

# Indonesia:

## Arms trade to a military regime

*With a foreword of Nobel Prize Laureate José Ramos-Horta*

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The European Network Against Arms trade (ENAAT) is a network of grass-roots campaign organisations, researchers and lobbyists from eleven European countries. Objective of ENAAT participants is to limit arms exports and production, especially to countries that use arms against their own population.

Since 1994 ENAAT participants work together in an European-wide campaign for a boycott of arms trade to Indonesia. ENAAT participants are very concerned about this trade, because the Indonesian military is using European arms against the democratic opposition in Indonesia and the population of east Timor.

The activities of the European groups working against arms trade are many and varied. Further information is available from the member groups of the international secretariat, see for addresses the back of this booklet. Also for addresses outside Europe.

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# Introduction

This book is the second publication from the campaign STOP Arming Indonesia of the European Network Against Arms Trade (ENAAT). It contains a unique collection of articles about all major countries exporting arms to Indonesia. In Europe, as well as North America and Australia. Only a few countries who sold arms (in the past) to Indonesia, like the Asian and Eastern European countries are not included. More than only facts and figures, this book gives also a view of the broad protest movement that is active against this arms trade to the military regime of Indonesia. Three articles in this book (those of Spain, Sweden and Switzerland) are updated versions of articles which were published before in the first campaign publication of 1994 called 'STOP Arming Indonesia: a European perspective on arms trade to a military regime'. Most of the articles in this book however are new.

## How to read this book

The articles are organised by country. In that way a quick overview of the export policies of each country is provided. This does not mean however that the reader should only be interested in the article concerning her or his own country. On the contrary: this book offers the opportunity to protests movements against arms trade to Indonesia to learn from each others methods and ideas and use them in their own campaigns.

Several topics return in almost every chapter. Governments evading their own rules, laws and codes of conduct will be found in almost every country. The same is true for the policy of strengthening economical ties with Indonesia after the Cold War, because of growing economical opportunities. Indonesia, a country of nearly 200 million inhabitants, and with an average growth of the economy of 7-8% is a very interesting trading partner. Arms trade is often seen as a key to open the doors for other offsets.

Another element returning in all chapters is the connection between the Western arms industries and the build-up of an domestic Indonesian defence-industry by technical assistance of the West. Most information on this subject is given in the chapter from Germany.

Development Aid is used as a method to strengthen the ties between Indonesia and the Western countries. Sometimes these ties have a direct influence on arms acquisition contracts by Indonesia. But this is not always an undisputed issue. This is very clearly shown in the article on Belgium and Spain.

Because contributions came from different countries, also the angle of approach differs. Groups and researchers in countries who are major arms dealers put forward different facts than those from countries who are selling only smaller quantities. Sweden e.g. is describing in length the efforts to stop a deal of naval cannons to Indonesia. While the United Kingdom the most important arms dealer of the moment can hardly go into detail about the whole wideness of British arms trade.

For the Netherlands the naval industry is the most important to focus on, while Spain is going into detail on the aircraft construction in Indonesia, supported by the Spanish aircraft builder CASA. Australia, the nearest country to Indonesia is providing military training to Indonesian troops, more than it is involved in arms trade, again a different focus.

What all these countries have in common is that they are supporting one of the longest surviving military regimes in the world. But also that in all these countries people are opposing this support

by campaigning against arms trade.

### **Arms embargoes**

Because of the occupation of East Timor, especially after the Santa Cruz massacre in 1991, and the excessive role of the Indonesian military in society some governments imposed (partial) arms embargoes on Indonesia.

Only in a few countries these embargoes are still active, namely in the United States (U.S.) and Sweden. In 1994 and 1995 Belgium and Italy declared an arms embargo to Indonesia. The Belgium arms embargo was totally without meaning, because control on arms exports is not existing in this country. The lobby of the Italian arms industry towards the government resulted in an interpretation of the embargo that made it as good as meaningless. A reinforcement of protests will be necessary to reinstall the embargoes. The present parliamentary elections and forthcoming presidential elections of 1998, that will rise a higher attention to the country, might offer an opportunity for this.

Arms embargoes to Indonesia in one country could offer possibilities for another country to deliver their 'goods.' The Indonesian government stated in 1994, when the U.S. refused to sell fighter aircraft, it could easily turn to Europe. It is striking that while the U.S. and Sweden are banning the export of armoured vehicles to Indonesia, the United Kingdom and France are selling them and the competition between European countries like Germany, Finland, France and the United Kingdom to sell even more of these vehicles is going on. An international campaign against these sales should be the answer. Armoured vehicles have been used by the Indonesian military, even against a small group of students protesting the rise of bus fares, during which three students have been killed.

### **About the book**

This book is the common product of many groups and individuals who participate in the world-wide protest movement to stop the arming of Indonesia. We are happy with the number of people and groups who were willing to join in this project and created all together an overview of arms trade to one of the longest existing military regimes in the world. Their contributions are a proof of the fact that in most countries efforts are undertaken to stop arms trade to Indonesia. Although most of us work nationally, we are a world-wide movement.

Due to the difficulty of obtaining information no book on arms trade can be complete. However groups working on the issue have tried to collect as much information as possible, using governmental-, United Nations-, and scientific sources, military- and public papers etc.

The difficulty of researching arms trade is also shown by the figures given on arms trade by different governmental sources. One of the most well known institutes the United States Arms Control and Disarmament Agency provides figures which are disputed by the figures given by European governments. It is another sign of the misty world of arms trade that not even big institutes and governments can or are willing to provide correct data. Nevertheless one has to work with the most accurate figures that can be obtained. The figures in this book give an indication of the value of arms trade to Indonesia as accurate as possible.

For reasons of clearness we have stated all amounts involved in the arms trade with Indonesia in US\$ (exchange rate of January 2nd 1997).

We hope to provide the reader from the solidarity movement with Indonesia and East Timor as well as the people from the peace movement and anti arms trade organisations and researchers with information they can use in their fields of work.

The lines of argumentation developed in these articles and the overview of arms trade policies can serve as an inspiration in general for criticising arms trade to areas of tension and to human rights violating regimes.

Because information is gathered on a detailed scale the book is also a valuable source of information for people researching arms trade in general. Although it focuses on Indonesia, several trends can also be seen in respect to arms trade to other countries.

This book is not meant to give an overview of Indonesian and East Timorese politics. Human Rights groups like Amnesty International and Human Rights Watch, and researchers and people of the solidarity movement are much more skilled to provide that kind of information. In the back of this book information on campaign and research contacts can be found. Here one also finds a list with books and magazines for further reading.

We would like to express our gratitude to everybody who co-operated in this project. We hope our common effort to stop arming Indonesia is a support for all those trying to create a more democratic society in Indonesia and an independent East Timor.

# Arms sales to Indonesia

are immoral, potentially illegal, and strategically unwise

*José Ramos Horta\**

One high-ranking Indonesian general said, when asked if US weapons were being used in the invasion of East Timor in December 1975:

*"Of course there were US weapons used. These are the only weapons we have."*

Since 1975 Indonesia has been fighting a low-level war against the East Timorese military resistance, and has simultaneously been exercising its troops in the use of arms against East Timorese civilians. For the Indonesian armed forces the East Timor conflict has been, not only a profitable economic venture, but also a training ground for its best troops and its best pilots. Such was the case for the British forces in the Falkland Islands. This training naturally involves use of the latest weaponry, bought from the West at great expense. To imagine otherwise, namely that Indonesia used its second-best arms, or that they withheld use of sophisticated weapons out of respect for the East Timorese, does not stand up to reason. It is logical therefore to deduce that Indonesia bought the weapons with East Timor in mind, and the arms vendors sold those weapons that were most suited to a low-level insurgency in difficult terrain, such as exists in East Timor. Without appealing to the abundant evidence about the use of American and British arms against the East Timorese, reason makes it clear that all parties in Indonesia and the West know the truth about their use.

The US and the UK have been the foremost vendors; they have sold powerful weaponry and have done so consistently. Australia, Germany, Finland, Sweden, Belgium and the Netherlands have sold far less, and strangely -- and inexcusably -- most of their governments have done so more recently, at the very time that the repressive nature of the Indonesian regime is becoming widely known. What then have they sold for use against the East Timorese?

They have sold a wide range of weapons, like fighter planes, bombers, missiles, helicopters, light tanks, armoured personnel carriers, armoured water cannons, bailey bridges, Landrovers, frigates, patrol boats, naval guns and firing systems. These weapons have been operated for use in ground attack and counter insurgency roles. As British Aerospace said of their Hawks: "These planes are ideally suited for use against forces in difficult terrain". Witnesses in Dili also indicate that they are useful in threatening urban populations.

In this clear case of Western arms manufacturers and governments collaborating with a dictatorial and military regime such as Soeharto's in Indonesia, there is an important principle that must be drawn. This is that no country should allow the sale of arms of any kind to a non-democratic regime. In other words, all countries should actively prevent such arms from being sold. The reasons for such a high-sounding principle are practical. Sales of this kind are immoral, potentially illegal, and strategically unwise.

Arms sales to non-democratic or dictatorial regimes are immoral in the pure sense that they promote a world environment in which the solution to problems is sought through killing and

\* José Ramos-Horta is the Special Representative of the National Council of Maubere Resistance (CNRM), underground umbrella organisation based in East Timor comprising all East Timorese groups opposed to Indonesia's occupation and led by Xanana Gusmao. He is the 1996 Nobel Peace Co-Laureate with the Head of the Catholic Church of East Timor, Bishop Carlos Filipe Ximenes Belo.

fighting rather than through talking. But more particular is the immorality that stems from making arms available to leaders who are not accountable to their people for their actions, nor dependent upon them for their right to govern. They can act against their own people with comparative impunity. Arms sales to such a leader is tantamount to giving a stick to a bully who is busy tying up his victim. With the stick he can prolong his power and oppress his opponents. The accountability of a leader must be the determining factor in any trading in weapons.

