyrants.

Indonesia, which President Reagan visited on his way to the Tokyo summit, ought to be next on the list to face a cutoff of American assistance if it doesn't quit oppressing people and tolerating those in high places who are getting rich, Marcos style.

Dayton Rep. Tony Hall, a long-time crusader against some Indonesian oppression, said he was "surprised and disappointed" that President Reagan would not tell Indonesian President Suharto that Americans don't like to see people killed and oppressed, specifically in East Timor, which Indonesia invaded 11 years ago. Indonesians have killed at least 100,000 people in the war there and perhaps six times as many, by some counts.



It's hard to know the truth about East Timor, since anticommunist Indonesia suppresses the press in a way that would make communists proud. In fact, Indonesia would not permit two Australian journalists to enter with President Reagan's entourage. The reason: An Australian newspaper reported that President Suharto and his cronies might have racked up a fortune of up to \$3 billion through government contracts and favors.

The former Portuguese colony of East Timor, in the cluster of islands north of Australia, comes about as close as anyplace to being noplaceto us Dayton-area folks frolicking around in our democracy. But Indonesia, as the fifth most populous nation in the world, with 13,500 islands, is definitely a someplace, and what it does matters in the Pacific.



In his 20 years of rule, President Suharto and his generals have calmed the chaos (easy to do when you kill by the tens of thousands and imprison alleged dissidents without trial) and brought economic progress. The stability and self-sufficiency, at least, please Americans who feared Indonesia would be another Vietnam domino falling. But the government has become more greedy, murderous and corrupt.

President Reagan and Secretary of State George Shultz said that in private sessions with Indonesia's leaders they stressed U.S. support for a free press. The American guests did not want to be publicly impolite.

It may fall to Congress to make more noise about Indonesia's rottenness — not simply by signing letters to the President to speak up and get tough, but by threatening Indonesia with losses of aid and markets, any leverage this nation has. Then President Reagan can tell the Indonesian generals and hangers-on, in his nice way, to please shape up fast in order to keep Congress from carrying out its threats.

Of course, the United States doesn't want to ruin its alliance with Indonesia, so this kind of diplomacy involves a tough balancing act. But if Indonesia doesn't clean up its own house, that alliance is going to be threatened anyway in the long run. For a recent example, one need look no further than the little billionaire-in-exile, buddy-of-American-presidents, Ferdinand Marcos.

## Message to Suharto

**O**N DECEMBER 7, 1975, just hours after President Ford and Secretary of State Kissinger ended a visit to Djakarta, Indonesian troops invaded East Timor, a small independent country—formerly a Portuguese colony—out at the tip of the Malay archipelago. Ten years later, the Indonesians are still there, their occupation one of the grislier stories of human-rights violations, mass starvation, and wholesale slaughter. It is worthy of comparison with Pol Pot's bloody reign over Cambodia, not only for the devastation inflicted, but also for the lack of attention, in the world community, paid to the holocausts.

At least sixty thousand and perhaps as many as 200,000 East Timorese—out of a total population of only 650,000—have been killed since the Indonesian invasion. The figures are sketchy because of the rigid control the Indonesians exercise over the press. The Indonesians have launched a campaign to reduce the East Timorese population yet further by dispensing birth-control pills as “vitamins” to unsuspecting women and by practicing forced sterilization of both men and women. Many victims of forced sterilization had been visiting government health facilities for sick-calls, and now others, needing medical attention but fearing sterilization, are scared away. The Moslem Indonesians have been systematically harassing the Catholic Church, to which a majority of the East Timorese belong. Government troops have closed down the church's radio station and severely restricted its ability to communicate. International access to East Timor is almost shut off. The Red Cross is restricted to Dili, the capital city.

Indonesia's bloody occupation of East Timor has registered little outrage in the world forum. When President Reagan, en route to Japan this May, stops in Djakarta to meet with President Suharto, he will be the first American President to visit Indonesia since the East Timor occupation. He should press for three things. First, international access, so that groups like the Red Cross and Amnesty International can do their work. Second, freedom for the church. Third, an Indonesian withdrawal, perhaps coinciding with a temporary return of the Portuguese to facilitate the transition. And then self-determination for what's left of the East Timorese people.

**Editorials****East Timor Ten Years Later**

**J**ust as this issue of **AMERICA** goes to press—that is, April 29-May 2—President Reagan is visiting Indonesia. There he is to meet with the foreign ministers of the Association of Southeast Asian Nations, and on May 1 with Indonesian President Suharto. All this on the isle of Bali, whose fabled beauty might provide compensation for the tough economic talks that preoccupy the delegates. But there is another serious matter that the American people can hope Mr. Reagan and Secretary of State George P. Shultz will discuss with their Indonesian hosts. At the eastern end of the same chain of islands that includes Bali, and not so far away, is another island called Timor, likewise lovely, but little known except as the scene of one of the most hideous tragedies of our time.

