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U.S. Arms Transfers To Indonesia 1975-1997: Who's Influencing Whom?

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Introduction: The Issue of Arms to Indonesia Heats Up

The events of the past year have cast a harsh spotlight on the longstanding U.S. government policy of providing weapons and military training to Indonesia. The awarding of the 1996 Nobel Peace Prize to Bishop Carlos Ximenes Belo and José Ramos-Horta, activists in the struggle to reverse Indonesia's brutal occupation of East Timor, has reinforced international concerns about the legitimacy of continuing U.S. arms sales to the Suharto regime. Congressional investigators have been probing the role of contributions from the Indonesian-based Lippo group in the 1996 presidential campaign, and upcoming public hearings will address the question of how these foreign donations may have influenced U.S. policy toward Indonesia.

In the meantime, the human rights situation on the ground in Indonesia appears to be getting worse. In June of 1996, the Suharto regime engineered the ouster of Megawati Soekarnoputri as head of the opposition Partai Demokrasi Indonesia (PDI), sparking what Human Rights Watch has described as "the most serious riot in Jakarta in two decades."[1] The government then arrested Muchtar Pakpahan, the head of Indonesia's largest independent labor union, on specious charges of inciting the riots. Pakhapan and a dozen other labor and student leaders are now being tried on charges of subversion that could result in long prison sentences or even the death penalty for the "crime" of criticizing the Suharto regime.[2]

In the midst of these developments, the Clinton Administration is planning to sell at least 9 F-16 fighter aircraft to Indonesia, the first U.S. sale of major combat aircraft to Jakarta in over a decade. The total F-16 package, including upgrades, spare parts, and support equipment, will be worth roughly \$200 million. The deal has been postponed several times, first in response to the crackdown on dissent in Indonesia that began in the summer of 1996 and then because of the embarrassing political timing involved in proceeding with it in the midst of Senate hearings on the role of Indonesian funding sources in the 1996 presidential campaign. But as of this writing the administration remains committed to the Indonesian F-16 sale, and is expected to move on it some time later this year.

At a news conference held just after the election on November 8, 1996, President Clinton adamantly denied that his policy towards Indonesia had been in any way influenced by the soft money contributions of the Lippo group to the Democratic National Committee:

"[T]he answer to that is absolutely not. Indeed, look at the difference in my policy and my predecessor's policy. We changed our policy on arms sales because of East Timor, not to sell small arms. And we cosponsored a resolution in the United Nations in favor of greater human rights in East Timor. And I'm proud that we did that. So I can tell you categorically that there was no influence."[3]

In a counterpoint to President Clinton's rosy view of U.S. arms sales policy towards Indonesia, Nobel Peace Laureate and East Timor independence activist José Ramos-Horta has sharply criticized the administration's plan to sell F-16s to the Suharto regime, arguing that "it's like selling weapons to Saddam Hussein." Ramos-Horta has had painful personal experience of the impact of U.S. arms sales to Indonesia, as he set out in detail in an October 1996 article in the International Herald Tribune:

"In the summer of 1978, with East Timorese guerillas continuing to resist the Indonesian military occupation, the war struck my family. My sister Maria Ortensia was killed by a U.S.-made Bronco aircraft that was being used by Indonesian forces in East Timor for counterinsurgency operations. The same year I lost two brothers, Nunu and Guilherme, the first killed by fire from a U.S.-designed M-16 automatic assault rifle made under license in Indonesia, and the second during a rocket and strafing attack by a U.S.-supplied helicopter on an East Timorese village."[4]

While the Clinton Administration should be commended for imposing a ban on the sale of small arms to Indonesia, the proposed F-16 deal and continued supplies of spare parts for Indonesia's impressive accumulation of U.S.-origin weaponry can only serve to undermine ongoing efforts to pressure the Suharto regime to loosen its grip on East Timor and increase its respect for human rights within Indonesia. Significantly, the President has waffled in response to requests from concerned members of Congress such as Sen. Russ Feingold and East Timorese leaders such as José Ramos Horta to support a United Nations administered referendum in which residents of East Timor could choose for themselves independence or continued affiliation with Indonesia. When Feingold and 14 other Senators sent a letter to President Clinton in late October of 1996 encouraging him

to raise the issue of self-determination for East Timor in an upcoming meeting with President Suharto, White House spokesperson Mike McCurry reported only that "President Clinton also raised continuing American concerns about the human rights situation in Indonesia, particularly East Timor." [5]

So, while the Clinton Administration has taken some initiatives towards Indonesia that set it apart from its predecessors, concerns about human rights and democracy are not at the forefront of U.S. interactions with Jakarta. To get a sense of how the Clinton policy measures up, it is important to put the U.S.-Indonesian relationship and the proposed F-16 sale in historical perspective.

The United States government has aided and abetted the Suharto regime's illegal annexation of East Timor from the moment of Indonesia's 1975 invasion up through the present. Beyond turning a blind eye to Indonesian repression in East Timor, the most tangible expression of U.S. support for the Suharto regime has been a massive, steady supply of U.S. armaments to the Indonesian military. The following accounting of U.S. weapons shipments to Indonesia over the past two decades is based on official U.S. government data and standard non-governmental sources (see source list, below).

In all, the United States has sold more than \$1.1 billion in weaponry to Indonesia since its 1975 invasion of East Timor; the sales have gone on in Republican and Democratic administrations alike, regardless of the rhetoric espoused by those Presidents at the time (see Table I, below). For details on the numbers and types of U.S. weaponry supplied to Indonesia, see Appendix and Chart I (pp. 18-31, below).

In the Beginning: Kissinger's Green Light, Stepped Up Weapons Shipments

State Department cable traffic and other contemporaneous accounts have documented the fact that two days prior to Indonesia's 1975 invasion of East Timor, President Gerald Ford and Secretary of State Henry Kissinger gave the green light for Indonesia's invasion of East Timor while attending a state dinner with President Suharto in Jakarta that was held in their honor. During that visit, the US representatives also pledged a substantial increase in US military aid to Indonesia for the following year. Not so coincidentally, U.S. arms sales to Indonesia more than quadrupled from 1974 to 1975 from \$12 million to more than \$65 million, while U.S. military aid to Jakarta more than doubled from 1974 to 1976, from \$17 million to \$40 million.[6] In 1977,

Congressional hearings before the House International Relations Committee confirmed that several major US weapons systems sold to Jakarta during this period -- including 16 Rockwell OV-10 "Bronco" counterinsurgency aircraft, 3 Lockheed C-130 transport aircraft and 36 Cadillac-Gage V-150 "Commando" armored cars -- were used directly in East Timor. Other US weapons linked to East Timor's illegal occupation, and referenced during the hearing, include: S-61 helicopters, patrol craft, M-16 rifles, pistols, mortars, machine guns, recoiless rifles, ammunition, and extensive communications equipment.

Although U.S. arms sales leveled off at \$10 to \$12 million per year for the last two years of the Ford Administration, a pattern of U.S. military support for the Suharto regime, whenever needed, was firmly established.