Arms sales are also potentially illegal. Indonesia is the illegal occupant of East Timor, in that it has incorporated East Timor, in defiance of the UN Security Council Resolution 389 which called on:

- 1) all states to respect the territorial integrity of East Timor, as well as the inalienable right of its people to self-determination
- 2) Indonesia to withdraw without further delay all its forces from the territory

Arms manufacturers and governments which issue export licences to sell arms to Indonesia are actively collaborating with Soeharto in defying United Nations resolutions. Secondly, they are committing a crime in that they become party to violating the 1948 UN Convention on Prevention and Punishment of the Crime of Genocide, which makes it a duty of everyone to refuse to have any part in genocidal killing. In these two ways UN resolutions and conventions are being openly flouted.

Arms sales to dictators are strategically unwise. Arms are rarely used for legitimate defence. More commonly they are used either for international aggression or for internal repression and the violation of human rights. In the case of external aggression, it is likely that the introduced weapons, far from reducing the number of unsolved problems in the world, will add to them, and so increase the cost of contributions to the UN for peace-keeping, or the likelihood of a wider conflagration. In the case of internal repression, as in East Timor, hatred becomes entrenched and party lines become more permanently drawn, thus ensuring that an ultimate solution will be more distant and more costly. The deliberate exacerbation of the world's troubles clearly comes at a high price, and in a way which may not be in the interests of the arms-supplying nations.

For their example of courage and hope I salute the four Ploughshares ladies of Britain. Quite deliberately, yet unexpectedly, they brought about a watershed both in the campaign against arms trading, and in the campaign to stop arms destined for East Timor. Their struggle and their exoneration -- indeed justification -- will lighten the load of future campaigners. For they have handed on two important messages. First, ordinary people, as represented by the Liverpool jury, are fair-minded, once given the truth. This gives hope for the future; the underdog is now championed by public opinion. Second, we all -- individuals, arms manufacturers, governments -- have a duty to participate in refusing to play war games. This is not a passive obligation, but rather an active responsibility which is demanded by the United Nations, and in the case of East Timor, recently acknowledged by the Nobel Peace Prize.

## Visit to another republic of fear

In the period July -- August 1996 I stayed in Indonesia to discuss the issue and campaign against arms trade with Indonesian activists and NGO's. The invitation followed the publication in Indonesia of the booklet *STOP Arming Indonesia* which was also translated into Indonesian and published in Indonesia under the title *STOP Perdagangan Senjata*.

During this period the role of the military was very clear. 1996 was a year of growing political activity in Indonesia. This was shown by: the installation of a monitoring group for the elections (KIPP); two new ('illegal') political parties (PUDI and PRD); strong student protests across the country against the brutal killing of three students in Ujung Pandang, South-Sulawesi; political upheavals in Kalimantan and Irian Jaya; and the row inside the PDI, the Indonesian Democratic Party about the chairman of this organisation. This last political upheaval was the most important. The government reacted in the end with a raid on the stronghold of the PDI/Megawati in Jakarta. Demonstrations and riots followed the raid.

Troops and hired people were brought to the spot with military trucks (from Germany and Japan). In the week after the 27th the city was full of soldiers, tanks and armoured vehicles. Even on the 24th of August a water canon and some trucks were kept ready for action near a military camp in the centre of Jakarta. I experienced a raid by the intelligence on the NGO office where I stayed. The building of a human rights organisation I visited was attacked a few days before, when activists talked about establishing a branch of PUDI.

I have heard the stories of people threatened with a gun just because they organised the population against injustice. I have seen the result of the destruction of houses by the military. It is not very difficult to expand this summary. I was not in remote area's like Irian Jaya, Aceh or occupied East Timor. In these regions the situation is even worse. Statements on arms trade by Xanana Gusmao, Ramos Horta and the East Timorese I met in Jakarta made it quite clear they want to stop the flow of arms.

Militarism in Indonesia has a different contemporary history than it has in the West. The history of Indonesia and the ideological framework of the society are part of the reason people have different attitudes to the military. Not in the least part because ABRI does not like harsh criticism.

Nationalism is very strong in Indonesia leading e.g. to the analyses: Indonesia needs to have a strong defence to protect the country against foreign invaders. That the Republic of Indonesia has never had strong armed forces for external use and was never threatened by an invasion, but instead invaded a foreign country itself, was not an argument easily accepted. It is also remarkable is that Western governments selling arms to Indonesia use the argument that Indonesia has the right of self defence, while the Indonesian military themselves do not see the possibility of an external threat as significant.

The role of the Indonesian armed forces in the war of independence is giving these forces credibility and legitimacy. Sometimes it looks as though the war was the only reason the Dutch left the country, while in fact the victory was mainly based on pressure from the United States on the Dutch government and not on a military defeat.

What I discussed extensively during my visit is the availability of information. Before my trip I thought information on arms trade was more easily available in West-Europe than it is in Indonesia itself. This is not true, in fact it is not very easily available in the West and the same is true for Indonesia. Partly the information that exists, is overlapping, but it is also additional. However working with this kind of information is much easier in the West than it is in Indonesia. While information on weapons used can only come from Indonesia itself.

During my visit it became clear that the arms trade is a new subject, which has to be developed and requires education. What is the use of an armoured personnel carrier in human rights violations; what does a rifle from Belgium look like; and, how to trace back the producer of a bullet.

What has been changed in my attitude towards the problem of arms trade after this visit is that not only the use of arms, but also possession of arms is a way of repression. Intimidations are backed in the end by the possibility of the use of arms.(MB)

# Indonesian armed forces:

## a tight grip on society and East Timor

*Martin Broek; AMOK-Maritiem*

Since president Soeharto took power in 1965 Indonesia has been ruled by a military dictatorship. Troops of the armies strategic reserve command (KOSTRAD) headed by Soeharto suppressed a coup attempt on the 30 September. Side by side with the military and armed by small firearms from the U.S. vigilante groups killed between 500,000 and 1,000,000 people during the following months.<sup>1</sup> Hundreds of thousands were imprisoned and tortured. This bloodshed is the basis of the regime currently in power. The military took control of the country and arbitrariness and repression of the political opposition became the rule. The role of the Indonesian armed forces (ABRI) is declining during the nineties, but ABRI is still the force backing the regime.

This was shown by the 'congress' of the Indonesian Democratic Party (PDI), held in Medan, June 1996, to replace the chairwoman of the party, Megawati Sukarno Putri, by a less popular party leader, Suryadi. The PDI became a threat to the ruling GOLKAR party and Megawati a threat to the position of the president.

This 'congress' was engineered by the military. Weeks of protests followed. The PDI's office in Jakarta, occupied by supporters of Megawati, was raided by 500 police and army troops on the 27th of July.

A demonstration following this violation of the internal sovereignty of the PDI, was ended by police and the army violence. This treatment by the security forces sparked serious rioting. At least 5 people died, 149 were injured and 23 are missing according to a report by KOMNASHAM, the national human rights commission. In the weeks following the raid the police and intelligence started to arrest trade union leaders, activists and people of the left wing Democratic People's Party (PRD). Several NGO offices were raided and destroyed.

This kind of violence is employed by the military against trade unions, political parties, peasants, workers, journalists, students and human right activists, and everybody who wants to organise them independently. In other words the military are the major obstacle to civil society in Indonesia.

### **East Timor**

On the seventh of December 1975 Indonesia invaded the former Portuguese colony East Timor, which had declared its independence a few days previously. With planes from the U.S. and with military equipment supplied by other countries who allegedly support human rights (the United Kingdom, France, Germany, the Netherlands), the Indonesian armed forces razed hundreds of Timorese villages and carried out authentic genocide against the East Timorese.<sup>2</sup> However the East Timorese resistance to the invasion was enormous and the Indonesians needed more Western weapons to suppress it. The delivery of the Bronco aircraft by the U.S. in particular 'changed the entire character of the war,' according to a retired US navy admiral.<sup>3</sup> At least one

1 Soerharto, Co-authors Ramadhan K.H. en G. Dwipayana, "Mijn gedachten, woorden en daden; Autobiografie" (Franeker, 1991, Van Wijnen) pp. 115 en Budiardjo, Carmel, "Surviving Indonesia's Gulag; a Western Woman tells her story" (London, 1996, Cassell; Wellington House) p. 51 and on the number of dead victims during the months following the 'coup,' see pp. 51-52 in which it is argued that it is no exaggeration to state the death toll was 1,000,000 .

2 Barbedo de Magelhaes, A, "East Timor Indonesian occupation and Genocide" (Oporto: President's Office - Oporto University, 1992)

3 Flora Montealegre, "Background Information on Indonesia, the Invasion of East Timor, and U.S. Military Assistance," (Washington,

third, 200,000 people of the population of East Timor died. Some estimate the death toll to be even higher. George J. Aditjondro, an Indonesian academic living in exile, calculated that at the beginning of 1979 there were 300.000 "missing" Timorese.<sup>4</sup>

The annexation of East Timor has never been recognised by the United Nations (UN). Despite this fact, Indonesia continues to this day to suppress the East Timorese population. The murder of hundreds of unarmed civilians on the 17th of November in Santa Cruz is the most well known recent example of the killings by Indonesian troops.

In December 1995 the detained leader of the East Timorese resistance, Xanana Gusmao, condemned the West for supplying Indonesia with arms that were used with devastating effect against the East Timorese resistance.<sup>5</sup> Since November 1996 the Nobel Prize for Peace laureate José Ramos-Horta has repeated this condemnation on several occasions. At a time when the East Timorese are seeking an international diplomatic solution for the situation, the major obstacle to self determination for the East Timorese are the Indonesian armed forces, backing the occupation with arms that have been bought from all over the Western world.

### **West Papua**

In 1963 Dutch New Guinea was handed to the Indonesians by the UN on the condition that Indonesia should organise a plebiscite. This so-called plebiscite took place in 1969. Only 1000 tribal chiefs were allowed to vote. The six years before the referendum were used to influence the result by lionizing chiefs or killing them if they did refused to co-operate. The first Indonesian Governor of West Irian estimated that during these years 30,000 people were killed by the Indonesians<sup>6</sup>. The Papua's were forced to join Indonesia. The Organisasi Papua Merdeka (OPM, Free Papua Movement) is struggling against this result. Since 1995 this struggle is becoming stronger. The most important targets, besides the right for self determination, are to oppose:

- the activities of Freeport, the Indonesian mining company, which is destroying the environment, offering the military facilities against the OPM, and severely violating the labour rights of the Papua's; and
- the transmigration to West Irian, because the Papuans are afraid their culture will be destroyed. This fear might well be justified by the fact that Papua's are regarded as backward people in Indonesia and the efforts to keep their cultural dignity are regarded as undermining the unity of the Indonesian state.