The eastern side of Timor was a Portuguese colony for 400 years, unlike the western side, which, as one of the Dutch colonial holdings, became part of Indonesia shortly after World War II. When the Portuguese finally left in mid-1975, East Timor looked forward to being an independent state in loose association with Portugal. This was natural, since the East Timorese have a language and culture different even from that of West Timor, not to mention the rest of Indonesia. For one thing, its people are largely Roman Catholics or animists, whereas vast Indonesia is overwhelmingly Muslim.

East Timorese dreams of independence were short-lived. By December 1975, Indonesia had invaded and occupied the eastern part of the island and by July 1976 had simply annexed it. Looking for "East Timor" on current maps is as futile as looking for an independent Latvia or Lithuania, for just as the Soviet Union has by now contentedly digested those Baltic republics, so has Indonesia swallowed East Timor. Digesting it is another matter, for fierce indigenous resistance has persisted for 10 years.

The enormity of what is going on needs to be better known. It is a case of genocide. Because of warfare, flight, forced resettlement, starvation and illness, the 1975 population of 650,000 has declined by as much as 200,000. This figure is cited by Martinho da Costa Lopes, the Apostolic Administrator of East Timor from 1977 to 1983. This loss seems not to bother the Indonesian authorities, who unload Java's surplus population on this relatively underpopulated land they have seized. Meanwhile, an aggressive and sinister policy of birth control is forced on people in the countryside. Because independent obser-

vers are kept out, it is hard to know exactly how many East Timorese have died because of the depredations of continuing warfare and the Indonesian suppression of resistance. Amnesty International has nonetheless verified enough information to complain of unfair trials and torture. Churchpeople tell of massacres and "disappearances."

There is religious oppression, too. The church, which tries to stand up for the people and their aspirations for independence, is increasingly harassed. One is reminded of El Salvador's martyred Archbishop Oscar Romero, who commented that if the church is with the people, it will of course be persecuted by those who oppress the people. Meanwhile, the relatively unprotected animists are forced by Indonesian policy to pick one of five official religions (including Roman Catholicism) to which they must belong. In fact, most have "become Catholics," since the church is what they know best, but this is hardly cause for rejoicing among Catholics or any others who prize religious freedom.

Yet when such complaints about human-rights abuses are presented to the Indonesian Foreign Minister, he simply denies they are true. Even the South African authorities—to use another regime for purposes of comparison—admit they have a problem!

**I**t is dismaying but not surprising to learn from Indonesia that the "reason" for the occupation of East Timor, with all the resultant warfare and oppression, is the "need to save it from Communism." Church authorities on the scene, however, say that the independence movement is not now and never has been Communist. It is a nationalist movement dedicated to the self-determination of its people.

When President Reagan and Secretary Shultz arrive in Indonesia, in this 10th-anniversary year of its attempted suppression of the East Timorese nation, they will be carrying letters from 125 House members and 23 Senators protesting the human-rights violations in East Timor and the lack of independent access to that tortured land. That's all very well, if in fact these disagreeable but justified complaints even get mentioned among all the smiling diplomats on Bali. But as Monsignor da Costa Lopes would insist, that does not go far enough. Indonesia should sit down with the East Timorese to discuss the political destiny of that land. Until that happens, he says, the resistance and warfare will continue, because more than 90 percent of the East Timorese want their independence.

# U.S. News & WORLD REPORT

MAY 12, 1986

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## CURRENTS

### PRELUDE TO SUMMIT

## Reagan's rocky road to Bali—and beyond

■ President Reagan's trip out to the Tokyo economic summit, envisioned as a stately progression through restful Pacific island paradises, was marred by unexpected political squalls.

Even as the May 4-6 summit of the seven major industrialized nations was overshadowed by the disaster at a Soviet nuclear plant and terrorist threats, the tensions of East Asia forced themselves onto the presidential agenda in both Hawaii and Bali.

Talks with winners and losers in the peaceful revolution in the Philippines left the White House more than a little peeved. Vice President Salvador Laurel, in meetings with U.S. officials in Bali, appealed for financial aid for the fledgling regime of Corazon Aquino far beyond the \$150 million in emergency funds already forwarded.

The No. 2 Philippine official, declared Secretary of State Shultz, "gave the impression his needs were infinite—and we don't have an infinite capacity to provide money." Laurel's suggestion that "cobwebs of doubt" persisted in Manila about U.S. support for Aquino provoked Shultz: "The President is not on trial."

Reagan's earlier courtesy telephone call to deposed President Ferdinand Marcos, now living in exile in Honolulu,

developed into an hour-long outpouring of Marcos's bitterness during which his wife Imelda broke into tears as she told Nancy Reagan of the family's fall from power and grace.