From Carter to Clinton: A Steady Traffic in Arms to Jakarta

Unfortunately, despite its professions of support for human rights in Indonesia, the Carter Administration picked up where Kissinger and Ford had left off. As Noam Chomsky writes in the preface to Matthew Jardine's 1995 book, East Timor: Genocide in Paradise, "In 1977, Indonesia found itself short of weapons, an indication of the scale of its attack. The Carter administration accelerated the arms flow."[7] U.S. arms sales hit \$112 million in 1978, and averaged nearly \$60 million per year for the four years of the Carter administration -- this was more than twice the level of weaponry supplied to the Suharto regime by the Ford Administration. During a visit to Jakarta in May, 1978, Vice President Walter Mondale offered to sell Indonesia 16 A-4 "Skyhawk" attack planes, a principle counterinsurgency aircraft that was used by US forces in Vietnam and is capable of spraying weapons fire and explosives over wide areas. Delivery of the "Skyhawk" attack planes as well as a brand new batch of 16 Bell UH-1H "Huey" helicopters proved essential to Suharto's rearmament effort.

The Reagan administration maintained a steady weapons flow to Jakarta, averaging over \$40 million per year in arms sales during its first four years in office. In 1986, however, it approved a record \$300 million plus in weapons sales to Jakarta. This was the same year that the US sold Indonesia its first batch of 12 F-16 fighter planes. (A new, pending sale of F-16s is currently in the works, see below).

Sales to Indonesia dropped slightly during the Bush years, to roughly \$28 million per year. When Bill Clinton first took office, it appeared that conditions were ripe for a drop in U.S. sales to the Jakarta regime: members of Congress were moving to block U.S.

training funds to the Indonesian military on human rights grounds, and the State Department --attempting to head off Congressional and human rights opponents of arms sales to Indonesia -- agreed to a voluntary ban on small arms sales to Jakarta. Recently, the State Department expanded the ban to include helicopter-mounted armaments (1995) and armored personnel carriers (1996). Unfortunately, despite these concessions, if the proposed sale of 9 to 11 F-16s goes ahead as planned, the Clinton Administration will have approved roughly \$270 million in arms sales to Indonesia in just over 4 years, or an average of over \$67 million per year. This represents more than twice the level of arms sales to Indonesia concluded during the Bush Administration, and allowing for inflation, it represents the highest level of U.S. sales since the second Reagan term or the early Carter period. In short, unless the Clinton administration changes course and stops its proposed sale of F-16s to Jakarta, it will rank right up there with the top weapons traffickers to Indonesia of any administration that has been in office since the 1975 invasion of East Timor.

Table I (p. 7, below) presents data on trends in U.S. arms supplies to Indonesia from 1975 to 1995.

Table I: U.S. Arms Transfers to Indonesia, 1975-1995
(in millions of current dollars)

| <u>Year</u> | <u>FMS</u> | Commercial | MAP/Excess | Total |
|--------------|------------|------------|----------------------|------------------|
| 1975 | \$ 51.6 | \$ 0.3 | \$ 13.1 | \$ 65.0 |
| 1976 | 3.7 | 6.7 | 26.9 | 37.3 |
| 1977 | 7.6 | 5.3 | 14.1 | 27.0 |
| 1978 | 109.6 | 3.0 | 14.4 | 127.0 |
| 1979 | 37.9 | 17.0 | 1.9 | 56.8 |
| 1980 | 14.6 | 6.2 | 5.4 | 26.2 |
| 1981 | 45.1 | 6.6 | .9 | 52.6 |
| 1982 | 52.8 | .1 | 1.9 | 54.8 |
| 1983 | 32.2 | 7.8 | process de la contro | 40.0 |
| 1984 | 9.6 | 16.6 | | 26.2 |
| 1985 | 19.7 | 29.3 | | 49.0 |
| 1986 | 295.5 | 16.0 | | 311.5 |
| 1987 | 3.5 | 21.5 | | 25.0 |
| 1988 | 5.1 | 6.9 | | 12.0 |
| 1989 | 1.9 | 32.1 | | 34.0 |
| 1990 | 18.9 | 33.1 | | 52.0 |
| 1991 | 27.8 | 6.7 | | 34.5 |
| 1992 | 10.7 | 18.1 | | 28.8 |
| 1993 | 30.8 | 4.0 | | 34.8 |
| 1994 | 11.1 | .8 | | 11.9 |
| 1995 | 11.3 | 1.2 | | 12.5* |
| <u>Total</u> | \$801.0 | \$239.3 | \$ 78.6 | \$1,118.9 millio |

Table I Sources: Data on orders under the Pentagon's Foreign Military Sales (FMS) program, the Commercial arms sales program, and the Military Assistance Program and Excess Defense Articles (MAP/Excess) are drawn from U.S. Department of Defense, Defense Security Assistance Agency, Fiscal Year Series as of September 1981 and Foreign Military Sales, Foreign Military Construction Sales, and Military Assistance Facts (annual, various years, 1982 through 1996).

*Note: Clinton Administration figures on arms sales to Indonesia could jump dramatically if a pending \$200 million sale of F-16 fighter aircraft is completed later this year.

How Important Are U.S. Arms To Indonesia?

During the 1977 House International Relations Committee hearing, George H. Aldrich, the State Department's Deputy Legal Advisor, testified that "roughly 90%" of Indonesia's weapons during the time of the 1975 invasion of East Timor came from the United States. As one high-ranking Indonesian general bluntly pointed out, "Of course there were US weapons used [during the attack on East Timor]. These are the only weapons that we have." [8]

During Indonesia's prolonged battle to occupy the island of East Timor, US-supplied counterinsurgency aircraft also proved essential. Certainly one of the deadliest weapons in Indonesia's arsenal was the US-supplied OV-10 Bronco, especially designed for close-combat, which is equipped with infared detectors, and can carry up to 3600 pounds of ordnance, grenade launchers, rockets, napalm, and machine guns. [9] In the late 1970s, Indonesia used OV-10 Broncos and other US-supplied equipment to carry out extensive and continuous bombing missions in the interior highlands, eradicating crops and forcing 300,000 East Timorese to flee to the Indonesian-controlled lowlands. From there, refugees were herded into concentration camps, where thousands died of starvation and disease.

Although Jakarta has diversified its weapons sources since that time, turning to Britain, France, Germany and others to round out its arsenal, U.S. supplies remain essential. According to the U.S. Arms Control and Disarmament Agency, from 1992 to 1994 (the most recent years for which full data is available), Indonesia received 53% of its weapons imports from the United States.

Since the mid-1980s, Indonesia has relied almost entirely on the United States and its Western European allies (particularly the United Kingdom, France, and Germany) for its imported armaments, obtaining anywhere from 91 to 100% of its imported weapons from U.S. or Western European sources over this time period. Major deals with European powers have included imports of 20 105mm howitzers from France, several squadrons of Hawk fighter jets from the United Kingdom, and dozens of combat ships from Germany (equipment that belonged to the former East German navy).[10] This concentration of imports from the U.S. and its key European allies suggest that a coordinated policy among these nations to limit arms to Indonesia in exchange for improvements in human rights and withdrawal of Indonesian forces from East Timor could have a considerable impact in shaping Indonesian policy. With a handful of close allies supplying most of Indonesia's weaponry, the old argument that "if we don't sell it, somebody else will" rings particularly hollow.

Table II provides data on the major sources of arms to Indonesia from 1978 through 1994, based on data from the U.S. Arms Control and Disarmament Agency (see p. 10, below).