Also in this struggle Western arms have been a decisive factor. Author on the military operations in West Papua, Robin Osborn, stated that without Western arms Indonesia would have had to enter the jungle on foot and face the OPM on its own terms<sup>7</sup>. In other words, without helicopters from the West, without the Bronco counter insurgency planes, and without naval vessels for coastal bombardments it would not have been possible to commit all these crimes against the population of West Irian.

### **Internal repression**

The Bureau of Democracy, Human Rights and Labour of the Department of State in the U.S. recently stated:

"Despite a surface adherence to democratic forms, the Indonesian political system remains strongly authoritarian. The Government is dominated by an elite

DC: Transnational Institute, 1982), p. 2

4 Aditjondro, George J, "In the shadow of Mount Ramelau; the impact of the occupation of East Timor" (Leiden: Indoc, 1994), p. 39

5 TAPOL Bulletin no. 132: 'Xanana speaks to the world'.

6 Budiardjo, Carmel en Liang, Liem Soei, "West Papua: The Obliteration of a people" (Londen: TAPOL, 1988 (3rd ed.), p. 78.

7 Osborne, Robin, "Indonesia's Secret War: The guerilla struggle in Irian Jaya" (North Sydney: Allen & Uwin Australia, 1985), p. 147.

comprising President Soeharto, his close associates and the military." And: "Despite a decrease in the number of active or retired military officers in key government positions, the military retained substantial nonmilitary powers under a "dual function" concept that accords it a political and social role in "developing the nation."<sup>8</sup>

This dual function doctrine (or *dwifungsi*) was proclaimed in April 1965 by ABRI and gave the army two functions:

- a non-military role: to control the developments inside society in ideological, political, social, economic, cultural and religious fields; and
- a military role: the defence of the country against external and internal threats (the internal task is called 'the security approach').

Some of the arms, like the major naval vessels (frigates and submarines) and fighter aircraft also play a role in the regional arms race. However, ABRI and Indonesian policy makers are regarding the external threat as minimal. Because of this and budget constraints most acquisitions must be seen in the connection with internal conflicts, a fact, for the most part neglected by the governments selling arms to Jakarta.

At least two thirds of the army are appointed for internal tasks and regime maintenance. Sometimes it is hard to prove this, but when Feisal Tanjung, the commander in chief of ABRI, said German amphibian assault ships would be used for internal tasks as part of the landing battalions, he underlined that the the German opposition to the deal was right when they opposed it with the argument that the ships would be used for internal repression. But the role of landing battalions was always to move at short notice to a place in the archipelago, and the German government should have known this.<sup>9</sup>

## Elections

Recently, Indonesia established riot control centres. A new step in controlling the country, and without legal status, but the laws will follow any problem that may arise, was the response by Hartono, the Army Chief of Staff<sup>10</sup>. These kinds of statements are strengthening the fear that the riot control centres will gain a position like the former KOPKAMTIB (National Command for the Restoration of Security and Order), responsible for much of the extra-judicial killings in the past. The military is expanding its grip on the country because of the parliamentary and regional elections in May 1997, and the forthcoming presidential elections in April 1998. These elections unleashed a struggle for power among elements in the army and government, a direct result of which are the ongoing religious, ethnic and social clashes. The army, who has reportedly backed several of the riots, is strengthening its position by creating, and after that controlling, the people to show that they are indispensable.

Real political parties do not exist in Indonesia. In January 1973 the parties were replaced by two organisations, so-called political parties, but they are organisations which do not deserve such a name: the Indonesian Democratic Party (PDI) and the Development Unity Party (PPP). The PPP became the party for all islamic parties and the PDI was composed of the rest. The parties were under government control. The third party GOLKAR always wins the elections, due mainly to government pressure on its employees and the population to vote for it. At present dissent is

8 Indonesia Report on Human Rights Practices for 1996; Released by the Bureau of Democracy, Human Rights, and Labor, 30-01-97. p. 1. Available on Word Wide Web (WWW): [http://www.state.gov/www/issues/human\\_rights/1996\\_hrp\\_report?indonesia.html](http://www.state.gov/www/issues/human_rights/1996_hrp_report?indonesia.html).

9) Asian Defence Journal 10/95, pp. 12 - 16: interview with Feisal Tanjung and Lowry, Bob "Indonesian Defence Policy and the Indonesian Armed Forces," Canberra Papers on Strategy and Defence No. 99 (Canberra, Strategic Defence Studies Centre: The Australian National University, 1993), p 84.

10) Antara News Agency 12-02-97 on Act.Indonesia

growing because of the restrictions on campaigning and the undemocratic form of these elections -- e.g. ABRI is openly backing the ruling party GOLKAR, -- combined with growing discontent about the increasing gap between rich and poor. Feisal Tanjung has already promised a firmer stand by ABRI, because as he stated 'the freedom of democracy is not everything.'<sup>11</sup>

<b>Civil-military control by ABRI</b>		
President		
Other Ministers	Minister for Home Affairs	Commander Armed Forces
Provincial Office	Governor	Territorial Commander (KODAM/KOREM)
Regional Office	Regent	Territorial Commander(KODIM)
District	District Chief	Territorial Commander(KORAMIL)
Village	Village Chief	Village Non-Commissioned Officer (BABINSA)

There are 10 territorial commands (KODAM). These commands have several tasks inclusive internal security. Consistent with this task they are dispersed throughout Indonesia, but with a weighting to the major centres of population on Java and Sumatra and also on East Timor and West Papua. Each KODAM is divided in smaller units called KOREM. Each of the 39 KOREM has one to three infantry battalions under command, plus minus 2,000 soldiers. Also each district, region and village has its own military command respectively KODIM, KORAMIL and BABINSA. Besides these military commands, the military often occupy positions in the civil bureaucracy. The territorial troops are 191,500 soldiers strong. While also KOPASSUS (6,000) and KOSTRAD troops (17,000) are mainly absorbed in internal security tasks. All in all more than 90% of the army can be deployed for internal security. While also the 12,000 marines and two battalions of the Air Forces' special troops can be used for this task.  
**Source:** Indonesian Defence Policy and the Indonesian Armed Forces, Bob Lowry, Canberra 1993. Military Balance: 1996-1997, IISS London, 1996.

### **Cost to society**

Many basic needs of the poorest sections of society are sacrificed to the needs of the military. Women, the most exploited group in society, are the first to suffer and often the last to be consulted on political issues. George J. Aditjondro, stated when writing about East Timor, that all money spent on buying arms was detracted from humanitarian projects, such as reducing infant mortality in West Nusa Tenggara for instance.<sup>12</sup>

Another aspect of development in Indonesia that conflicts with the needs of a civil society is the financing of a high-tech defence-industry. At a time when the international arms market is shrinking, this expensive high-profile project is hardly conducive to a style of economic development that would help the creation of civil society and support the poorest sections of the community. Notwithstanding the efforts, Indonesia is hardly able to sell these products, making it even more expensive.<sup>13</sup>

This project, which is being promoted at the very highest level, by the Minister of Research and Technology Jusuf Habibie, is even being forced ahead at the cost of environmental protection, as came to light in 1994 when funds for forest administration in Indonesia were used for a civil/military aircraft company.

11 Kompas March 2, 1997: Armed Forces to adopt stand of limited repressiveness. South China Morning Post March 3, 1997: Army admits backing Soeharto party.

12 See note 4, Aditjondro, George J, p. 43

13 During the period 1984-1994 the value of arms export compared to all exports was almost zero. The top years 1992 and 1993 gave results of 0,06% (21 million 1994 US\$) and 0,05% (20 million 1994 US\$). World Military Expenditures and Arms Transfers 1995 (WWW-version).

## **Campaigns against arms trade**

However most arms are still sold by Western firms and governments, so decisions on arms trade are made in Western capitals, so this is where people should express their solidarity with people from Indonesia and East Timor by urging their governments to stop the arms trade to Indonesia.

The European Parliament has already adopted five resolutions since November 1994 urging "the Member State governments to halt all military aid and arms sales to Indonesia."<sup>14</sup> Also in the U.S. and Canada, the East Timor Alert Networks (ETAN) are working against arms trade to Indonesia. These activities have forced the State Department in the U.S. to ban the exports of small arms, riot control gear, helicopter mounted weapons and armoured personnel carriers to Indonesia. In Australia aswell people are active against the growing collaboration between the Indonesian and Australian government.

The reason for these campaigns against arms trade are obvious. The Indonesian military is not buying arms to use against a foreign invader. It is buying arms to use against the internal enemy and for regime maintenance. The enemy is seen in everybody striving for a civil society in Indonesia, with freedom of press, freedom of organisation and freedom of speech.

Arms deals with Indonesia are a support for the government in power. This government continues to violate human rights violations like the raid on the offices of the PDI, the arrests of several trade union leaders, the murder of a journalist because he reported on corruption by officials in land disputes. While in 1996 Bishop Belo of East Timor said that it should be wrong to conclude that the human rights environment in East Timor is improving. Most of the human rights violations are committed by the army and the police. A human rights organisation from Indonesia itself reported a growing number of human rights violations. The police was responsible for most of them, followed by the army.<sup>15</sup>

The Indonesian armed forces are still fighting to stop the legitimate struggle of the East Timorese against the occupation. Military violence is used as a solution for the situation in West Papua. Measures against the sale of arms to Indonesia are not only important for the people in East Timor, and West Papua, but are a support for all Indonesians seeking a more democratic civil society. ABRI maintains control over this society in a way which is intolerable by any international standards. Given the violence employed by ABRI there is every justification for an international arms embargo against Indonesia.