In an ambitious effort to establish a positive tone for the 13-day, 22,000-mile tour, the President heralded the "winds of freedom" that he saw as encouraging democracy. The notion quickly suffered a bruising setback. The autocratic regime of Indonesian President Suharto, angered by published charges of Marcos-like corruption by his own family and friends,

plucked two Australian journalists off the U.S. press plane and expelled them, along with a regional correspondent for the *New York Times*.

White House protests were to no

avail. "We are not against press freedom," said Indonesian Foreign Minister Mochtar Kusumaatmadja. "On the other hand, we don't have to like it." Referring to Reagan's "winds of freedom" theme, Mochtar added: "When a hurricane hits you, you don't have to like it."

In meetings meant to enhance American friendship and harmony with the six nations of the Association of South-east Asian Nations, the President confronted pointed expressions of frustration over U.S. trade policies that subsidize American rice exports—as well as neighborly concern about closer U.S. ties with Peking.

As Reagan plunged into the sessions in Tokyo, he could only hope that the troubles that launched his longest presidential journey to date would quickly fade before the successes of his sixth economic summit. ■

by James M. Hildreth



The Suhartos welcome the Reagans, wearing their arrival gifts, to Bali



Imelda to Nancy:  
Tearful outburst



WEDNESDAY, APRIL 30, 1986



Native dancers perform for President Ronald Reagan and his wife, Nancy, during arrival ceremonies Tuesday night in Bali.

## Reagan Visiting At Difficult Time For Indonesian Chief

By Lawrence M. O'Rourke  
Post-Dispatch Washington Bureau

NUSA DUA, BALI, Indonesia — President Ronald Reagan arrived on Bali Tuesday night for a three-day visit at an economically and politically difficult time for the authoritarian government of President Suharto.

Reagan and his wife, Nancy, flew to Bali from Honolulu, with a brief stop in Guam. Reagan will leave Bali Friday morning to fly to Tokyo for an economic summit conference.

It was dark on this resort island

south of the equator when Air Force One landed and the Reagans were greeted by Suharto. Nevertheless, the Indonesian government managed to line up more than 50 well-wishers along a red carpet. The president looked jaunty after his 14 hours and 10 minutes on the plane.

Several thousand children in school uniforms lined the road on the brief journey from the airport to this community of beach resorts.

On Reagan's schedule Thursday is a meeting with foreign ministers of

the Association of Southeast Asian Nations.

The Indonesians are calling Reagan's stop a working visit, not a state visit. His hosts still bristle at Reagan's abrupt cancellation in 1983 of a trip to Indonesia and other nations. That was after the assassination in the Philippines of opposition leader Benigno S. Aquino Jr.

Reagan was unwilling to go into the Philippines on that occasion and therefore canceled the entire trip.

An Indonesian diplomat said his government wished that Reagan had

come this time on a state visit to the capital of Jakarta, on the adjacent island of Java. The diplomat said that relations between the United States and Indonesia were "sort of strained" because of the 1983 cancellation but that they would be repaired by this visit.

Although there is no apparent threat to Suharto's hold on power, several factors are undercutting his absolute grasp of the country.

The sharp worldwide drop in oil prices has damaged Indonesia's econ-

See REAGAN, Page 8

### From page one

omy. The Asian island nation already has cut its budget by 7 percent in the first rollback in government spending in 17 years, halted internal repair work and new projects, asked international banks to extend loans and increased tax collections.

Within recent weeks, Suharto's family and friends have been accused in published reports of taking government money in much the same way as former Philippines President Ferdinand E. Marcos.

A group of retired generals and civil servants is leading a drive to allow political dissent and free elections. The armed forces and a single political party dominated by the army, Golkar, run the country under Suharto's firm direction.

Recently, a group known as Petition Fifty helped arouse public support for H.R. Dharsono, a retired army colonel and diplomat who was ordered to prison for 10 years on subversion charges.

Dharsono was charged after he called for an investigation of the deaths in September 1984 of more than 30 people. They had protested for assistance for the poor people who live in north Jakarta, near Tanjung Priok, a dock area.

The government has been forced recently to concede that even the presence of 25,000 soldiers and an annual expenditure of \$300 million in military support has failed to quell

the demand for independence from the people on the eastern part of the island of Timor.

East Timor was granted its independence by Portugal in 1965. But the Indonesians invaded the island shortly after that, claiming it was their territory. U.S. officials say at least 100,000 East Timorese have either been killed or have disappeared during the years of fighting.

An Indonesian official said that the Indonesian Communist Party had been "lying low" for several years but that "we are aware that it is an ongoing threat." Western diplomats talk of the current economic difficulties within the country as feeding the ranks of those who want to replace Suharto, 64, with a democratically elected leader.

