

file
 Divisional
 diary
 Collins

MESSAGE

FM/DE		EXTERNAL OTT	DATE	FILE/DOSSIER	SECURITY
			Jan 8/66	20-INDON-1-4	SECURITE
				19 11	CONFID
			NO	PRECEDENCE	
TO/A			TOKYO LDN WASHDC BONN NATOPARIS EMBPARIS ROME HAGUE	Y-3	OPTIMED
			CANBERRA		
INFO			PERMIONY	ROUTINE	
BY BAG:			COPENHAGEN OSLO MOSCOW VIENNA KUALA LUMPUR DJAKARTA HONGKONG		
			WELLINGTON		

REF DJAKARTA TEL 200 DEC 20/65

SUB/SUJ INDONESIAN REQUEST FOR AID

GRATEFUL FOR REPORTS ALREADY RECEIVED FROM POST REGARDING INDONESIAN AID REQUESTS. THESE REPORTS AND REFTEL CLEARLY SHOW CONFUSION AND POLITICAL JOCKEYING ASSOCIATED WITH INDONESIAN REQUESTS AND POINT UP NEED FOR EXTREME CARE IN ASSESSING ALL RELEVANT FACTORS BEFORE DETERMINING REACTION TO THEM.

2. IN ORDER TO ASSIST OUR CONSIDERATION OF SPECIFIC REQUEST TO CANADA, WE ARE ANXIOUS TO OBTAIN AS CLEAR A PICTURE AS POSSIBLE OF REQUESTS MADE TO FRIENDLY GOVERNMENTS AND ANY INITIAL RESPONSES OR REACTION. IN ADDITION WE ARE INTERESTED IN ASSESSMENT BY FRIENDLY GOVERNMENTS OF EXTENT AND GRAVITY OF CLAIMED CURRENT ECONOMIC CRISIS (PARTICULARLY FOOD SITUATION) AND OF POLITICAL FEASIBILITY OF EVEN SHORT-TERM EMERGENCY AID, GIVEN PRESENT INDONESIAN INTERNAL POLITICAL SITUATION.

3. GRATEFUL IF TELEGRAM ADDRESSES WHO HAVE NOT ALREADY PROVIDED THIS INFO WOULD APPROACH LOCAL OFFICIALS *in a routine & informal way* TO DETERMINE NATURE AND DETAILS OF AID REQUESTED, WHAT CHANNELS WERE USED, WHAT INDONESIAN AUTHORITY WAS CITED AND WHAT, IF ANY, RESPONSE HAS BEEN MADE. YOU SHOULD ALSO SEEK THE POLITICAL

DISTRIBUTION FINANCE (HUDON); EYTAID (McLAREN); ECONOMIC; COMMONWEALTH; U.N. DIV. *Bone 36*
 LOCAL/LOCALE LO CC FAR EASTERN DIV. -- NOT DONE IN DIVISION, CONCERN PLEASE MAKE DISTRIBUTION

ORIGINATOR/REDACTOR	DIVISION	TELEPHONE	APPROVED/AUTORISE
SIG <i>S. D. Gao</i>	FAR EASTERN	2-2991	A. E. RITCHIE
<i>G.D. MACKINNON/PAM/VW</i>			

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AND ECONOMIC ASSESSMENTS MENTIONED ABOVE. IN PARTICULAR, WE ARE INTERESTED IN VIEWS OF OTHER GOVTS REGARDING DEGREE OF CONTROL WHICH ARMY MAY NOW WIELD IN POLITICAL AND ECONOMIC TERMS AND THE ARMY'S WILLINGNESS OR CAPABILITY TO TAKE DECISIVE STEPS TO SOLVE ECONOMIC PROBLEMS.

4. IN MAKING THIS APPROACH YOU MAY OUTLINE INDONESIAN REQUEST TO US AS REQUESTED IN REPTEL. YOU MAY SAY THAT, IN LIGHT OF CONTINUING FLUIDITY OF DEVELOPMENTS IN INDONESIA, WE DO NOT ANTICIPATE EARLY CANADIAN REACTION. ANY CANADIAN RESPONSE IS, IN ANY CASE, BOUND TO BE MARGINAL. NOR ARE WE LIKELY TO BE ABLE TO DO MUCH TO RELIEVE SHORT-TERM SITUATION UNDER OUR CURRENT BILATERAL AID PROGRAMME EVEN IF IT WERE CONSENSUS THAT EMERGENCY ACTION WAS WARRANTED. LONGER TERM INDONESIAN AID PROPOSALS SEEK TO US TO REQUIRE EVEN MORE SEARCHING APPRAISAL.

5. ON THE OTHER HAND WE BELIEVE THAT ANY GENUINE APPROACH FROM A RECOGNIZABLE AND DURABLE INDONESIAN AUTHORITY SHOULD BE TAKEN SERIOUSLY IN LIGHT OF DEVELOPMENTS SINCE OCTOBER 1 AND THEIR POTENTIAL LONG-RUN SIGNIFICANCE FOR POSITION OF WEST IN THAT PART OF WORLD. GENERALS ARE APPARENTLY LETTING IT BE KNOWN THROUGH INFORMAL CHANNELS THAT THEY DO NOT CONSIDER MOMENT RIPE FOR BILATERAL AID FROM WESTERN COUNTRIES AND THIS WOULD BE UNDERSTANDABLE IN PRESENT INDONESIAN POLITICAL CONTEXT. IT IS CONCEIVABLE, HOWEVER, THAT IN RIGHT CIRCUMSTANCES REQUEST FOR AID TO MEET SHORT-TERM REQUIREMENTS MIGHT PROVIDE A MEANS BY WHICH INDONESIA COULD BE DRAWN BACK INTO CORPORATE INTERNATIONAL LIFE, PERHAPS IN FIRST INSTANCE BY SEEKING READMISSION TO SPECIALIZED AGENCIES WHICH ARE IN A POSITION TO OFFER ASSISTANCE.

6. IT MAY BE GENERAL ASSESSMENT THAT NO REAL ADVANTAGE COULD BE GAINED FROM WESTERN AID TO INDONESIA AT THIS TIME. IN VIEW OF EXTREME DIFFICULTY IN ASSESSING POLITICAL FACTORS WHICH ARE SO IMPORTANT IN DETERMINING RESPONSE TO SPECIFIC AID REQUESTS, THERE MIGHT HOWEVER BE SOME VALUE IN JOINT DISCUSSION AND CONSULTATION IN, FOR EXAMPLE, POLITICAL ADVISERS CTTEES OF NATO. GRATEFUL IF NATO POSTS COULD TEST REACTION TO THIS SUGGESTION ON INFORMAL AND EXPLORATORY BASIS AND IF NATOPARIS WOULD COMMENT.

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