14 17-11-94, 20-09-95, 14-12-95, 19-06-96 en 19-09-96

15 PBHI's evaluation of human rights in 1994, January 7, 1997 on act.indonesia.

## Prabowo: educated in the West

The son-in-law of President Soeharto, Major General Prabowo is a rising star on the military firmament. Like all other children of Soeharto, the favourite son-in-law -- because he is the only one with a military career -- is fortunate. This wealth he uses to act as a sugar daddy to his troops.

During last summer he gained the command of KOPASSUS, the army's special forces. In June 1996 KOPASSUS was expanded by 2 battalions and almost doubled in size. Also the commander of the most important military districts of Java are close to the president after the reshuffles of last year. It looks as though Soeharto is surrounding himself with ultra loyal military as a kind of National Guard and Prabowo is one of them.

But Prabowo is not only committed to his father in law. He is also one of the officers known for his brutal repression e.g. in East Timor. The Jakarta Post said without restraint: "Prabowo is considered to have succeeded in quelling the Fretilin separatist group in East Timor." In 1979 he shot the leader of Fretilin Nicalao Lobato.

According to a report by TAPOL Prabowo created an infrastructure of Timorese for the purpose of "using Timorese to fight Timorese". These troops were used to fight against the East Timorese resistance and had to show the world that East Timorese also fight among each other. However: "They knew he was my friend and I was forced to shoot him. They do these things to test you," said one of the recruits who found refuge in Australia. Timor Link reported that 3,000 East Timorese are newly recruited to be trained in a programme set up in 1995 by Prabowo. "Five hundred of these will be assigned to keep tabs on East Timorese students in Java and Bali. Some *agents provocateurs* are already suspected of having been involved in embassy break-ins, and have gone with other East Timorese asylum seekers to Portugal," according to Peter Carey in Timor Link.

Prabowo also served in combat units in Aceh and West Papua. He was also one of the generals who gave the go-ahead for the raid on the PDI offices on the 27th of July, together with general Sutiyoso, against the will of the chief of staff of the general staff.

One of his adopted sons -- he adopted several East Timorese boys -- organised a demonstration in front of the Norwegian embassy in Jakarta. This in connection with the Nobel prize for peace ceremony in Oslo. The demonstration was protesting that the prize was given to José Ramos Horta. A few days before he was in Oslo for the same reason.

Educated in the U.S. at Army Special Forces Officer school and with the German elite unit GSG-9 he is the counter-argument in person against the vision that education in the West is promoting human rights. Recently Prabowo instigated a course for senior Indonesian military officers on ... human rights, by British institutes. After protests by human rights activists this program was cancelled.(MB)

**Sources:** Jane's Intelligence Review September 1996; Jane's Defence Weekly 3 January 1996; Timor Link October 1996; Report on anti-Horta demonstrations in front of the Norwegian embassy in Jakarta, 18-12-96, by TAPOL; Tapol Bulletin no. 137; VeeDee AMOK no. 1, 1997; Sydney Morning Herald March 6, 1997; and Matthew Jardine; East Timor Genocide in Paradise.

# Australia:

## major supplier of military training

*Shane Guthrie; Campaign Against Militarism (Perth),*

*David and Trish Johnson; Australian Campaign Against the Arms*

*With assistance from Kirsten Hawke*

It is worthwhile understanding some of the background since the Australian government's view of Indonesia, as its closest neighbour apart from Papua New Guinea, is influenced by several factors.

Indonesia is the fourth most populous nation in the world (nearly 200 million people) compared to Australia at 18 million. Politically, the country is semi-stable, but with social tensions held just under control by a strong military.<sup>16</sup>

1 Indonesia recognises its stability depends more on internal than external factors. Politically in Australia there is widespread opposition to the human rights abuses in Indonesia and East Timor, not only from human rights activists but also from World War 2 soldiers who remember the support given by the East Timorese in the fighting against Japan. Yet the government continues to accommodate Indonesian government attitudes, and will not denounce them publicly. So, why? The Indonesian archipelago extends across much of the access routes from the north into Australia -- Indonesia could control much of the sea and air traffic to and from Australia. The seabed boundary between the two nations (as required under the UN convention Law of the Sea (UNCLOS)) has just been determined.<sup>17</sup>

2 Trade: Indonesia represents an enormous emerging market, and the balance of trade is presently in Australia's favour: US\$ 2,157 million in exports compared to US\$ 1,179 million in imports in 1995-96. Australia exports cereals, petroleum, metals and many other products; Indonesia exports petroleum, textiles and other products. \*Resources: Indonesia and Australia have declared a joint petroleum exploration Zone of Cooperation in the Timor Sea ostensibly to share the wealth and avoid conflict. Australia sees Indonesia as a market for uranium. Indonesia competes with Australia for coal markets -- Australia's biggest export earner.

Recognising the importance of these links the Australian government secretly negotiated a security treaty with Indonesia which was made public in December 1995. The treaty (see annex in the back of the book) recognises the common interest in peace and stability in the region, and commits each to ministerial consultations on a regular basis, and especially in the case of adverse challenges to either party. While there are some benefits in such an attitude, the fact is Australia still:

- publicly accepts human rights violations in Indonesia which would never be tolerated in Australia;
- assists the Indonesian government in repressing and killing; and
- has made no public effort to mediate between the Indonesian government and the East Timorese resistance -- the government is acceding to violence rather than promoting non-violent resolution of the conflicts.

16 The East Timor Human Rights Centre (Melbourne) and Amnesty International have documented many examples of the Indonesian military instigating violence, resulting in turmoil, and thereby justifying a policy of repression and continued high military presence. See Summary Report from ETHRC 1996.

17 Weekend Australian newspaper 15 Mar 97.

## **Military Cooperation**

Australia has supplemented US military aid to Southeast Asia by itself supplying military equipment and training. Australia began a Defence Cooperation Program (DCP) with Indonesia in 1973, including the transfer of material -- such as a squadron of Sabre fighters and eight patrol boats -- and personnel exchanges -- such as reciprocal visits between military academies.

After the invasion of East Timor, many of the personnel exchanges were cancelled but material-orientated programs were left intact. In April 1986, the relationship was upset by an article in the Sydney Morning Herald headed "After Marcos, now for the Soeharto billions". The relationship advanced, from a security perspective, with the visit in 1989 of General Try Sutrisno, then Commander-in-Chief of ABRI.<sup>18</sup>

The DCP stopped in 1988 when Indonesia suspended the relationship, objecting to the newspaper article critical of corruption in the Soeharto family, and it was replaced in 1990 with a bilateral cooperation agreement. The value of the DCP in the 1980's was in the range US\$ 2.2 - 9.9 million, and the bilateral activities of the order of US\$ 0.4 - 3 million.

US Congressional reaction to the Dili massacre included the suspension of funded military training in the United States. Much of the training lost in the US was taken up by Australia. This was done despite Australian government condemnation and adverse public reaction to the Dili massacre.

In answer to questions in parliament, the government has been very vague, refusing to specify the positions of the visitors. Training has been in professional military skills, technical skills, officer development, management, language training and training techniques.<sup>19</sup>

It is clear the Indonesian soldiers have had time at Lavarack Barracks in Townsville, the Land Command Battle School at Tully and other training camps, presumably for training in jungle warfare.

Indonesian military officers were observers and participants in the Kangaroo 95 military exercise involving 2,500 overseas and 15,750 Australian regular and reservist personnel.

Australian defence planners have also liaised closely with Indonesian staff, as became clear when the first major public document, the 32-page Defence White Paper was published by Indonesia in 1995.<sup>20</sup>

In recent years, the number of Indonesian military personnel training with Australia has risen rapidly. The government believes there is potential to cooperate more in military industry, and in logistics and material; which they see as offering commercial and military strategic advantages for the Australian military. They have made a commitment to try to cooperate in logistics, repair and support of equipment; with a long term view to jointly produce military equipment with Indonesia.<sup>21</sup>

Despite statements by the Australian government; military aid, training and supplies are not about making representations to Indonesia on human rights issues. Their purpose is simply to increase the effectiveness of military personnel and foster further military cooperation. Close operational contact between military forces binds them into a compliant relationship, where the sensitivities of military cooperation and the economics of arms trading cannot be disrupted.

18 Australia-Indonesia Security Cooperation: For Better or Worse?, Bob Lowry, Working Paper No. 299, Strategic and Defence Studies Centre, Australian National University, 1996.

19 Senate Hansard 19 Sep 94.

20 Defence White Paper 1994.

21 The Australian newspaper, 7 Sep 95.

## Joint military exercises<sup>22</sup>

The Minister for Defence stated during the training of KOPASSUS in March-April 1994, that "The training of any regional military personnel in Australia aims to foster a regional defence relationship. It is not designed to improve the capability of Indonesian armed forces to deal with internal security matters."<sup>23</sup> Training is a sensitive issue for the government and sometimes attracts public and media attention.

<i>Exercise name</i>	<i>Exercise activitt</i>	<i>Location</i>
<b>Navy</b>		
Passex	On an opportunity basis, where ships encounter each other in the usual run of events conduct small-scale exercise. Has been running for several years	Anywhere
Ausina	Continuing series of joint naval exercises	
Ausina 94-95/Patrolex/future name: Causuex	Two exercises for maritime surveillance and patrol procedures. Indonesia is putting more resources into future Ausina exercises	Java Sea
<b>Air Force</b>		
Elang Ausindo	Both air forces practiced air combat tactics.	Indonesia
Rajawali Ausindo	Tactical troop transport exercise	Indonesia
<b>Army</b>		
Night Komodo / Kookaburra	Series of reciprocal joint training exercises. Have been held for a few years between Kopassus Special Forces and Australian SASR (Special Air Services Regiment).	Perth, Western Australia
Night Komodo / Kookaburra 94/95	Reported to be counter-hijack and a parachute drop.	Indonesia and Perth
Night Komodo 3-26 Jun 96	Combined jungle training (patrol and reconnaissance, basic military and survival skills training in varying environments). 25 Australian personnel. Cost <sup>24</sup> to Australia: US\$ 136,434.	Indonesia
Kookaburra 3-26 Jun 96	Counter-terrorist training <sup>25</sup> . 10 Australian personnel. Cost to Australia: US\$ 36,481.	Perth
<b>Combined (more than one force from each country)</b>		
Kangaroo exercises	Australia's major military exercises with many countries. Previously small scale Indonesian involvement as observers.	Northern Australia
pre-Kangaroo 95	"Familiarisation" exercise (March 1995)	Shoalwater Bay, Queensland
Kangaroo 95	Biggest ever Indonesian participation: army and naval forces, with a company sized paratrooper detachment. Future: will continue, but politically sensitive due to public pressure over East Timor.	Across northern Australia

22 Tables compiled from Australia's Asia Connections: A Stocktake, Parliamentary Research Service, 5 Nov 96; The Australia-Indonesia Security Agreement: Issues and Implications, Parliamentary Research Service, Gary Brown, Dr Frank Frost and Dr Stephen Sherlock, 1996; Response to question by Senator Margetts, Senate Legislation Committee on Foreign Affairs, Defence and Trade, Estimates Hearing of 17 Sep 96.