Because Indonesia has accumulated so much U.S. weaponry in the past two decades, there is also a brisk trade in spare parts and upgrades for U.S. systems that are already in Jakarta's arsenal. According to data supplied by the State Department's Office of Defense Trade Controls (ODTC), in Fiscal Year 1994 U.S. companies received 198 licenses for the export of \$88.3 million worth of weapons and weapons components to Indonesia; in F.Y. 1995, the Department granted 248 licenses for items worth more than \$221 million. The majority of these licenses will not result in final sales; historically only about one-sixth to one-third of the value of licenses granted to a given country result in actual sales. Nevertheless, even if \$50 to \$100 million of the \$309 million in licenses approved during 1994 and 1995 result in transfers of arms and arms technology to Indonesia, that will represent a significant boost to the Indonesian military. Among the items licensed are millions of dollars in spare parts for Indonesia's U.S.-origin A-4, F-5, F-16, and C-130 aircraft; spare parts for armored combat vehicles and Sidewinder missiles; and small licenses for spare night vision scopes for U.S. made rifles, pistols and revolvers, and ammunition manufacturing.[11]

<u>Table II: Major Arms Suppliers to Indonesia</u>

1978-1994

| <u>Years</u> | Total Arms Imports | Top Suppliers (by %) |
|--------------|--------------------|--|
| 1992-1994 | \$ 170 million | U.S. 53% Germany 47% Total, Top 2: 100% |
| 1991-1993 | \$ 210 million | France 47% U.S. 33% Germany 19% Total, Top 3: 99% |
| 1987-1991 | \$ 950 million | U.S. 37% France 14% Other Western European 45% Total from U.S./Western Europe: 96% |
| 1985-1989 | \$ 770 million | U.S. 26% United Kingdom 10% Other Western European 55% Total from U.S./Western Europe: 91% |
| 1984-1988 | \$ 715 million | U.S. 29% United Kingdom 15% Total, Top 2: 44% |
| 1982-1986 | \$ 750 million | U.S. 25% U.K. 13% France 13% Total, Top 3: 51% |
| 1979-1983 | \$1,360 million | U.S. 20% France 15% U.K. 7% Total, Top 3: 42% |
| 1978-1982 | \$1,300 million | U.S. 19% Germany 11% France 9% Total, Top 3: 39% |

Source: United States Arms Control and Disarmament Agency, <u>World Military Expenditures</u> and Arms Transfers, editions covering, 1993-94, 1991-92, 1990, 1989, 1987, 1985, and 1972-82.

Corporate Culprits

Among the U.S. corporations that are profiting from arms sales to Indonesia are Lockheed Martin (maker of the F-16 and the C-130 transport, both of which have been shipped to Indonesia); Textron (whose Cadillac Gage and Bell Helicopter divisions have supplied armored vehicles and military helicopters to the Jakarta regime); Colt Industries (which has sold thousands of M-16 rifles to the Indonesian armed forces); and General Motors/Hughes (which has sold 500MD helicopters to Jakarta as well as air-to-air missiles).

The Pending F-16 Sale

A pending sale of F-16s to Indonesia was postponed in mid-1996 due to a new wave of repression by the Suharto regime against the Indonesian pro-democracy movement. Allegations of improper influence involving Indonesian contributions to the Democratic Party have resulted in further delays in the timing of the sale, but the Clinton administration appears to be committed to moving forward on the deal some time later this year. The F-16s being offered are leftover from a deal with Pakistan that was interrupted due to sanctions on that nation for its nuclear weapons program. Funds from the Indonesia sale will be used to partially reimburse Pakistan for the cost of the 28 planes it purchased but never received. Lockheed Martin may only stand to make a few million dollars doing "upgrades" on the planes, but their real interest is in opening the door for additional F-16 sales to Indonesia and other parts of Asia. Indonesia has already expressed a strong interest in purchasing the latest-model F-16 fighter planes in the next go around.

Current plans call for the Clinton Administration to formally notify Congress about the Indonesian F-16 sale some time later this year, probably at some decent interval after the Senate hearings on the financing of the 1996 presidential elections have been concluded. The sale will face strong opposition. Prominent Senators such as Patrick Leahy (D-VT) have already written to the President to express their opposition to the deal, and key House members ranging from Speaker Newt Gingrich (R-GA) and House International Relations Committee Chairman Ben Gilman (R-NY) have also weighed in against it. In a November 10, 1996 letter to the Washington Post, Rep. Gilman revealed that he had informed Clinton Administration representatives in the summer of 1996 that if they went forward with the proposed F-16 sale in the face of the Suharto regime's crackdown on opposition political leaders that he would "introduce a resolution of

disapproval and convene an early meeting of our full committee for the purpose of reporting my resolution to the full house." Gilman further noted that in the light of the revelations regarding the Lippo Group and Indonesian money in the 1996 elections, "I have requested the Secretary of State to withhold action on this proposal until the many questions now raised by the Lippo Group investigation can be resolved." Major non-governmental organizations that have already taken a stand against the sale include the National Council of Churches, Human Rights Watch, the Federation of American Scientists, Peace Action (the largest grassroots peace organization in the United States), and the East Timor Action Network. Possible Congressional actions could range from resolutions of disapproval blocking the deal outright to amendments conditioning the sale of any further weaponry to Indonesia on the improvement of human rights and democratic process in Indonesia and East Timor.

The Clinton Administration's various rationales for going ahead with the sale are contradictory at best. In the context of defending himself against charges of influence peddling in the matter of Indonesian contributions to his campaign, President Clinton has made a point of arguing that he has been harder on Indonesia than the Bush Administration was, citing a ban that the State Department has imposed on the sale of small arms from the U.S. to Indonesia as evidence of his tough stand. Selling F-16 fighters, but not handguns or rifles, sends the Suharto regime a mixed message at best regarding the consequences of its ongoing record of repression and human rights abuses. At an October 11 briefing, White House spokesperson Mike McCurry tried to carve out an exception for the F-16 sale, asserting that "our goal in arms transfers in that region is to promote stability . . . not to engage in anything resembling the repression of individual rights . . . You don't use F-16s to kill civilians in crackdowns on dissidents." During Congressional testimony in September, Assistant Defense Secretary Kurt Campbell sounded the "stability, not repression" theme as well when he argued for the Indonesian F-16 sale on the grounds that "a regionally respected armed forces with credible defensive capabilities that trains and operates in a non-threatening manner is an important contributor to regional stability."[12]

All of these arguments overlook the fact that the Indonesian military has been the instrument for Jakarta's illegal occupation of East Timor, during which time over 200,000 people have been killed. Selling advanced weaponry to the Suharto regime at the very moment that it is engaged in a crackdown on dissent within Indonesia and an acceleration of repression in East Timor sends exactly the wrong message: that whatever abuses it may engage in, and whatever slaps on the wrist it may receive from the Clinton Administration as a result, when push comes to shove the U.S. will support the Suharto regime and its

military apparatus regardless of its brutal, lawless behavior. Furthermore, while F-16s may not be used directly to put down street demonstrations or torture human rights activists, the Indonesian military's ability to sustain its illegal hold over East Timor ultimately rests on all of the weaponry it has at its disposal (including tanks and advanced combat aircraft like the F-16), not just the items used in day-to-day repression.

Financing and Offsets: Who Will Pick up the Tab?