Suharto has been careful in trimming his budget to leave in place food subsidies for the poor, whose restlessness he fears could lead to an uprising.

An Indonesian official said Suharto would use his time with Reagan to try to impress on the president that much of the world is hurting because of lower oil prices and protectionist measures to guard industries from products produced by workers in poor countries.

The official said Suharto would congratulate Reagan for vetoing legislation that would cut the amount of Indonesian textiles shipped to the United States.

## U.S. Protests Expulsion Of Australian Reporters

By Lawrence M. O'Rourke  
Post-Dispatch Washington Bureau

NUSA DUA, BALI, Indonesia — Over protests by President Ronald Reagan's administration, two Australian reporters traveling to Bali with Reagan were seized at the airport Tuesday night and were ordered to leave Indonesia on the next available plane.

The Indonesian government acted because of a critical story in the Sydney Morning Herald of Australia. The story said that Indonesian President Suharto and his family had systematically looted the national treasury of tens of millions of dollars.

Suharto is said to especially dislike the comparison between himself and former Philippine President Ferdinand E. Marcos, who was ousted from power in February.

The reporters are Richard Palfreyman, Washington correspondent for the Australian Broadcasting Corp., and James Middleton, a radio reporter for the network. Both arrived in Bali with credentials that had been issued by the White House.

The exclusion of the Australian re-

porters was the latest incident between Australia and Indonesia. Last Friday, the Indonesian government turned back 189 Australian tourists as a protest against the article.

Edward Djerejian, a White House deputy press secretary, said the United States had told the Indonesian government several times over the last few days that the Australian journalists were legitimate reporters and should be admitted to cover Reagan's three-day stay on this tropical island.

U.S. Ambassador Paul D. Wolfowitz told the Indonesian officials in advance that barring the Australian reporters would only draw attention to human rights violations by Indonesia.

Indonesian authorities also barred Barbara Crossette, a correspondent for The New York Times, from covering Reagan's visit. Crossette is based in Bangkok, Thailand. She was expelled from Indonesia recently after writing articles that echoed the comparison with Marcos and cited human-rights violations. She returned to Bali on Tuesday but was ordered out once again, according to a spokesman for The New York Times.





Flanked by the Suhartos, the President and the First Lady are greeted by Balinese dancers upon arriving at Ngurah Rai Airport

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## Nation

TIME/MAY 12, 1986

# A Breezy Theme

*On the Road to Tokyo, Reagan hails the "winds of freedom" blowing in Asia*

**S**lowly, deliberately, Ronald Reagan made his way westward from Hawaii through Indonesia last week as he headed toward Tokyo for his summit meeting with Western and Japanese leaders. The topics for the Tokyo meeting, which began on Sunday afternoon and was to continue through this Tuesday, were hard and pressing: trade, economic planning, the need to coordinate tough action against terrorism and, in the wake of Chernobyl, international safeguards against nuclear-power catastrophes. But Reagan's three-day stopover on the Indonesian resort island of Bali gave him a chance to highlight more visionary concepts, most notably his belief that the "winds of freedom" are blowing across the Pacific Rim and that democracy

should be encouraged to flower among America's allies.

Reagan's breezy theme had a slightly familiar ring, harking back to Harold Macmillan's 1960 "wind of change" speech in Cape Town, in which the then British Prime Minister predicted the end of the colonial era in Africa. The words served as a reasonably suitable catchphrase for the President's longest journey since he took office (some 22,300 miles through twelve time zones). The trip carried him to a vast region in which one right-wing dictator, Philippine President Ferdinand Marcos, has recently been ousted and in which democratic stirrings have rippled through several other countries. Though a bit of turbulence complicated the trip, Reagan maintained that bracing winds were clearing the Pacific air.

Reagan encountered the first of the rough patches during the weekend he spent in Honolulu resting up in a pre-emptive strike against jet lag. The President placed a prearranged telephone call to Marcos, who has been living in Hawaii since his hasty departure from Manila two months ago. Aware that the call could cause criticism, Reagan had taken care to telephone Corazon Aquino before leaving Washington a couple of days earlier. Some White House aides thought the call to Marcos was an unnecessary exercise, but Reagan still regards the ousted Philippine leader as a longtime U.S. ally who deserves a decent measure of hospitality.

Though the Administration had hoped to downplay the gesture, Marcos aides shrewdly invited a local TV crew to film the start of the conversation. "I'm so

happy that you are calling, Mr. President," declared the beaming Marcos. The exiled leader has been taking an increasingly active role in Philippine politics of late, even to the point of telephoning a speech to a throng of Marcos demonstrators in Manila. In his conversation with Reagan, Marcos attempted to win U.S. approval for a return to the Philippines, a request the President gently but firmly turned aside. Then a weeping Imelda Marcos got on the phone to Nancy Reagan, complaining about the vilification of the Marcoses in the press and her sense of imprisonment in Hawaii. According to some White House aides, the half-hour conversation proved to be unexpectedly discomfiting to the President and even more so to his wife.