23 Hansard 22 Mar 94.

24 Funding from the Defence Cooperation Program might have been provided in addition to these costs for Komodo and Kookaburra.

25 "Counter-Terrorist training" was later regarded as an error by the Department of Defence, who stated it should read "Counter-Hijack training". This is worth noting - there has been controversy over the exact nature of these elite force exercises; there is concern that this training is applicable to counter-insurgency operations.

## Training establishments<sup>26</sup>

The following tables detail the extensive training provided to Indonesian military personnel both in Australia and in Indonesia. The names of establishments can give an indication of the type of training.

Training in Australia by Royal Australian Navy (RAN) Establishment (training provided at)	93-94	94-95	95-96	Est. 96-96
HMAS Cerberus, Crib Point, Melbourne	3	3	1	2
HMAS Watson, Sydney	-	-	1	1
Staff College HMAS Penguin, Middle Head, Sydney	4	5	2	4
HMAS Creswell, Jervis Bay (ACT)	1	-	1	-
Training Centre East, Sydney	-	1	2	-
RAN Missile Maintenance Establishment, Kingswood	-	-	-	12
Total Navy	8	9	7	19

Training in Australia by Australian Army Establishment (training provided at)	93-94	94-95	95-96	Est. 96-96
Army TAFE, Bonegilla, NSW	2	-	-	-
Army Logistic Training Centre, Bandiana	-	1	-	-
Army Training and Technology Centre, Sydney	-	-	1	1
ADF Helicopter School, Fairbairn	1			
Army Command and Staff College, Queenscliff	2	2	1	1
Land Command Battle School, Tully	-	-	41	40
School of Armour, Puckapunyal	2	2	2	
School of Artillery, Manly, NSW	4	-	-	-
School of Artillery, North Head	-	5	3	6
School of Infantry, Singleton, NSW	1	2	1	2
School of Military Engineering, Holsworthy	-	1	2	-
School of Military Intelligence, Canungra	-	-	8	1
School of Signals, Watsonia	-	3	1	1
Land Warfare Centre, Canungra, Qld	36	46	-	-
School of Aviation, Oakey, Qld	15	-	19	-
School of Army Health	-	1	-	-
Special Air Service Regiment, Swanbourne, WA	30	25	-	-
Total Army	90	88	80	54

Training in Australia by Royal Australian Air Force (RAAF) Establishment (training provided at)	93-94	94-95	95-96	Est. 96-96
36 Squadron, Richmond	-	-	-	14

<sup>26</sup> Figures from Senate Hansard, answers from Minister for Defence to Senator Margetts.

Training in Australia by Royal Australian Air Force (RAAF) Establishment (training provided at)	93-94	94-95	95-96	Est. 96-96
503 Wing, Richmond	-	4	-	-
Hospital, Richmond	-	-	1	13
School of Air Navigation, East Sale	-	-	2	3
Central Flying School, East Sale, VIC	2	-	1	1
Directorate of Flying Safety, Canberra	-	-	2	1
RAAF Staff College, Fairbairn, ACT	2	2	1	1
RAAF School of Management & Training Technology, Wagga, NSW	1	1	4	3
RAAF School of Technical Training, Wagga	-	-	-	3
501 Wing, Amberley	-	2	2	4
Institute of Aviation Medicine, Edinburgh	-	-	2	3
<b>Total Air Force</b>	<b>5</b>	<b>9</b>	<b>15</b>	<b>34</b>

Training in Australia by Central Defence and other organisations Establishment (training provided at)	93-94	94-95	95-96	Est. 96-96
Language School RAAF Williams, VIC	4	-	-	-
Australian Defence Force Academy, Canberra, ACT	4	2	-	4
Australian College of Defence and Strategic Studies, Canberra	-	2	2	2
Peacekeeping School RAAF Williamtown, NSW	3	-	-	-
Australian Defence Force Warfare Centre, Williamtown, NSW	2	7	8	14
Joint Services Staff College, Canberra	4	4	4	4
Integrated Logistic Support Management, Canberra	-	-	-	2
Royal Melbourne Institute of Technology	-	2	-	-
University of Wollongong	-	4	-	-
HMAS Creswell, Jervis Bay	-	1	1	1
Defence Science & Technology Organisation, Canberra	-	-	12	13
<b>Total Central Defence and others</b>	<b>17</b>	<b>22</b>	<b>27</b>	<b>40</b>

<b>Total training in Australia</b>	<b>93-94</b>	<b>94-95</b>	<b>95-96</b>	<b>Est. 96-96</b>
	<b>120</b>	<b>128</b>	<b>129</b>	<b>147</b>

Sponsoring establishment (training provided at) Training in Indonesia	93-94	94-95	95-96	Est. 96-96
Navy Staff and Command School, Jakarta	-	32	-	1
Infantry Centre, Java	103	-	-	-
Land Warfare Centre, Sulaiman Air Force Base, Java	40	-	-	-
Directorate of Infantry, Army, Singleton	-	-	70	-
Army Headquarters, Canberra	-	-	24	-

Sponsoring establishment (training provided at) Training in Indonesia	93-94	94-95	95-96	Est. 96-96
Land Command Battle School, Tully	-	-	-	40
Flying Safety Workshop, Headquarters TNI-AU, Jakarta	-	-	67	-
Total training in Indonesia	143	32	161	41

Total training for Indonesia by Australia	93-94	94-95	95-96	Est. 96-96
	263	160	290	188

For training before 1993-94, less information is available:	91-92	92-93
Total training in Australia	52	89
Total training in Indonesia	0	56

### Arms sales and related transfers

The Australian government has attempted to promote Australian weapons sales in Asia by installing specific trade positions in Indonesia, Malaysia and Thailand with dedicated "Defence Trade Commissioners". They work from the Austrade office, because Indonesia is officially regarded a future valuable market for Australian military exports.<sup>27</sup>

In 1994 Defence Minister Senator Robert Ray said Australia might sell weapons to Indonesia.<sup>28</sup> The issue was the sale of the Steyr rifle, made in Australia under licence from Steyr Austria, but which has been modified to suit tropical conditions. After a public outcry, during which the government denied it ever had any intention of selling but was donating 20 rifles for evaluation. In fact Indonesia manufactures some of its own rifles at a factory built under licence from Belgium.

The Australian Defence Force's fleet of Nomad military aircraft are to be sold to Indonesia.<sup>29</sup> Indonesia was reported to be interested in the Nomads for maritime surveillance. Indonesia originally received 18 Nomads from Australia in the late 1970's. In Australia, the Nomads were used as general support aircraft for the army, not for maritime surveillance. Controls The transfer of military and related materials, and non-military lethal materials, is subject to some scrutiny. Export controls are described in "Australian Controls on the Export of Defence and Related Goods, Guidelines for Exporters, March 1994". Exports only require permission from the Minister for Defence or a person authorised by the Minister to issue permits and licences.

As the government is keen to point out, military export "controls do not mean prohibition: The Government encourages the export of Australian-made defence and related goods ... The existence of controls ... does not preclude the export of those goods."

Controls are not legally binding, they are simply placed on the discretion of the Minister for Defence. It is believed they cannot be challenged legally because the minister has such wide discretionary power in determining when exports will be restricted.

A Standing Interdepartmental Committee on Defence Exports (SIDCDE) can make recommendations to the Minister; these recommendations do not have to be followed. SIDCDE is chaired by the Department of Defence and includes representatives of the Department of Foreign

<sup>27</sup> Statement by Minister for Defence, 10 Feb 94, Hansard.

<sup>28</sup> Townsville Bulletin 6 Aug 94.

<sup>29</sup> Media release, Minister for Defence, 14 Nov 96.

Affairs and Trade; Department of Industry, Technology and Commerce; the Attorney-General's Department; Australian Customs Service; Austrade; and Department of Prime Minister and Cabinet (observer).

Actual arms sales are 'regulated' in a highly selective matter. For instance, there have been specific bans in the past on arms sales to South Africa and Iraq under the export regulations. However these regulations have not been used against the Indonesian government in similar circumstances. Military, non-military lethal, and related materials exported to Indonesia contravene many of the criteria under which applications are supposed to be considered. Exports are not permitted:

- to countries with policies or interests which are inimical to the strategic interests of Australia or its allies;
- to governments which seriously violate their citizens rights unless there is no reasonable risk that the goods might be used against those citizens;
- where it is likely that the export may be used in an activity contrary to the provisions of an international agreement to which Australia is a party;
- where the proposed export is likely to be used in a conflict, either external or internal or could further militarise the situation (except "this does not preclude the supply of arms to a friend or ally of Australia which is in conflict");
- where the export is likely to cause adverse reactions by third countries important to Australia;
- where the export is likely to contribute to instability in the region concerned.

The military support for friends and allies begs the question: "If the Indonesian military is in conflict with people in Indonesia and East Timor, does that preclude those people from being our friends and allies?".