Indonesia received its last major installment of military aid from the United States in 1991, when the U.S. supplied the Suharto regime with \$25 million under the Pentagon's Foreign Military Financing (FMF) program. Since that time, however, Indonesia has become eligible for several new channels of arms export subsidies, one of which it has taken advantage of already and the other of which could come into play as part of the pending F-16 sale. The first channel involves guaranteed loans offered by the U.S. government's Export-Import Bank which are granted for so-called "dual use" items: equipment with both military and civilian applications. Indonesia was one of the first countries to benefit from this new program, which was implemented after intensive lobbying by the Aerospace Industries Association. In late 1995 Indonesia received a \$22 million loan guarantee from the ExIm Bank to refurbish seven of that nation's U.S.-origin C-130 and L-100 transport aircraft. The second channel of assistance is the Pentagon's newly created \$15 billion arms export loan guarantee fund:[13] Indonesia is one of 37 nations in Europe and Asia that is currently eligible to receive support from the fund. Indonesian officials have indicated an interest in receiving some kind of credit or subsidized financing for the F-16 sale, which raises the possibility that the new Pentagon loan guarantee fund could be tapped for this sale. If so, Indonesia would receive very cushy financing: any missed payments on the roughly \$200 million involved in the F-16 sale and the shortfall would be fully covered by U.S. taxpayers.[14]

A second form of indirect subsidy for arms exports is the practice of providing "offsets": steering business from the exporting country to the purchasing country to offset the economic burden of a major weapons deal. B.J. Habibie, Indonesia's state minister of Research and Technology, told Reuters in May of 1996 that Indonesia would expect at least a 30% offset for the F-16 sale, in the form of U.S. purchases of parts and equipment from Indonesia's state-owned aircraft company, IPTN. In the past IPTN has produced components for U.S.-built F-16 fighters and Boeing 737 airliners; the F-16 deal, if approved, could lead to the reinstatement of F-16 components production in Indonesia.

IPTN has also produced 19 Textron-Bell 412 utility helicopters under license in Indonesia; according to Textron-Bell, these helicopters are currently being used by the Indonesian Army and Navy in the province of Java.[15]

To the extent that U.S. government financing and company-directed offset production in Indonesia come into play in the F-16 sale, they will undercut the already minimal benefits the sale may have for the U.S. economy by exporting dollars and jobs to Indonesia.

The Role of Congress, the Code of Conduct Bill, and Arms Exporter Campaign Spending: Who's Influencing Whom?

As noted above, there are a number of initatives under way in Congress aimed at blocking the F-16 sale, stopping U.S. training of the Indonesian military, and conditioning future U.S. arms sales to Indonesia on improvements in its human rights record and its acceptance of a UN-supervised referendum on the future of East Timor. While these ad hoc initiatives are extremely important, ultimately what is needed is a routine mechanism for ensuring that repressive regimes do not receive regular infusions of U.S. weaponry. That mechanism is contained in the Code of Conduct bill, a measure originally introduced by Rep. Cynthia McKinney (D-GA) and Sen. Mark Hatfield (R-OR) (now retired). The Code would prohibit U.S. arms sales to governments that hold power through undemocratic methods, abuse the human rights of their own citizens, engage in aggression against their neighbors, or refuse to participate in the United Nations Arms Register. If cases arise in which the President wants to sell U.S. weaponry to a nation that can't meet these basic standards of conduct on the grounds of an overriding security interest, he can seek a waiver from Congress. The advantage of a Code of Conduct approach is that it would put concerns about human rights and democracy at the heart of U.S. arms transfer decisionmaking, instead of at the end of a long list of other political, economic, and security concerns. The bill has been voted on once in each house, going down to defeat by a margin of 262 to 157 in the House of Representatives in May of 1995, and losing in the Senate by a vote of 65 to 35 in July of 1996. Proponents of the bill plan to push for a House vote on the measure this spring, with a possible Senate vote to follow later in the year.

Passage of the Code of Conduct bill would have a substantial impact on U.S. arms sales to Indonesia. Nobel Laureate José Ramos-Horta has indicated that if the Code of Conduct had been in place over the past two decades, the \$1.1 billion in U.S. arms

supplied to the Jakarta regime over that time period would not have been sent, because the Suharto regime could not have met the standards of human rights and democracy set out in the proposal. There have been a number of obstacles to passage of the bill, including the desire of the President to maintain "flexibility" as to which nations he supplies weapons to and the unwillingness of some members of Congress to take on the responsibility for a more active role in arms export decisionmaking that would result from passage of the bill. But another fundamental impediment to the bill's progress has been the lobbying clout and financial largesse of the arms industry.

While there is still some question as to whether campaign money from the Lippo group has altered the Clinton Administration's policies towards Indonesia, there is no question that lobbying and campaign spending by U.S. weapons exporting companies has influenced Congressional deliberations on whether to supply U.S. arms to repressive regimes such as Indonesia. During 1995/96, the top 25 U.S. weapons exporting companies donated over \$10.7 million in Political Action Committee and soft money contributions to the major parties and candidates for office. Major recipients of arms exporter funds such as Rep. Jane Harman (D-CA), Sen. Mitch McConnell (R-KY), and former Senator and current Clinton Administration Defense Secretary William Cohen led the fight for industry initiatives such as establishing the Pentagon's \$15 billion arms export loan guarantee fund and blocking the Code of Conduct bill. In the Senate, it was particularly clear that arms exporter money talks, loudly: On the Code of Conduct vote, Senators voting with industry to block the bill received and average of \$17,947 in contributions from weapons exporting firms, a figure eight times higher than the average received by Senators who voted for the Code of Conduct. Whether the industry is simply rewarding friends or attempting to buy votes, the net result is the same. Special interest money from the defense industry helps sustain a Congressional majority that is on record against stopping U.S. arms sales to dictators at a time when over 90% of the American people are in favor of stopping U.S. weapons exports to repressive regimes.

Interestingly enough, one of the top recipients of arms exporter PAC funds during 1995/96 was Sen. Fred Thompson (R-TN), the chairman of the upcoming hearings on possible improprieties in fundraising for the 1996 presidential campaign. Thompson, who served as Chairman of the Export/Trade Promotion Subcommittee of the Senate Foreign Relations Committee in the 104th Congress, received \$44,675 from major weapons exporting firms during 1995/96, which put him among the top dozen recipients of arms exporter largesse in the Senate. Thompson has voted industry's way on key issues, voting against the Code of Conduct bill and for the Pentagon's \$15 billion arms export loan guarantee fund. There is nothing to suggest that Sen. Thompson or his

colleagues did anything illegal in accepting arms industry money and then voting in favor of arms industry positions. But Thompson's simultaneous positions as a major recipient of arms industry money and the Senate's designated lead investigator of campaign improprieties underscores the need for campaign finance reform. Only then will the public be assured that critical national issues, like selling US arms to dictatorships, are being decided on their merits.[16]

Sources of data on US arms exports and military aid:

- -- Arms Control Association, <u>ACA Register of U.S. Arms Transfers</u> and "Statements on Arms Transfers Made During The Clinton Presidency," Washington, DC, ACA, November 1996.
- -- Arms Control and Disarmament Agency, <u>World Military Expenditures and Arms Transfers 1995</u>.
- Department of Defense, Defense Security Assistance Agency, <u>Foreign Military Sales</u>, <u>Foreign Military Construction Sales and Military Assistance Facts</u>, annual, various years.
- -- Stockholm International Peace Research Institute, <u>SIPRI Armaments</u>, <u>Disarmament</u>, and <u>International Security Yearbook 1996</u> (Oxford University Press, 1996).