Another mini-crisis arose when the Reagan party arrived in Bali. The Indonesian government, despite quiet but vigorous pressure from the traveling White House, refused to admit two Australian journalists who were covering the presidential visit. The same day, Indonesia summarily expelled a New York Times correspondent, Bangkok-based Barbara Crossette. The reasons in both cases apparently stemmed from the government's sensitivity over foreign-press accounts of Indonesian corruption and human rights violations (see box). Deciding that it was best not to provoke a public showdown, the White House said it would pursue the matter.

While Nancy Reagan visited a group of Balinese exhibits within the safe confines of the Nusa Dua Beach Hotel complex and made a game try at Balinese dancing, her husband met with Indonesian President Suharto and the foreign ministers of the six members of the 19-year-old Association of Southeast Asian Nations (ASEAN)—Indonesia, Malaysia, the Philippines, Singapore, Thailand and Brunei. Early in his speech, Reagan told an anecdote about two men who are running away from a bear they encountered in a forest. When one man stops to put on his running shoes, the other asks incredulously, "You don't think that by putting on those shoes, you're going to outrun that bear?" To which the second man replies, "I don't have to outrun the bear. I only have to outrun *you*." As the ministers laughed, Reagan continued, "We won't put on running shoes. Standing together, we can make certain the people of this region remain free and secure."

In subsequent talks, the delegates mainly discussed economic problems. The nations of the ASEAN alliance together rank as the fifth-largest U.S. trading partner, having increased two-way trade from \$967 million in 1967 to \$23.5 billion last year. The Administration is delighted that these free-market nations have far outperformed their Marxist neighbors,



A game novice tries out some new dance steps

but is concerned that since 1983 the bottom has fallen out of practically all the region's export commodities, not the least of which is oil. As a group, the ASEAN delegates called for more American investment. In response, the U.S. asked for an easing of trade restrictions.

While in Bali, Reagan had his first direct contact with a high official of President Corazon Aquino's new Philippine government, spending about 35 minutes with Vice President and Foreign Minister Salvador Laurel. Their encounter apparently produced friction as well as understanding. Laurel's complaint: Washington's fainthearted support of the Aquino

government was creating "cobwebs of doubt." After the meeting, Secretary of State George Shultz, in one of his splenetic moods, tartly criticized Laurel's demand for increased U.S. aid on top of the additional \$150 million that had been promised a week earlier. Said Shultz: "Vice President Laurel, I must say, gave the impression that his needs were infinite, and we don't have an infinite capacity to provide money." Reagan's phone call to Marcos may have contributed to Laurel's cobwebs of doubt. But the real problem in U.S.-Philippine relations is not Marcos. Rather, it stems from Administration unease over whether the Aquino government can effectively deal with the country's continuing Communist insurgency. At least 500 Filipinos have been killed in guerrilla fighting since Aquino came to power, and U.S. officials believe the number of insurgents may actually have increased to 22,500. While the insurgency has not necessarily grown worse under Aquino, neither has the security situation improved dramatically, as some had expected, with the fall of Marcos.

Underlying Reagan's meetings with ASEAN ministers and his rhetoric about the winds of freedom were tough questions about human rights and democratic reforms

among America's allies in the region. Despite Reagan's grand pronouncements, the Administration takes a pragmatic view concerning the internal affairs of its Third World allies, encouraging reforms where practical while pressing the view that economic growth and the strengthening of a middle class will lead to a growing commitment to democracy (see ESSAY). What is unusual at the moment is the range of Asian nations, apart from the Philippines, where signs of democratic unrest are being seen. For example:

► In South Korea, after months of opposition political activity, President Chun Doo Hwan said last week that he would conditionally agree to opposition demands that the constitution be changed before his term expires in 1988. Among the proposed changes: the adoption of direct, popular presidential elections.

► In Taiwan a growing movement of government opponents commonly known as *tangwai* (outside the party) looms as an unofficial challenger to the ruling Kuomintang. The government of President Chiang Ching-kuo, 85, considers the country to be in a state of emergency and will not give the dissidents official status as a political party. The news last week that a pacemaker had been implanted in Chiang's chest is bound to encourage those impatient for change.

► In Singapore the remarkable 21-year rule of Prime Minister Lee Kuan Yew, 63, is winding down. Lee has talked about retiring in 1988, or perhaps taking over as

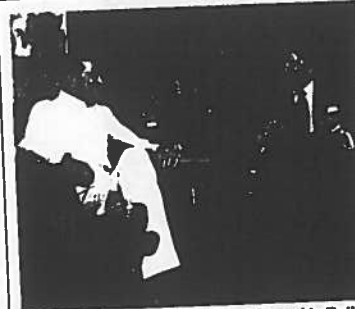


All smiles with Nakasone on Saturday

TIME, MAY 12, 1986

President. Reluctant to surrender power to the younger leaders he himself has picked, Lee boasts, "The master controls are still with me." But probably not for long.