Value (US\$)	Nature of export
Financial year 1992-93	
1,535,057	Non-military explosive materials or devices
632,264	Non-military explosive materials or devices
307,259	Electronics for military communications, data processing or electronic warfare
145,456	Non-military explosive materials or devices
financial year 1993-94	
3,254,300	aircraft parts for civil aircraft being returned after repair
1,649,969	non-military explosives
1,435,102	hydrographic equipment being exported temporarily for demonstration purposes
1,409,444	non-military explosives
1,208,281	non-military explosives
1,196,868	non-military explosives
financial year 1994-95	
1,581,010	Commercial explosives or propellants
92,980	Military electronic equipment
67,263	Military radio or cryptographic equipment
54,925	Commercial explosives or propellants
51,228	Military electronic equipment

Value (US\$)	Nature of export
financial year 1995-96	
5,223,106	Mine detection equipment
2,690,810	Mine detection equipment
875,562	Fire control systems
407,256	Military radio or cryptographic equipment
62,507	Military firearms
34,093	Imaging or countermeasure equipment

### **Nuclear issues**

Indonesia has publicly announced an ambitious nuclear power program involving up to 12 nuclear power plants over 25 years, ostensibly to provide for the rapidly growing power needs. The first at Muria is causing widespread debate with many, including in Indonesia arguing the vast monies required (US\$7 billion) could be better spent elsewhere with the energy needs coming from cheaper sources such as coal and natural gas.

Australia has signed an agreement to provide technical support to the Indonesian nuclear program (the Nuclear Science and Technology Agreement, for ANSTO - Australia's nuclear science organisation - and its counterpart BATAN) though this document has never been released for public comment. Clearly the Australian government, which has recently relaxed export guidelines, sees Indonesia as a potential buyer of Australian uranium.

### **Security Agreement**

Australia prefers to have bilateral military relations with Indonesia. Both countries signed a "Security Agreement" in December 1995. It is a significant step because Indonesia has never signed a similar agreement with any country. The treaty binds Australia and Indonesia into working together on their common military "security" concerns. It does not oblige either side to intervene militarily in the other's troubles.

The formalisation which the agreement provides affirms the success of previous activities and suggests that (funds being available) some expansion may be possible. Given that Habibie was "impressed by the sophistication of military hardware he saw during a visit to Australia" (he visited the offices of Australian Defence Industries in WA) in 1994, one type of cooperation which may be sought by Indonesia under the Agreement is likely to be in the field of defence science.<sup>30</sup> In 1995, Habibie, raised the possibility of joining Australia and other Asian countries to develop a jet fighter, along the lines of the Eurofighter 2000 combat aircraft designed jointly by Britain, Germany, Italy and Spain.<sup>31</sup> Both major political parties in Australia have removed the issue of East Timor from their policies on military cooperation with Indonesia.

### **Other military issues**

Publicly, the Department of Defence does not regard Indonesia as a threat to Australia's security. Successive Australian governments have been among the most strident defenders of the Soeharto regime despite widespread international condemnation.

However, the Australian military is not whole-heartedly supportive of Indonesia, in practice it is actually quite suspicious. For example, the SIGINT (Signals Intelligence) system at the Shoal Bay spy base in Darwin is run jointly by the Australian Navy and a detachment of 7 Signal Regiment; part of the Defence Signals Directorate (Australia's largest spy organisation). Under Project

<sup>30</sup> The Australia-Indonesia Security Agreement: Issues and Implications; Parliamentary Research Service; Gary Brown, Dr Frank Frost and Dr Stephen Sherlock; 1996.

<sup>31</sup> The Australian newspaper, 31 Jun 95.

LARSWOOD, the CDAA (Circularly Disposed Antenna Array) and two satellite antennae are designed to intercept Indonesian satellite communications.<sup>32</sup>

### **Actions against arming Indonesia**

The biggest single event against the arms trade was in Canberra during AIDEX 91 (Australia's International Defence Equipment Exhibition - held one month after the Dili Massacre) where 1,000 protesters camped outside the expo. Since then, there has been no similar arms exhibition in Australia - arms bazaars now limit themselves to "defence conferences" and aerospace shows.

The Catholic Worker Community in Brisbane started actions against the training of troops from South East Asia (including Indonesia) at Canungra Land Warfare Centre in 1989. They have leafleted the residences of personnel on the base; entered the base to talk with soldiers; poured their own blood on the front doors and files of the School of Military Intelligence; held prayer services and picnics on their lawns; burned Australian and Indonesian flags; and have been arrested and jailed for trespassing with coffins, crosses and banners. In 1996 they also held a protest at the Oakley Army Aviation Base over training of Indonesian troops. (19 Indonesian naval and 250 Indonesian air force personnel being trained to repair Nomad Searchmaster aircraft).

As one activist expressed: "Those Indonesian boys aren't killers to start with but the fact that they have to be trained here is our shame."

Around the country, there have been frequent calls to boycott some Indonesian companies, particularly Garuda Airlines. There has been a boycott Bali campaign to highlight the role of the Bali-based Udayana military command which directs operations in East Timor. Indonesian dissident George Aditjondro has listed numerous Australian companies in joint ventures with family and prominent members of the Soeharto regime.

There are many solidary groups (for East Timor, West Papua and Indonesia), and human rights and peace groups which push for a change in Australia-Indonesia relations. Many groups produce information leaflets and newsletters, occasionally both in English and Indonesian. The Australian Campaign Against the Arms Trade provides researched information and lobbies the government.

Groups have held protests over the visits of the Minister for Research and Technology, Dr B J Habibie (who was accompanied by up to 50 Indonesian government and industry representatives); Commander of the Indonesian Armed Forces, Lt-Gen. Feisal Tanjung; Indonesian Minister for Defence and Security, Lt-Gen. (Ret) Edi Sudradjat; Lt-Gen. Herman Mantiri and Minister for Foreign Affairs Ali Alatas.

The proposed appointment of Mantiri as Indonesia's ambassador to Australia in 1995 was withdrawn after it sparked nation-wide protests, particularly over his justification of the Dili Massacre and the idea of appointing an ABRI official to a diplomatic post.

The Coalition Against Kangaroo Exercises (CAKE) brought together a fortnight of investigations into, and protests against, K95 from around Australia. Events included: photo exhibitions, peace camps, dinners and dances, public meetings, "military mystery tours" (exposing military facilities), distributed "At Ease!" magazine (an alternative news for military personnel) and carried out civil disobedience.

Activists in Darwin have held many vigils and protests at the Indonesian consulate over many years; and convened the Indonesia and Regional Conflict Resolution Conference in 1995.

Many groups in Australia have supported pro-democracy groups, unions, journalists and human rights activists. The Green and Democrat political parties have often raised issues in parliament.

<sup>32</sup> Darwin Spy Base, Backgrounder on Shoal Bay, Darwin Peace Group, 5 Aug 95.

The Asia-Pacific Anti-Militarism Forum is increasing cooperation between activists in neighbouring countries.

### **Conclusion**

While there are benefits in having cooperation treaties and other exchanges which can minimise suspicion and build confidence through open exchanges and trade, there are four key deficiencies in Australia's relationship towards Indonesia (and Asia generally):

1. The Australian government will not plainly oppose human rights violations and acquiesces in the continued occupation of East Timor.
2. Long-term peace and security may well be at risk from resentment by the wider population against support for violent, repressive and corrupt military regimes.
3. It would be better for the struggling Australian arms industry to collapse completely than for Australia to continue to supply the means for internal repression through training and the provision of weapons.
4. Australia is not a major supplier of arms to Indonesia, but has been a major supplier of military training.

# U.S. Arms Transfers

## To Indonesia 1975-1997

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The United States government has aided and abetted the Soeharto 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 Soeharto regime has been a massive, steady supply of U.S. armaments to the Indonesian military.

US weapons have been directly linked to the illegal occupation of East Timor, and have been used to commit untold numbers of atrocities and killings ever since.

The deadly consequence of these weapons was painfully driven home in an October 1996 article in the *International Herald Tribune* by Nobel Peace Laureate and East Timor independence activist José Ramos-Horta:

"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 Guiherme, 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."<sup>33</sup>

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, p.??). For details on the numbers and types of U.S. weaponry supplied to Indonesia since 1975, see Appendix and Chart I (pp. 38, 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 Soeharto in Jakarta that was held in their honour. 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.<sup>34</sup> 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" armoured cars -- were used directly in East Timor. Other US

<sup>33</sup> José Ramos-Horta, "The Way to Right the Wrong in East Timor," *International Herald Tribune*, October 14, 1996.

<sup>34</sup> U.S. Department of Defense, Defense Security Assistance Agency, Fiscal Year Series as of September 1981 (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.

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, recoilless rifles, ammunition, and extensive communications equipment.

Although U.S. arms sales levelled 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 Soeharto regime, whenever needed, was firmly established.

### **From Presidents 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."<sup>35</sup> 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 Soeharto regime by the Ford Administration. During a visit to Jakarta in May of 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 Soeharto'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). Then sales to Indonesia dropped slightly during the Bush Administration, 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. Unfortunately, despite these concessions, the Clinton Administration has been pushing to sell 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. 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 US administration that has been in office since the 1975 invasion of East Timor.

Table I (p. 27, below) presents data on trends in U.S. arms supplies to Indonesia from 1975 to 1995.

<sup>35</sup> Matthew Jardine, *East Timor: Genocide in Paradise* (Tucson, AZ: Odonian Press, 1995), p. 11.

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

Year	FMS	Commercial	MAP/Excess	Total
1975	US\$ 51.6	US\$ 0.3	US\$ 13.1	US\$ 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	0.9	52.6
1982	52.8	0.1	1.9	54.8
1983	32.2	7.8	-	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	0.8	-	11.9
1995	11.3	1.2	-	12.5*
<b>Totaal</b>	<b>US\$ 801.0</b>	<b>US\$ 239.3</b>	<b>US\$ 78.6</b>	<b>US\$ 1.119.9</b>

**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).

\*: 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.

### **The Pending Sale of F-16 Fighter Planes:**

The Clinton Administration's push to sell F-16s to Indonesia was temporarily postponed in mid-1996 due to a new wave of repression by the Soeharto regime against the Indonesian pro-democracy movement. Allegations of improper influence involving Indonesian campaign contributions to the Democratic Party during the 1996 presidential elections 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 that are being offered are leftover from a previous deal with Pakistan which was interrupted due to US sanctions on that nation for its development of nuclear weapons. Funds from the Indonesia sale will be used to partially reimburse Pakistan for the cost of the 28 planes it

originally purchased but never received. Lockheed Martin, who manufactures the F-16, 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 (1997), probably at some decent interval after the Senate completes its investigation of Indonesian financing of the 1996 presidential elections. The sale has already generated strong opposition. Prominent Senators such as Democrat (D) Patrick Leahy have written to the President to express their opposition to the deal, and key House members, including Republican (R) Speaker Newt Gingrich and House International Relations Committee Chairman Ben Gilman (R), have also weighed in against it. In a November 10, 1996 letter to the Washington Post, Representative 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 Soeharto 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." 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 and disarmament organization in the United States), and the East Timor Action Network.