Notes:

- 1. Human Rights Watch World Report 1997 (New York: Human Rights Watch, 1996), p.164.
- 2. "Indonesia's Cynical Crackdown," New York Times, January 21, 1997.
- 3. White House press release, "Press Conference by the President," November 8, 1996, p. 7.
- 4. José Ramos-Horta "The Way to Right the Wrong in East Timor," <u>International Herald Tribune</u>, October 14, 1996.
- 5. U.S. Senator Russ Feingold press release, "Feingold, Others Urge Clinton to Raise Rights of East Timorese With Indonesian President Suharto at APEC Summit," November 18, 1996.
- 6. U.S. Department of Defense, Defense Security Assistance Agency, <u>Fiscal Year Series as of September 1981</u> (Washington, DC: DoD, 1982). It should be noted that the military aid received in 1976 was spent out over several subsequent years, which is why the figure for arms aid to Indonesia is larger than the total figure for arms sales to Indonesia for that year.
- 7. Matthew Jardine, <u>East Timor: Genocide in Paradise</u> (Tucson, AZ: Odonian Press, 1995), p. 11.
- 8. Flora Montealegre, "Background Information on Indonesia, the Invasion of East Timor, and U.S. Military Assistance," (Washington, DC: Transnational Institute, 1982), p. 8.
- 9. Ibid., p. 7.
- Stockholm International Peace Research Institute, <u>World Armaments</u>,
 <u>Disarmament</u>, and <u>International Security</u> 1996 (New York: Oxford University Press, 1996), p. 502.
- 11. U.S. Department of State, Office of Defense Trade Controls, "Ad Hoc Query Report: Indonesia," F.Y. 1994 and F.Y. 1995 editions, undated.
- 12. Arms Control Association, "U.S. Government Statements on Arms Sales Made During the Clinton Administration," (Washington, DC: ACA, November 1996), p.16.
- 13. Aerospace Industries Association, AIA Newsletter, November 1995, p. 7.
- 14. For details on the arms industry's campaign to establish the \$15 billion arms export loan guarantee fund, see William D. Hartung, Welfare for Weapons Dealers (New York: World Policy Institute, 1996), pp. 34-36 and 51-60.
- 15. Letter from Susan Gillette, Director of Media Relations, Textron-Bell, to Michael Ellsberg, Brown University chapter, East Timor Action Network, December 18, 1996.
- 16. For background on the information on campaign spending by arms exporters contained in this section, see William D. Hartung, <u>Peddling Arms, Peddling Influence</u> (New York: World Policy Institute, October 1996).

Appendix: U.S. Arms Sales to Indonesia, 1975-1997

The following chart (see p. 20) documents orders and deliveries of U.S. weapons and militarily useful equipment to Indonesia from the time of the Suharto regime's 1975 invasion of East Timor to the present. Information on U.S. arms sales is derived from standard sources such as the International Institute for Strategic Studies' Military Balance series, the Stockholm International Peace Research Institute (SIPRI) yearbooks on armaments and disarmament, the Arms Control Association, and the Pentagon's Defense Security Assistance Agency. Sources for each transaction are listed in abbreviated form in the right hand column. A guide to sources that explains each abbreviation is presented at the end of the chart. Wherever possible, references to companies refer to the company that currently controls the production line and/or provision of spare parts for a given weapons system; due to mergers and acquisitions in the defense industry, the current parent company may differ from the company that controlled the firm at the time of the original arms sale to Indonesia.

The information contained in following chart (p. 20) represents a conservative accounting of U.S. transfers of weaponry and military-related technology to Indonesia. Sales of major weapons systems such as fighter planes, tanks, and large caliber artillery are regularly reported to Congress and commented upon in the media, but information on exports of light weaponry such as rifles, machine guns, and mortars is much harder to come by. On occasion, a persistent researcher using the Freedom of Information Act or an interested member of Congress can prevail upon the State Department to release a listing of items on the U.S. Munitions List that have been licensed for export to a particular nation, but these instances are few and far between. Likewise, sales of "dual use" items ranging from shotguns and unarmed helicopters to advanced computers and machine tools that can be used to manufacture weaponry are licensed by the Commerce Department, and details of these exports are generally denied to the public on the dubious grounds that they are confidential business information that could somehow undermine the competitive position of U.S. firms if they were to be revealed. Until these constraints on information pertaining to the sale of small arms and dual use technologies are lifted, via changes in regulations or legislation, it will not be possible to get a full picture of U.S. exports of militarily useful items to Indonesia or any other country. The chart below (p. 20) represents a best effort based on currently available sources.

The chart below (p. 20) covers several different categories of weapons systems, including: 1) Aircraft; 2) Missiles; 3) Combat Ships; 4) Armored Vehicles/Tanks; and 5) Small Arms/Ammunition. A summary of U.S. deliveries in each category follows:

Aircraft: U.S. companies have delivered 229 military aircraft to Indonesia since 1975, including 12 Lockheed Martin F-16 fighters, 16 Northrop Grumman F-5 fighters, 33 McDonnell Douglas A-4 attack jets, 19 Lockheed Martin C-130 military transport planes, 16 Rockwell OV-10 Bronco counterinsurgency aircraft, and 38 transport and utility helicopters produced by Bell Helicopter/Textron and McDonnell Douglas Helicopter Company.

Missiles: U.S. companies have delivered 264 missiles to Indonesia since 1975, including 168 Lockheed Martin/Loral Sidewinder air-to-air missiles, 16 Hughes Maverick air-to-surface missiles, 64 McDonnell Douglas Harpoon anti-ship missiles, and 16 Hughes/General Dynamics Standard ship-to-ship/surface-to-air missiles.

<u>Combat ships:</u> U.S. firms have delivered 9 combat ships to Indonesia since the mid-1970s, including 5 *Boeing* Jetfoils (a high speed hydrofoil) and 4 *Avondale Industries* Claude Jones class frigates.

<u>Armored Vehicles/Tanks:</u> U.S. firms have delivered over 402 armored combat vehicles to Indonesia since 1975, including 22 Cadillac Gage/Textron Commando Ranger armored personnel carriers, 200 Cadillac Gage/Textron V-150 Commando armored personnel carriers, and 180 M-101 105 mm. towed howitzers.

Small Arms/Ammunition: U.S. firms have delivered massive quantities of guns, ammunition, crowd control equipment, tear gas, shock batons and other small arms to Indonesia since 1975 including over 15,000 Colt Industries M-16 rifles, 15,000 Colt Industries M-7 bayonets, 7,300 pistols and revolvers made by Colt Industries, Smith and Wesson, and Roberts Industries, 100 General Ordnance Equipment Corporation Mk-VII chemical batons, and over 1.5 million rounds of ammunition from Winchester International and International Armament Corporation.

Appendix Chart I: U.S. Arms Sales To Indonesia, 1975-1997

| | AIRCRAFT: | History Willyhous |
|---------------|---|---|
| QTY. | DELIVERED | SOURCE |
| QTY. 5 | Boeing 737-200 "Surveiller" land-based maritime reconnaissance aircraft. (Boeing describes these earlywarning aircraft as smaller versions of the AWACS aircraft used by the US Air Force. This was the first delivery of this kind of aircraft to a South-East Asian nation.) Breakdown/Delivery Dates: (2) Boeing 737-200 acquired in 1994 (3) Boeing 737-200, delivered: 5/82-9/83. Fitted with "side-mounted military radar for martime surveillance," made by Boeing. According to Jane's Defense Weekly, Indonesia plans new upgrades on these aircraft for its Air Force and Navy. Current Inventory: (3) Boeing 737-200 | JFS'94-95, p.300; PDR(2/83). JFS'94/95, p.300. TNI'82: MilitBal'81- 82; FEER(9/15/83); FT(10/10/83). JDW(12/11/96) MilitBal'96-'97, p.184. |
| | *Boeing Commercial Airplanes, Seattle, WA. Technical assist and equip for 737 "Surveiler" Improvement Program, Commercial delivery, date of order: 5/31/90, worth >\$50 million. | ACA register, 7/96, p.28 |
| 19 | Lockheed Martin C-130 "Super Hercules" cargo/troop | MilitBal'96-'97, p.184. |
| | transport aircraft in inventory. Inventory breakdown: (9) C-130B; (3) C-130H; (7) C-130H-30 Delivery Dates: (2) C-130H-30, yr of license: 1990, delivered: 1991. (5) C-130H-30, delivered 1981. | MilitBal'96-'97, p.184. SIPRI'92, p.338. TNI'82: MilitBal'81- 82. TNI'82: SIPRI'76. |
| | (3) C-130B, delivered 1975. Far Eastern Economic Review describes these C-130s as "the workhorses" of Indonesia's transport squadrons. *Lockheed Martin, Marietta, Georgia. | FEER(9/15/83). |