► In Pakistan a democratic change of power may be in the making. Opposition Politician Benazir Bhutto, 32, returned from exile last month to confront the country's military ruler, President Mohammed Zia ul-Haq. Nine years ago, Zia seized power from Benazir's father, Prime Minister Zulfikar Ali Bhutto, and two years later allowed Bhutto to be executed following his conviction on charges of conspiracy to murder an opposition politician. Benazir quickly demonstrated that she possesses her father's courage and political flair, as well as his headstrong nature. Pakistanis rallied to her by the hundreds of thousands. The next move, in a country whose nearly 40-year political history has been a tug-of-war between the generals and the politicians, is likely to be an effort by Benazir, through strikes and mass demonstrations, to step up the pressure on Zia to call elections.



With Philippine Vice President Laurel in Bali

► In Thailand, after his coalition government was defeated on a crucial parliamentary vote in a domestic political fight, Prime Minister Prem Tinsulanonda dissolved the National Assembly and called elections for July.

On Friday, while Mrs. Reagan made brief ceremonial visits to Malaysia and Thailand, the President flew north to the Tokyo summit. A few days earlier, Japa-

nese Prime Minister Yasuhiro Nakasone had called on his countrymen to "pause and reflect on your own life-style" as a preliminary step toward restructuring the economy away from its dependence on exports. That was good news to the Reagan Administration, which last week reported that the March U.S. trade deficit had widened by \$2 billion, to \$14.5 billion, with the deficit in trade with Japan setting an all-time one-month record of \$5.5 billion. In Tokyo on Saturday, Reagan called on Nakasone, and the two discussed ways of resolving the imbalance.

In assessing the trip thus far, the President's imagemakers were well aware that, instead of worldwide headlines heralding Reagan's efforts and Asia's commitment to free trade and economic growth, the only real news from Bali had concerned Administration reaction to the Soviet nuclear disaster. But they were also aware that his discussions at the summit, with or without headlines, could affect the nature of international trade for years to come.

—By William E. Smith, Reported by Sandra Burton and Barrett Seaman/Bali

## Indonesia's Delicate Balance

When President Reagan landed in hot, humid Bali last week, those oft-mentioned "winds of freedom" were not blowing. Moments after Reagan's party touched down at Ngurah Rai Airport, Indonesian officials met the White House press plane and escorted two reporters from the Australian Broadcasting Corp. to the terminal, where they were forced to wait for the next outbound plane. The journalists were denied entry under a ban triggered by an article in a Sydney newspaper that charged members of Indonesian President Suharto's family and some of his associates with pocketing billions of dollars through shady business deals. The piece compared Suharto and his wife Madame Tien to Ferdinand and Imelda Marcos, dubbing Indonesia's First Lady "Madame Tien Per Cent." That same day New York Times Correspondent Barbara Crossette was expelled, possibly in response to a Times story by Executive Editor A.M. Rosenthal classifying Suharto as a "tyrant."

As the expulsions illustrated, there is a delicate balance between freedom and authoritarianism in Indonesia. For two decades President Suharto, 64, has struggled to maintain stability in his strategically located republic. The archipelago's 13,677 islands sprawl 3,200 miles across some of the world's busiest East-West sea-lanes. With 173 million citizens, 87% of them Muslims, Indonesia is the world's fifth most populous nation. Though non-aligned, it has been friendly toward the U.S., and vice versa.

After more than three centuries of Dutch colonial rule, Indonesia declared its independence in 1945. For the next 20 years, the nation was governed by its first President, the mercurial, left-leaning Sukarno. After a bloody, abortive Communist coup in 1965, Sukarno's power waned, and he was eased out of office two years later by Suharto, an army general. The conservative, strongly anti-Communist Suharto earned a reputation as "the fa-

ther of development," resurrecting a faltering economy with the aid of the 1970s oil boom. The son of a farmer, Suharto helped increase agricultural production, finally enabling the nation to become self-sufficient in rice.

After the attempted coup, 500,000 or more actual or suspected Communists, most of them of Chinese descent, were killed, and an additional 1.5 million Communist sympathizers were jailed or interned on remote islands. In the mid-1970s, Suharto's regime invaded and ultimately annexed the former Portuguese colony of East Timor; the struggle led to the death of 100,000 Timorese.