At an October 11, 1996 briefing, White House spokesperson Michael McCurry defended the F-16 sale, stating, "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 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."<sup>36</sup>

All of these government 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. 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.

### **US Grassroots and Legislative Efforts: Stopping the Arms Trade to Indonesia**

In the United States today, there is a strong grassroots effort, with growing bipartisan support in Congress, to reverse the US government's misguided policies toward Indonesia. Since the 1991 Santa Cruz massacre -- in which Indonesian troops gunned down more than 200 Timorese civilians -- US citizens have become increasingly aware of the role that US weapons have played in supporting Indonesia's long and brutal occupation of East Timor. What follows is an account of some of the most significant victories that have been won in curbing US arms sales to Indonesia. Although dollar value of these arms control efforts is small (as compared with the total value of

<sup>36</sup> Arms Control Association, "U.S. Government Statements on Arms Sales Made During the Clinton Administration," (Washington, DC: ACA, November 1996), p.16.

weapons sales to Indonesia), it is nonetheless significant and sends an explicit message of disapproval to the Soeharto regime. In 1993, for example, the Jakarta Post editorialized that the cancellation of a US-origin F-5 fighter plane delivery "resounded like a sonic boom" in Indonesia. The planes which would have been upgraded versions of F-5s originally supplied to Jordan were blocked as a result of opposition from human rights and arms control groups in the United States. In October 1992, against the Bush Administration's wishes, Congress voted to cut off all International Military Training (IMET) aid to Indonesia, a taxpayer financed program that brings foreign military personnel to the US for training. IMET aid remained cut off until 1995 when a Republican-controlled Congress partially restored it. The restored version, still in place today, is supposed to emphasize "human rights" principles, but given that Indonesia's highest generals publicly avow military abuses against civilians, it is unlikely that IMET can have any positive effect on Indonesia's military practices. East Timor supporters continue to advocate for a total cut off of MET which they view as a powerful symbol of continuing US support for Indonesia's military.

In March 1993, under pressure from Congress, the State Department co-sponsored a successful resolution at the UN Human Rights Commission criticizing Indonesian abuses in East Timor. Then, in early 1994, the State Department, again under Congressional pressure, imposed a ban on the sale of small and light arms to Indonesia. The ban was only implemented as law for one year; but for the last two years, the State Department has continued to honour the ban, and even expanded it to include helicopter-mounted armaments (1995) and armoured personnel carriers (1996). This year (1997) there may be an effort underway to expand the ban to also include all military helicopters, a principle weapon in all counterinsurgency warfare.

Other possible legislative efforts this year include a resolution of disapproval blocking the pending F-16 deal, amendments conditioning the sale of any further weaponry to Indonesia on the improvement of human rights and democratic process in Indonesia and East Timor, and a ban on all US military training of the Indonesian military. Beyond the military issue, grassroots and Congressional supporters will continue to push the Administration to make a more forceful statement on the right of East Timorese to self-determination. Last but not least, a strong Congressional effort is underway to substantially overhaul the US arms sales decision-making process through passage of a bill known as the "Arms Trade Code of Conduct."

### **The US Code of Conduct Bill: Stop Arming Dictators**

The Arms Trade Code of Conduct is a legislative bill that seeks to transform the current US arms sales decision-making process to stop US arms from being sold to repressive, undemocratic countries. A study by the Washington-based Demilitarization for Democracy found that from 1991-1994, 85% of US weapons exports went to countries that the US State Department deems undemocratic. The Code of Conduct bill was originally introduced by Representative (D) Cynthia McKinney and Senator (R) Mark Hatfield (now retired). Its provisions would prohibit U.S. arms sales to any governments that holds power through undemocratic methods, abuses the human rights of their citizens, engages in aggression against their neighbours, or refuses 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 could seek a waiver from Congress. The advantage of a Code of Conduct is that it would put concerns about human rights and democracy at the heart of U.S. arms transfer decision making, instead of at the end of a long list of other political, economic, and security concerns. So far, this visionary bill has had a respectable showing in each house, going

down to defeat by a margin of 262 to 157 in the House of Representatives in May of 1995, and by a vote of 65 to 35 in the Senate in July of 1996. Proponents of the bill plan to push for another House vote on the measure in the spring of 1997, with a possible Senate vote to follow later in the year. Passage of the Code of Conduct bill has been a priority for many groups working on East Timor because its stringent human rights and democracy provisions would make Indonesia and many other repressive regimes ineligible to receive US weapons.

Unfortunately, any effort to make changes US arms sales policy must inevitably run up against the US weapons industry, which is a both a powerful political as well as financial force in Washington. 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. On the Code of Conduct vote, Senators voting with industry to block the bill received an average of \$17,947 in contributions from weapons exporting firms, a figure eight times higher than the average received by Senators who voted in support of the Code of Conduct.<sup>37</sup> 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 favour of stopping U.S. weapons exports to repressive regimes.

### **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."<sup>38</sup>

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 infrared detectors, and can carry up to 3600 pounds of ordnance, grenade launchers, rockets, napalm, and machine guns.<sup>39</sup> 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.<sup>40</sup>

37 For background on the information on campaign spending by arms exporters contained in this section, see William D. Hartung, *Peddling Arms, Peddling Influence* (New York: World Policy Institute, October 1996).

38 Flora Montealegre, "Background Information on Indonesia, the Invasion of East Timor, and U.S. Military Assistance," (Washington, DC: Transnational Institute, 1982), p. 8.

39 *Ibid.*, p. 7.

40 Stockholm International Peace Research Institute, *World Armaments, Disarmament, and International Security 1996* (New York: Oxford University Press, 1996), p. 502.

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.36, 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 fiscal year 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 armoured combat vehicles and Sidewinder missiles; and small licenses for spare night vision scopes for U.S. made rifles, pistols and revolvers, and ammunition manufacturing.<sup>41</sup>

**Table II: Major Arms Suppliers to Indonesia 1978-1994**

Years	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%
1984-1988	\$715 million	U.S. 29% United Kingdom 15% Total, Top 2: 44%

41 U.S. Department of State, Office of Defense Trade Controls, "Ad Hoc Query Report: Indonesia," F.Y. 1994 and F.Y. 1995 editions, undated.

Years	Total Arms Imports	Top Suppliers (by %)
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, World Military Expenditures and Arms Transfers, editions covering, 1993-94, 1991-92, 1990, 1989, 1987, 1985, and 1972-82. Corporate Culprits

Among the major 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 armoured 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).

### Financing and Offsets: Who Will Pick up the Tab?

Indonesia received its last major instalment of military aid from the United States in 1991, when the U.S. supplied the Soeharto 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 Export-Import 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.<sup>42</sup> 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.<sup>43</sup> 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

<sup>42</sup> Aerospace Industries Association, AIA Newsletter, November 1995, p. 7.

<sup>43</sup> For details on the arms industry's campaign to establish the \$15 milliard 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.

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.<sup>44</sup>

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.

**Sources of data on US arms exports and military aid:**

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

<sup>44</sup> Letter from Susan Gillette, Director of Media Relations, Textron-Bell, to Michael Ellsberg, Brown University chapter, East Timor Action Network, December 18, 1996.

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

The following chart, "U.S. Arms Sales to Indonesia," (see p. 38) documents orders and deliveries of U.S. weapons and militarily useful equipment to Indonesia from the time of the Soeharto 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 the chart below 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 following chart (p.38) represents a best effort based on currently available sources.

**Chart I:** "U.S. Arms Sales to Indonesia, 1975-1997" (on p. 18) 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 Raytheon/Loral Sidewinder air-to-air missiles, 16 Hughes Maverick air-to-surface missiles, 64



QTY.	DELIVERED	SOURCE
12 (8) (4)	Lockheed Martin F-16 "Fighting Falcon" fighter plane, total deliveries. Breakdown/Delivery Dates: F-16A, FMS delivery, yr of license: 1986, delivered: 1990-91; 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'89, p.252; SIPRI'92, p.338; DSAA(30 Sept 95). SIPRI'89, p.252. MilitBal'96-'97, p.184.
1	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;AOD'81. TNI'82: SIPRI'81. MilitBal'96-97, p.184.
16 (6) (4)	Northrop Grumman F-5 "Tiger II" fighter aircraft, total deliveries. Breakdown: (12) F-5E, and (4) F-5F, FMS deliveries. Delivery Dates: F-5E, FMS delivery, delivered: FY1980, value \$23.5 m. 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 TNI'82: SIPRI'80; DSAA (30 Sept'95) Annual Report'80, part II, p.8. MilitBal'96-'97, p.184.
	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 (16) (16)	McDonnell Douglas A-4 "Skyhawk" attack aircraft, total deliveries. Delivery dates: A-4 attack aircraft, FMS delivery, delivered: FY 1980, value: \$25m. 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 (16)	T-34 aircraft trainer, FMS delivery, total deliveries. Delivery Dates: 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 (9)	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: 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. Current Inventory: (12) OV-10F "Bronco" counter-insurgency aircraft. *Rockwell: Seal Beach, CA.	TNI'82: SIPRI'78 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.