| | C-130 Upgrades: In August, 1995, Derco Industries Inc., Milwaukee, WI was awarded a \$9.27 million contract to supply Indonesia C-130 parts, materials and component overhaul services. Derco Industries will provide logistical support to the Konsorsium Dirgantara (consisting of the Indonesian Air Force, the Jakarta-based PT Garuda Indonesia, and Industri Pesawat Terbang Nusantara (IPTN), Indonesia's aerospace company in Bandung) for the in-country maintenance and modification of seven Indonesian Air Force C-130s. | DN(8/28-9/3, 1995), p. 13; ADJ(12/95), p.67. |
|---------|--|---|
| 12 | Lockheed Martin F-16 "Fighting Falcon" fighter plane, total deliveries. Breakdown/Delivery Dates: (8) F-16A, FMS delivery, yr of license: 1986, delivered: 1990-91; (4) F-16, yr of license: 1986, delivery date: unconfirmed. All 12 fighters worth \$336 m., with offsets worth \$52m. Current inventory: (11) F-16 -fighters, (including 7 F-16A and 4 F-16B) *Lockheed Martin Tactical Aircraft Systems, Ft. Worth, TX. | SIPRI'89, p.252; SIPRI'92, p.338; SIPRI'92, p.338; DSAA(30 Sept '95). SIPRI'89, p.252. MilitBal'96-'97, p.184. |
| 1 187 % | Lockheed Martin L100-30 "Super Hercules" transport plane. Delivery Dates/Orders: (1) L-100-30 delivered 1981; (2) L-100-30 on order in 1980, delivery uncertain. Current Inventory: (1) L-100-30 transport plane (Civil version of C-130). *Lockheed Martin Aeronautical Systems, Marietta, GA. | TNI'82:SIPRI'80;AO D'81. TNI'82: SIPRI'81. MilitBal'96-97, p.184. |

| 16 | Northrop Grumman F-5 "Tiger II" fighter aircraft, total deliveries. | TNI'82: SIPRI'80 |
|--------|---|---|
| VE 1 | Breakdown: (12) F-5E, and (4) F-5F, FMS deliveries. Delivery Dates: (6) F-5E, FMS delivery, delivered: FY1980, value \$23.5 m. (4) F-5F, FMS delivery, delivered: FY 1980, value \$19.9 m. Current Inventory: (12) F-5 fighters, including: (8) F-5E and (4) F-5F. *Northrop Grumman, Los Angeles, CA. | TNI'82: SIPRI'80; DSAA (30 Sept'95) Annual Report'80, part II, p.8. MilitBal'96-'97, p.184. |
| JT-81. | F-5E/F Upgrades: In 1995, Indonesia launched a major program to upgrade (12) F-5E/Fs at a cost of US\$40 million. The main contractor is a Belgium company, SABCA, but the upgrades include LN-93 inertial navigation systems made by *Litton, Guidance & Control Systems Division (Woodland Hills, CA). The new avionics for the F-5s will provide commonality with Indonesia's F-16s and Hawk 109/209s. | IDR(9/95), p.1, ADJ(12/95), p.66. |
| 33 | McDonnell Douglas A-4 "Skyhawk" attack aircraft, total deliveries. Delivery dates: (16) A-4 attack aircraft, FMS delivery, delivered: FY 1980, value: \$25m. (16) A-4M "Skyhawk II", delivered: FY 1978. *McDonnell Douglas factory: St. Louis, MO. | DSAA(30 Sept 95). Annual Report'80, part II, p.8. TNI'82: SIPRI'79. |
| 50 | T-34 aircraft trainer, FMS delivery, total deliveries. Delivery Dates: (16) T-34C, delivered: 1978. Related: Spare parts for T-34 aircraft, Commercial delivery, delivered: FY 1980, value: \$5.9 m. Current Inventory: (22) T-34C aircraft. *Raytheon Aircraft Co. (formerly Beech), Wichita, KS. | DSAA(30 Sept'95). TNI'82/SIPRI'79. Annual Report'80, part I, p. 57. MilitBal'96-97, p.184. |
| 16 | Bell 205 UH-1H "Iroquois" transport helicopter, delivery date: 1978. In the US Army, the UH-1 unofficially became known as the "Huey." Current Inventory: (9) Bell 205 helicopters *Bell Helicopter Textron, Ft. Worth, TX. | TNI'82: SIPRI'79 MilitBal'96-'97, p.183. |

| 16 | Rockwell OV-10 "Bronco" counterinsurgency aircraft, FMS delivery, delivered: 1976-1977. | TNI'82: SIPRI'78 |
|--------|--|---------------------------------------|
| | Current Inventory: (12) OV-10F "Bronco" counterinsurgency aircraft. *Rockwell: Seal Beach, CA. | MilitBal'96-'97, p.184. |
| 15 | Cessna T-41 aircraft trainer, total deliveries. Delivery Dates: Military Assist/Emerg. Drawdown delivery, delivery dates: unknown. Current Inventory: (6) T-41D aircraft trainers. *Cessna Aircraft (division of Textron), Wichita, KA. | DSAA(30 Sept'95). MilitBal'96-97. |
| 2 | Bell 206B light single engine utility helicopter, delivered: 1976 approx.? *Bell Helicopter Textron, Ft. Worth, TX. | TNI '82: SIPRI'76-77, MilitBal'76. |
| 3 | Bell 47G light piston powered utility helicopter; delivered: 1976 approx.? This helicopter can be mounted with machine guns. *Bell Helicopter Textron, Ft. Worth, TX | TNI '82: SIPRI'76-77, MilitBal'76. |
| 2 | Cessna 172 training aircraft, delivery date: unknown. *Cessna Aircraft (devision of Textron), Wichita, KS. | MilitBal'96-97, p.184. |
| 2 | Cessna 310 aircraft, delivery date: unknown. *Cessna Aircraft (devision of Textron), Wichita, KS. | MilitBal'96-97, p.183. |
| 5 | Cessna 401 transport plane, delivery date: unknown. *Cessna Aircraft (devision of Textron), Wichita, KS. | MilitBal'96-97, p.184. |
| 2 | Cessna 402 transport plane, delivery date: unknown. *Cessna Aircraft (devision of Textron), Wichita, KS. | MilitBal'96-97, p.184. |
| 1 2300 | Boeing 707 transport plane, delivery date: unknown. *Boeing Commercial Airplanes, Seattle, WA. | MilitBal'96-97, p.184. |
| 1 | C-47 aircraft cargo transport, FMS delivery, delivery date: unknown. | DSAA(30 Sept'95). |
| 2 | Bell 204B transport helicopter, delivery date: unknown. *Bell Helicopter Textron, Ft. Worth, TX. | MilitBal'96-97, p.184. |