Last year the parliament passed legislation requiring virtually all social and political organizations to adopt a secular state ideology known as Pancasila, a set of five principles calling for belief in one God, justice, national unity, democracy and humanitarianism. The law was designed to muffle nearly all dissent in the country and was of a piece with the regime's press censorship and powerful military. It sought to curb the growth of Islamic fundamentalism. After an anti-government riot inspired by Muslim protesters in 1984 and a subsequent rash of political bombings, a number of prominent Suharto opponents, including a former Cabinet member, were imprisoned.

Suharto is currently trying to sustain economic progress in the face of collapsing oil prices. From 1971 to 1981, Indonesia enjoyed an annual 7.6% growth in gross domestic product. But GDP growth dropped to 2.2% in 1982 and is expected to be flat this year. The President has tried to make up for the shortfall with budget cuts, hikes in the price of fuel, and a push for nonoil exports. Suharto fears that the economic downturn could aggravate existing racial and religious tensions, and the U.S. shares that concern. Despite its reservations about human rights violations and corruption in Indonesia's government-run businesses, Washington remains supportive of Suharto. In 1984 the U.S. provided Indonesia with \$164 million in economic and military aid.



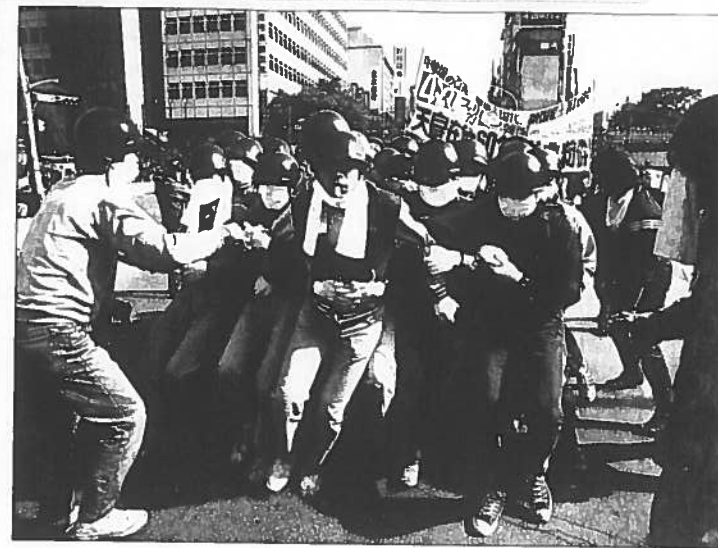
Suharto: mixing freedom and authoritarianism



On the world stage: The First Lady trips the light fantastic with local dancers in Bali. Nakasone welcomes the president to Tokyo



Discontent: Japanese radicals (above, right) protested the summit; later, rockets were fired as the summeiteers gathered



# Recession Fears at the Summit

Reagan presses two key allies to go for growth

**E**conomic issues were never topmost on the Reagan administration's agenda for the Tokyo economic summit. At first, the administration hoped to use the summit to orchestrate allied support for its campaign against Libya and international terrorism. Then the nuclear accident at Chernobyl seemed likely to play a major role in the proceedings.

As the meeting got under way Sunday, the topic of terrorism may have made a comeback. Minutes before President Reagan's scheduled arrival, five rockets streaked over the state guesthouse where Prime Minister Yasuhiro Nakasone was welcoming Western leaders to the summit. The rockets missed their apparent target; no one was injured, and there was very little damage. One landed just outside the gate of the Canadian Embassy, less than a half mile from the guesthouse, gouging a tiny hole in the pavement; another hit a building two blocks from the embassy. Police found a homemade, five-barrel rocket

launcher in an empty apartment about a mile and a half from the guesthouse; they believe the left-wing Chukakuha group carried out the attack.

In contrast to terrorism and nuclear accidents, economic issues may seem far less pressing. But as Reagan administration officials see it, a major crisis threatens the world economy: a recession triggered by shrinking trade. Since 1981 the United States has been on a global spending spree, gobbling up the products of many nations and filling their coffers with dollars. But that is changing: with the decline of the dollar and slow economic growth at home, the United States can no longer afford increasing amounts of foreign goods. At the same time, all other industrial nations (except Britain and Canada) have actually cut back their imports below the levels of 1981. And the collapse of oil prices has forced oil-producing nations to slash their imports.

As a result, the volume of world trade will decline sharply this year. For the less developed nations (LDC's), which are especially

dependent on exports, the lost revenue could be catastrophic. At the very least they will have to curtail their purchases of foreign goods, taking more steam out of the world economy. The spiral could continue until it triggers a global recession. That would be a stunning reversal: since World War II, trade has generally grown 50 percent faster than the world economy, serving as a powerful engine for prosperity.

U.S. officials will offer a simple solution: Japan and Germany must take over America's role as sugar daddy to the world. Both nations would seem to be ideal candidates. They enjoy negligible inflation rates and huge trade surpluses, and they will benefit greatly from the decline in oil prices. The logic is so persuasive, in fact, that at last month's meeting of the Organization for Economic Cooperation and Development, representatives of both nations agreed with the U.S. analysis.

