



Foreign and Commonwealth Office

London SW1A 2AH

Dear Bryan,

19 June 1979

Possible State Visit by President Suharto of Indonesia

President Suharto was invited to pay a State Visit to this country in 1976, in return for The Queen's visit to Indonesia in 1974. He declined the invitation but has recently shown renewed interest in coming here. His Foreign Minister, Dr Mochtar Kusumaatmadja, raised the matter in November 1978 when he himself was an official visitor.

The Royal Visits Committee has decided that agreement may now be sought for a State Visit by President Suharto from 13-16 November 1979. The Foreign and Commonwealth Secretary supports the proposal and I am writing to seek agreement that it should be put to Buckingham Palace. Our Ambassador in Jakarta has advised that an offer of an invitation, if it is to have a reasonable chance of being accepted, should be made as early as possible in June.

Indonesia is by far the biggest and potentially the most important member of the Association of South East Asian Nations (ASEAN), which is an important factor for stability in South East Asia. Economically, Indonesia has considerable natural resources and is the ninth largest oil producer in OPEC. However the economy is relatively undeveloped and, with a large population (123 million in 1976), national income per head is low. Our exports in 1978 were worth only £84 million, 0.2% of total exports. Imports were worth £33 million. But there is very worthwhile scope for improvement in our market share, and since the public sector of the economy is large, increased official goodwill will pay dividends in this direction.

Politically, Indonesia's influence in ASEAN is helpful and President Suharto himself has a firm grip on all aspects of Indonesian policy. Personal contact with him is therefore particularly important in inter-governmental relations. An invitation to him to make a State Visit should thus yield benefits, not only commercially but also in our ability to influence Indonesia and, through her, ASEAN.

President Suharto has made State Visits to Japan (1968) and France (1972), and an official visit to the United States (1970). In recent years he has concentrated on developing relations with neighbouring countries in South East Asia and with the Arab world. We might expect to acquire particular merit with the Indonesians by granting him the invitation to come here, in which we know he is interested.

/We believe

B G Cartledge Esq
10 Downing Street



We believe that one reason why President Suharto declined to come here in 1977 may have been that he anticipated hostile demonstrations in this country, where his Administration was criticised for continuing to hold thousands of political detainees without trial. Many of the detainees had been held since 1965 and were arrested following the attempted pro-communist coup d'etat in that year.

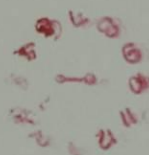
But the Indonesians have been releasing the detainees in batches, under their present policy of allowing all of them to go free (who cannot be tried) by the end of 1979. We believe that their intention is to live up to this undertaking although, in the event, it may not be possible for them to do so. Nearly 34,000 have been freed since 1976. By November fewer than 6,000 should remain in detention and by the end of 1979 only 1,500 or less. There is at present little interest here in Indonesian internal affairs, and it is unlikely that the small pressure groups who care about such matters would be able to mount a demonstration against him of a size to prejudice the success of the visit. If there were any criticism of the invitation on this score it could be met by reference to the great progress the Indonesians have made and are continuing to make in improving their judicial processes. Few countries in Asia or Africa are entirely blameless in this regard.

If we were to wait until 1980 before extending the invitation the position could be less sure if, as must be possible, the Indonesians cannot see their way clear to releasing the "hard core" of the detainees.

I am copying this letter to Martin Vile in the Cabinet Office.

Yours ever,
Stephen

(J S Wall)



19 JUN 1979