| 10 | Schweizer 300C light utility helicopter, delivery date: unknown. *Schweizer Aircraft Corp., Elmira, NY (formerly made by Hughes). | MilitBal'96-97, p.183. |
|-----|---|--------------------------------------|
| 10 | McDonnell Douglas/Hughes 500 military helicopter, adapatable to attack, reconnaissance and training missions, Delivery date: unknown. *McDonnell Douglas Helicopter Co., Mesa, AZ (formerly Hughes). | MilitBal'96-97, p.184. |
| | MISSILES: | |
| 168 | Lockheed Martin/Loral "Sidewinder" infared homing air-to-air missiles, total deliveries, via FMS. Delivery dates: (72) AIM-9P "Sidewinder" infared homing air-to-air missile, (for arming F-16 fighters), yr of order: 1986, delivered: 1986-88. *Lockheed Martin Aeronutronic, Newport Beach, CA. (formerly Loral Aeronutronic). | DSAA(30 Sept'95). SIPRI'92, p.338. |
| 16 | AGM-65D "Maverick" air-to-surface missiles, total cumulative FMS deliveries. Delivery dates/Orders: (48) AGM-65D "Maverick" air-to-surface missiles, (for arming F-16 fighters), yr of order: 1987, delivery date: unknown. *Hughes Missile Systems, Tucscon, AZ. | DSAA(30 Sept'95). SIPRI'89, p.252 |
| 64 | McDonnell Douglas R/UGM-84A "Harpoon" ship-to-ship missiles. Delivery dates: (64) R/UGM-84A "Harpoon" missiles, arming 4 Van Speijk Class Frigates, yr of order: 1986, delivered: 1986-88. (8) "Harpoon" missiles, FMS delivery. *Prime Contractor: McDonnell Douglas Missile Systems, St. Louis, MO. Subcontractors: Texas Instruments, Loral, Northrop Grumman. | SIPRI'89, p.252. DSAA(30 Sept'95). |

| 4 | Launchers for RGM-84A missiles (ship-to-ship), arming 4 Van Speijk class frigates, yr of order: 1986, delivered: 1986-88. *Mc Donnell Douglas Missile Systems, St. Louis, MO. | SIPRI'89, p.252 |
|-------|--|--|
| 16 | RIM-66A/SM-1 "Standard" surface-to-air missile/ship-to-ship missile; delivered 1979. *Standard missiles are currently produced by Standard Missile Company, McLean, VA, a joint venture of Hughes Missile Systems, Tucson, AZ and Raytheon, Lexington, MA. (Formerly, the SM-1 version was made by General Dynamics, and later by Hughes Missile Company.) | TNI'82/SIPRI'79 |
| 1 100 | NAVAL SHIPS: | Cold Temploon Kb |
| 5 | Boeing Jetfoil, high-speed hydrofoils; cumulative orders. (The jetfoil, a 160-ton vessel operable in heavy seas, can be mounted with modern missiles.) Delivery dates: | JFS'94/95, p.303; PDR(2/83). |
| | (1) delivered in January, 1982; "first ordered for evaluation in sundry naval and civilian roles including | JFS'94/95, p.303; FT(10/10/83). |
| | gunboat and troop transporter." (4) more ordered in 1983; delivered by 1986; value: \$150 m.; with the inititial contract involving the purchase and joint production of jetfoils in Indonesia. The initial contract also involves Boeing assisting P.T. Pabrik Kapal, the Indonesian national shipbuilding company. Current Status: "Operational status is doubtful." *Boeing Marine Systems, Seattle, WA. | JFS'94/95, p.303. |
| 4 | Claude Jones class frigate, total deliveries. Delivery date: All (4) were delivered prior to the 1975 invasion of East Timor (2/73 - 12/74), but were then refitted at Subic Bay during the period 1979-82. Current Inventory: (4) US Claude Jones; with 2 x 3 antisubmarine torpedo tube (ASTT). *Avondale Industries, New Orleans, LA (formerly) | JFS'94-95, p.300; MilitBal'96-97, p.183. |
| | Avondale Marine Ways), and American Ship Building Co., Toledo, OH. | |

| | add TASSETT by Commonwhite 1-M who add 2 down to | unibro ampiell 0 |
|---------------------------|--|--|
| 579-11 | ARMORED VEHICLES/TANKS: | SECURITION OF SE |
| 22 | Cadillac Gage Textron "Commando Ranger" armoured personnel carrier. (22) Commando Rangers, delivered: 1983. In 1983 it was confirmed that Indonesia had placed an order for (28) Commando Scout vehicles, as well as (22) Commando Ranger armoured personnel carriers. *Textron Marine and Land Systems, New Orleans, LA (formerly Cadillac Gage Textron, Warren, MI). | MilitBal'96-97, p.183. MILPOW'91, p.92 Jane's A&A, p.205-06, (photos on p.401). |
| 200 | Cadillac Gage Textron V-150 "Commando" armoured personnel carrier. Delivery Dates: (58) V-150, delivered: 1978-79. (36) V-150, Commercial delivery, delivered: 1975. *Textron Marine and Land Systems, New Orleans, LA (formerly Cadillac Gage Textron, Warren, MI). | MilitBal'96-97, p.183. MILPOW'91, p.92 TNI'82/OMC. |
| 180 | M-101 "Howitzer" tank, 105mm. (towed), FMS delivery, total deliveries. Delivery Dates: (171) M-101 tanks, FMS delivery; (9) M-101 tanks, Military Assist/Emergency Drawdown delivery, delivery date: unknown. Current Inventory: (170) M-101 tank. *Rock Island Arsenals, Rock Island, IL. | DSAA(30 Sept'95). DSAA(30 Sept'95). MilitBal'96-97, p.183. |
| | SMALL ARMS/AMMUNITION: | PENDON MINE VIPO |
| 463 | Crowd Control Items made and exported by *Smith and Wesson (Springfield, MA) to the Indonesian Police; license date 8/76. | TNI'82(Table 4): Klare, Arnson IPS study, 1981. |
| 100 | Mk-VII chemical batons made by *General Ordnance Equipment Corp. (Pittsburgh, PA), exported by Smith and Wesson (Springfield, MA), to the Indonesian Police; license date: 8/76. | TNI'82(Table 4):Klare, Arnson IPS study, 1981. |
| 1.37 million rounds | Centerfire Ammunition, made and exported by *Winchester International (New Haven, CT), to the Indonesian National Police; license date: 6/77. | TNI'82(Table 4):Klare, Arnson IPS study, 1981. |