**Cultural revolution:** Doing something about it is another matter entirely. Japanese Prime Minister Yasuhiro Nakasone has made a real effort to cooperate; he is sympathetic to the U.S. position, and a successful summit may be crucial to his hopes for a third term. He endorsed a report from a panel headed by banker Haruo Maekawa that called for stimulating domestic demand and lessening dependence on exports. Implementing such proposals, however, would require nothing less than a cultural revolution. "Economic cooperation is an elegant phrase," says political commentator Shigezo Hayasaka. "But the reality behind the terminology is that Japan will be forced to change its economic policies in a mad frenzy." Meanwhile, the

smaller steps Japan has taken—helping to raise the value of the yen, lifting trade barriers—have been inadequate. Figures out last week show Japan running a record trade surplus of \$61.5 billion in its fiscal year that ended March 31.

West Germany is not even willing to go as far as Japan. The Bonn government is afraid that stimulating the domestic economy will ignite inflation—even though prices in Germany are now moving down, not up. No less an inflation fighter than U.S. Federal Reserve Chairman Paul Volcker has said that Germany "has considerable growth potential which isn't being utilized fully." But the fear remains. German officials struck a deal with Jimmy Carter at the 1978 summit in Bonn: the United States promised to get rid of oil-price controls in exchange for pledges of faster growth from Germany and Japan. Germany followed through, initiating stimulative spending and monetary policies. But when inflation struck their economy—brought on largely by the oil shock of 1979—German officials blamed the policy shift.

Before getting down to the world's business in Tokyo, President Reagan had to endure some of the vagaries of Far Eastern diplomacy. What were to have been three days of relaxation on the Indonesian island of Bali were plagued by a series of tiffs and embarrassments. While Nancy Reagan played the tourist, the president sparred with Indonesian President Suharto and new Philippine Vice President Salvador Laurel. He also sat down with the foreign ministers of the six noncommunist Southeast Asian nations (ASEAN).

The president's problems began when

Indonesia expelled two Australian Broadcasting Co. reporters in retaliation for a story in the Sydney Morning Herald that charged Suharto's family and cronies were corrupt. The incident was embarrassing to Reagan, who had been saying in recent speeches that "winds of freedom" were blowing through the region. Apparently the president was miffed enough to turn up the volume a bit on the "quiet diplomacy" he customarily practices on human-rights issues. In an unusual disclosure, Secretary of State George Shultz acknowledged that Reagan had discussed Indonesia's human-rights problems with Suharto.

**'Cobwebs of doubt':** Reagan's session with Laurel was equally blunt—on both sides. On a stopover in Hawaii, Reagan had spent an hour on the phone with deposed Philippine President Ferdinand Marcos. Reagan encouraged his old friend to abandon his fantasies of returning to power. But the length of the call contrasted unfavorably with the three minutes Reagan spent on the phone in his first chat with President Corazon Aquino days before.

Laurel arrived in Bali publicly demanding that Reagan clear the "cobwebs of doubt" over his support for the new Philippine government. Laurel also called the administration's offer of \$150 million in aid inadequate. It again fell to Shultz to crack the whip. "Vice President Laurel, I must say, gave the impression that his needs were infinite," he said. Asked if Reagan had given Laurel sufficient assurances of support, Shultz snapped, "You will have to ask Mr. Laurel if he is satisfied. Let me remind you the president is not on trial."

By the time he sat down with the ASEAN

ministers, the president was ready for a pleasant surprise, and that's just what he got. The administration had expected flak for the raid on Libya, which was highly unpopular in heavily Muslim Indonesia and Malaysia. But the tone was friendly, dictated by the principal concerns of the ASEAN ministers. Said one U.S. official: "They wanted to make sure the president will go to the Tokyo summit fighting protectionism as he always has."

Delegates from the summit nations—Japan, Britain, West Germany, Italy, France, Canada and the United States—will address other economic issues as well. Third World debt, reform of the world's currency-exchange system and Reagan's "Marshall plan" for the Mideast will get much discussion but little action. They are likely to take several steps in response to the Soviet nuclear disaster, including demands that the Russians allow on-site inspections and provide complete information about accidents. In fact, the delegates may find themselves in closer agreement on nuclear issues than economic ones. International economic cooperation is a wonderful idea. But it requires a degree of consensus on specific measures that is almost impossible to achieve. "Policy cooperation inevitably comes up against domestic limitations, as each country has different economic structures and will experience its own difficulties at home," says Takuji Shimano, an economist at Tokyo's Gakushuin University. And even the threat of a world recession seems unlikely to change that simple fact.

ERIC GELMAN with RICH THOMAS, MARGARET GARRARD WAENER and DAVID LEWIS in Tokyo