| 250 thous. | [Inform. unobtain.] 8-rd. Clips for M-1 rifles exported by *International Armament Corp. (Alexandria, VA) to the Indonesian Department of Defense & Security; license date: 9/78. | TNI'82(Table 4):Klare, Arnson IPS study, 1981. |
|---------------|--|--|
| 5 | Star-tron MK-303A night vision scope, made by *General Ordnance Equip. Corp. (Pittsburgh, PA), and exported by Smith and Wesson (Springfield, MA) to the Indonesian Policy; license date: 12/78. | TNI'82(Table 4):Klare, Arnson IPS study, 1981. |
| 435 | Gas Masks, made and exported by *Smith and Wesson (Springfield, MA) to the Indonesian Department of Police; license date: 1/79. | TNI'82(Table 4):Klare, Arnson IPS study, 1981. |
| 15,032 | M-16 rifles Delivery dates: (15,000) M-16 rifles made and exported *Colt Industries (New York, NY), to the Indonesian Dept. of Defense & Security; license date: 2/79. (32) M-16 rifles (all models), license applicant: *New Colt Holdings Corp., dollar value: \$29,884; license dates: 9/13/91, 4/22/92. Note: In FY1979, according to the US State Dept., Commercial deliveries of M-16 and M-16 A1 rifles totalled \$7.9 m. | TNI'82(Table 4):Klare, Arnson IPS study, 1981. DTCAdhoc(5/30/95). TNI'82(Table 3):USState. |
| 60 thous. | 30 round Magazines, made and exported by *Colt Industries (New York, NY), to the Indonesian Dept. of Defense and Secur.; license date: 2/79. | TNI'82(Table 4):Klare, Arnson IPS study, 1981. |
| 15 thous. | M-7 Bayonnets w/ Scabbord, made and exported by *Colt Industries (New York, NY), to the Indonesian Dept. of Defense; license date: 2/79. | TNI'82(Table 4):Klare, Arnson IPS study, 1981. |
| 1,326 | .38 Caliber Revolvers, made and exported by *Colt Industries (New York, NY), to the Indonesian Dept. of Defense & Secur.; license date: 6/79. | TNI'82(Table 4):Klare, Arnson IPS study, 1981. |
| 500 | .38 Caliber Launching Cart, made and exported by *Smith and Wesson (Springfield, MA), to the Indonesian Dept. of Police; licensed 7/79. | TNI'82(Table 4):Klare, Arnson IPS study, 1981. |

| 64 | #210 Gas Guns, made and exported by *Smith and Wesson (Springfield, MA), to the Indonesian Dept. of Police; licensed 7/79. | TNI'82(Table 4):Klare, Arnson IPS study, 1981. |
|-------|--|--|
| 500 | 12 gauge Launching Cart, made and exported by *Smith and Wesson (Springfield, MA), to the Indonesian Dept. of Police; licensed 7/79. | TNI'82(Table 4):Klare, Arnson IPS study, 1981. |
| 300 | #98 CS Riot Agent, made and exported by *Smith and Wesson (Springfield, MA), to the Indonesian Dept. of Police; licensed 7/79. | TNI'82(Table 4):Klare, Arnson IPS study, 1981. |
| 8 | Rifles (non-military, all); worth: \$6,133. <u>License applicant/license dates:</u> Robert's Precision Arms (6/5/90, 5/22/92); Pacific Supply Express Co. (3/23/93). | DTCAdhoc(5/30/95). |
| 5,382 | Pistols & Revolvers; worth: \$1,294,717. License applicants: Robert's Precision Arms, Smith & Wesson, Embassy of Indonesia. License dates: 3/21/90-5/31/94. | DTCAdhoc(5/30/95). |
| l au | the state of the s | a. Familia |
| | OTHER MISC.: | Lease Hall Latery |
| 158 | SIM Sys Laser M251, FMS delivery, delivered FY1985. | FOIA/DSAA, 9/19/94, p.9 |
| 14 | AN/PUS-4 Starlight Scope, Commercial delivery, delivered: FY 1980, value: \$87.3 m. | Annual Report'80. |
| 24 | AN/VRC-64 radio set, Commercial delivery, delivered: FY1980, value: \$111.9 m. | Annual Report'80. |

7

Palapa A, B and C commercial communications spacecraft, with valuable military applications.**

Palapa-A1, Indonesia's first domestic communications satellite, achieved orbit in July, 1976. The satellite was launched for Indonesia by the National Aeronautics and Space Admin. from Kennedy Space Center, FL; it was retired May 1985. Palapa-A2 was launched March 1977 and retired Jan. 1988. These satellites are identical to the Anik and Westar satellites Hughes built for the first domestic systems in Canada and the US. Palapa-B1 (launched June 1983) and Palapa-B2 (launched Feb. 1984) are second generation satellites Hughes designed and built for Indonesia, based on the Hughes HS 376 model. Palapa-B2, after having been placed in improper orbit, was refurbished by Hughes, renamed Palapa-B2R, and relaunched on April 1990 (replacing Palapa-B1 which was ready to retire). The third and fourth satellites in this series, Palapa-B2P and Palapa-B4 achieved orbit in March 1987 and May 1992 respectively.

Palapa-C commercial communications spacecraft & propellant, Commercial delivery, date of order: 12/1/93, worth: >\$50 m.

In April 1993 Hughes won a contract for two spacecraft, **Palapa-C1** (launched Jan. 31, 1996) and **Palapa-C2** (launched May 15, 1996), based on Hughes' HS 601 model, with an option good until 1999 to order a third.

Note: To accomodate each new generation satellite, Hughes won follow-on contracts to augment the master control station near Jakarta, as well as ground stations in Bandung and Cilacap. Hughes is also conducting two internship programs, with SATELINDO and PTNI, Indonesia's aerospace company, which "give Indonesian engineers the opportunity to work on Palapa-C and other satellite systems" and gain valuable technical know-how.

*Hughes Space and Communications Co., El Segundo, CA

Hughes Space & Communications Co. fact sheet.

ACA register, 7/96, p.28

Hughes Space & Communications Co. fact sheet.

Key to Source Abbreviations (for Appendix Chart I):

ACA Arms Control Association report: "ACA Register of US Arms

Transfers," (202) 463-8270.

ADJ -- Asian Defense Journal

Annual Report'80 -- "Annual Report on Military Assistance and Exports," US Dept. of

State, as required by Section 657 Foreign Assistance Act,

FY1980.

DSAA -- Defense Security Assistance Agency, "Status of Foreign Military

Sales Foreign Military Construction Sales and Military Assistance

Programs," as of 30 Sept 1995, Indonesia.

DTCAdhoc -- Office of Defense Trade Controls, Dept. of State, "Adhoc Query

Report," Indonesia, May 30, 1995.

IDR -- International Defence Review

DN -- Defense News

FEER -- Far Eastern Economic Review

FOIA/DSAA -- Freedom of Information Act request to Defense Security

Assistance Agency, response dated 9/19/94: "Foreign Military Sales/Deliveries of Light Weapons, Purchased During the Period

FY1980-1993.

FT -- Financial Times

Jane's A&A -- Jane's Armour and Artillery, 14th edition, ed. Christopher F.

Foss, 1993-94.

JDW -- Jane's Defence Weekly

JFS'94-'95 Jane's Fighting Ships, 1994-1995 "The Military Balance", for South East Asia, published by Oxford Press for the International Institute for Strategic Studies, London and Washington, DC. Military Powers Encyclopedia, published by Société I³ C (Impact **MILPOW** International Information Company, Paris. Office of Munitions Control export licenses for commercially sold **OMC** defense equipment. Pacific Defense Reporter PDR "SIPRI Yearbook: Armaments, Disarmament and International SIPRI Security," Stockholm International Peace Research Institute, 1966-1996, Oxford University Press. Transnational Institute report: "Background Information on **TNI'82** Indonesia: the Invasion of East Timor and US Military Assistance," prepared by Flora E. Montealegre, May 1982. TNI'82(Table 3): "Value of Selected Policies and Paramilitary Gear Exported Under License to Indonesia, FY 1975-1980," Dept. of State, Annual Report on Military Assistance and Exports as Required by Sec. 657, Foreign Assistance Act, FY 1975, 76, 77, 78, 79, 80. TNI'82(Table 4): "Documented US Arms Sales to Indonesian Police Forces, Sept. 1976-May 1979," reproduced from: Michael T. Klare and Cynthia Arnson, Supplying Repression: US Support for Authoritarian Regimes Abroad,

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Institute for Policy Studies, Washington, DC 1981, p.154.