QTY.	DELIVERED	SOURCE
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 (division of Textron), Wichita, KS.	MilitBal'96-97, p.184.
2	Cessna 310 aircraft, delivery date: unknown. *Cessna Aircraft (division of Textron), Wichita, KS.	MilitBal'96-97, p.183.
5	Cessna 401 transport plane, delivery date: unknown. *Cessna Aircraft (division of Textron), Wichita, KS.	MilitBal'96-97, p.184.
2	Cessna 402 transport plane, delivery date: unknown. *Cessna Aircraft (division of Textron), Wichita, KS.	MilitBal'96-97, p.184.
1	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, adaptable to attack, reconnaissance and training missions, Delivery date: unknown. *McDonnell Douglas Helicopter Co., Mesa, AZ (formerly Hughes).	MilitBal'96-97, p.184.
<b>MISSILES:</b>		
168 (72)	Raytheon/Loral "Sidewinder" infrared homing air-to-air missiles, total deliveries, via FMS. Delivery dates: Raytheon AIM-9P "Sidewinder" infrared homing air-to-air missile, (for arming F-16 fighters), yr of order: 1986, delivered: 1986-88. *Loral Aeronutronic, Newport Beach, CA; Raytheon, Bedford, MA.	DSAA(30 Sept'95). SIPRI'92, p.338.
16 (48)	AGM-65D "Maverick" air-to-surface missiles, total cumulative FMS deliveries. Delivery dates/Orders: AGM-65D "Maverick" air-to-surface missiles, (for arming F-16 fighters), yr of order: 1987, delivery date: unknown. *Hughes Missile Systems, Tucson, AZ.	DSAA(30 Sept'95). SIPRI'89, p.252
64 (64) (8)	McDonnell Douglas R/UGM-84A "Harpoon" ship-to-ship missiles. Delivery dates: R/UGM-84A "Harpoon" missiles, arming 4 Van Speijk Class Frigates, yr of order: 1986, delivered: 1986-88. "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. *McDonnell Douglas Missile Systems, St. Louis, MO.	SIPRI'89, p.252
16	RIM-66A/SM-1 naval surface-to-air missile/ship-to-ship missile; delivered 1979. *Standard Missile Systems, VA contracts out to Hughes Missile Systems, Tucson, AZ.(formerly General Dynamics before takeover 1992) and Raytheon, Lexington, MA.	TNI'82/SIPRI'79

QTY.	DELIVERED	SOURCE
<b>NAVAL SHIPS:</b>		
5 (1) (4)	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: delivered in January, 1982; "first ordered for evaluation in sundry naval and civilian roles including gunboat and troop transporter." more ordered in 1983; delivered by 1986; value: \$150 m.; with the initial 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; PDR(2/83). JFS'94/95, p.303; FT(10/10/83). 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 anti-submarine torpedo tube (ASTT). *Avondale Industries, New Orleans, LA (formerly Avondale Marine Ways), and American Ship Building Co., Toledo, OH.	JFS'94-95, p.300; MilitBal'96-97, p.183.
<b>ARMORED VEHICLES/TANKS:</b>		
22 (22)	Cadillac Gage Textron "Commando Ranger" armoured personnel carrier. 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 (58) (36)	Cadillac Gage Textron V-150 "Commando" armoured personnel carrier. Delivery Dates: V-150, delivered: 1978-79. 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 (171) (9)	M-101 "Howitzer" tank, 105mm. (towed), FMS delivery, total deliveries. Delivery Dates: M-101 tanks, FMS delivery; M-101 tanks, Military Assist/Emergency Drawdown delivery, delivery date: unknown. Current Inventory: (170) M-101 tank. *Rock Island Arsenal, Rock Island, IL.	DSAA(30 Sept'95). DSAA(30 Sept'95). MilitBal'96-97, p.183.
<b>SMALL ARMS/AMMUNITION:</b>		
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.
1.37million	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.

QTY.	DELIVERED	SOURCE
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 (15,000)  (32)	M-16 rifles Delivery dates: M-16 rifles made and exported *Colt Industries (New York, NY), to the Indonesian Dept. of Defense & Security; license date: 2/79. 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. DTCAhoc (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), 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. License applicant/license dates: Robert's Precision Arms (6/5/90, 5/22/92); Pacific Supply Express Co. (3/23/93).	DTCAhoc(5/30/95).
5,38	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.	DTCAhoc(5/30/95).
<b>OTHER MISC.:</b>		
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.

QTY.	DELIVERED	SOURCE
7	<p>Palapa A, B and C commercial communications spacecraft, with valuable military applications.**</p> <p>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.</p> <p>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.</p> <p>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.</p> <p>Palapa-C commercial communications spacecraft &amp; propellant, Commercial delivery, date of order: 12/1/93, worth: &gt;\$50 m.</p> <p>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.</p> <p>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.</p> <p>*Hughes Space and Communications Co., El Segundo, CA</p>	<p>Hughes Space &amp; Communications Co. fact sheet.</p> <p>ACA register, 7/96, p.28</p>

## Key to Source Abbreviations (for Appendix Chart I):

ACA	Arms Control Association report: "ACA Register of US Arms Transfers," (202) 463-8270.
ADJ	Asian Defence Journal
Annual Report'80	"Annual Report on Military Assistance and Exports," US Dept. of State, as required by Section 657 Foreign Assistance Act, FY1980.
DN	Defense News
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 Defense Review
FEER	Far Eastern Economic Review
FT	Financial Times
F OIA/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.
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.
MILPOW	Military Powers Encyclopedia, published by Societ I3 C (Impact International Information Company, Paris.
OMC	Office of Munitions Control export licenses for commercially sold defense equipment.
PDR	Pacific Defense Reporter
SIPRI	"SIPRI Yearbook: Armaments, Disarmament and International Security," Stockholm International Peace Research Institute, 1966-1996, Oxford University Press.
TNI'82	Transnational Institute report: "Background Information on Indonesia: the Invasion of East Timor and US Military Assistance," prepared by Flora E. Montealegre, May 1982. <b>TNI'82(Table 3):</b> "Value of Selected Policies and Paramilitary Gear Exported Under License to Indonesia, FY 1975-1980," Dept. of State, Annual Report on Assistance Act, FY 1975, 76, 77, 78, 79, 80. <b>TNI'82(Table 4):</b> "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, Institute for Policy Studies, Washington, DC 1981, p.154.

# Canada: floodgates

for exports wide open

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Canada has never ranked among the leading arms suppliers to Canada. However, as one of the few countries to impose even a temporary arms embargo (from 1992-93), it has the ability to lead by example. And as the country most integrated into United States military production, its actions have the potential to affect those of the U.S. Canada is currently increasing its efforts to up trade with Indonesia. That trend was symbolized by the January 1996 "Team Canada" trade mission, in which Prime Minister Jean Chrétien led the largest-ever foreign delegation to Jakarta. High on the Chrétien trade agenda is trade in military hardware.

The Canadian government boasts that its restrictions on arms exports are among the toughest in the world. Before any military sale can be made to Indonesia, it is supposed to be approved by four separate government departments.<sup>45</sup> This has generally proven to be a simple administrative hurdle for companies to clear. Government policy, affirmed by successive Liberal and Conservative ministries, has claimed to bar the export of Canadian-made arms to countries considered enemies or under sanctions (the former Soviet bloc and South Africa), countries that are at currently at war, and countries that might use the arms to violate the human rights of their own people. According to the current formulation, "exports of military goods to Indonesia are restricted to those items where there is no reasonable risk that they might be used against the civilian population."<sup>46</sup>

Indonesia is clearly both at war in East Timor and elsewhere, and likely to use Canadian-made military goods against its civilian population. Except for a short period after the November 1991 Santa Cruz massacre, however, this has not prevented the free flow of Canadian military goods and technology to Indonesia. Weapons made in Canada have almost certainly been used in the war in East Timor, according to Jose Ramos Horta.<sup>47</sup>

## **The 70s and 80s**

Prime Minister Pierre Trudeau cultivated a reputation as an international peacemaker. At the same time, he cultivated close ties with Indonesia under President Soeharto, who visited Ottawa in 1975. It has been reported that bullets used by the invading Indonesian army in 1975 were made by Valcartier Industries of Montreal, which reported a further sale of ammunition in 1981, the year of the infamous "fence of legs" operation in East Timor. During this operation East Timorese between 8 and 50 years old were forced to act as an human shield between the Fretilin and the Indonesian army. Hundreds of them were killed.

Another top supplier in this period was Pratt and Whitney Canada Inc., a major international helicopter engine manufacturer that entered into a deal with the Indonesian government's aircraft maker, IPTN, in 1985. That contract was financed by the Canadian government's Export Development Corp. Many sales of this nature leave Canada classified as civilian aircraft parts, but they can easily be incorporated into military aircraft in a third country or in Indonesia itself.

<sup>45</sup> Sharon Scharfe, *Complicity: East Timor and Canadian Foreign Policy* (Montreal: Black Rose Books, 1996)

<sup>46</sup> Letter from André Ouellet, Minister of Foreign Affairs, Aug. 9, 1995.

<sup>47</sup> Jose Ramos Horta, FUNU.

Canadian-made "civilian" components that end up in military systems in the Third World are valued at \$20-30 million a year.<sup>48</sup> There is no effort to track the end-use of Canadian-made components. Over the 1980s, the government admitted to making more than \$5.7 million (Cdn) in direct military sales to Indonesia.<sup>49</sup> This figure does not include indirect sales through third countries or sales classed officially as civilian that end up being incorporated into military equipment. Ottawa also organized a 1986 high-tech exhibition in Jakarta in which ten Canadian companies hawked their wares to Indonesian buyers.

### **After Santa Cruz**

Public outcry after the Santa Cruz massacre prompted the foreign minister of the day, Barbara McDougall, to launch a review of Canadian aid to Indonesia that resulted in a temporary freeze in 1992. At the same time, McDougall stopped signing applications for arms export permits destined for Indonesia, citing concern over East Timor as her reason. The Liberal opposition, with foreign affairs critic Lloyd Axworthy leading the charge, attacked McDougall for not going far enough.

In 1993, the Liberals swept to power. Their first foreign minister, André Ouellet, reversed decades of party policy, going back to Nobel Peace Prize laureate Lester Pearson, when he announced human rights was being severed from Canadian foreign policy. "Canada can no longer act as a boy scout," he said. Accordingly, weapons exports to Indonesia resumed. This was actually written into government policy. The Chrétien government's 1995-6 International Trade and Business Plan listed seven countries -- including Indonesia and China -- as the key target markets for a new Canadian push to export arms worldwide. The new direction was symbolized by the dispatch of a Canadian frigate to show the flag to potential buyers in eastern Asia.

In 1994, Ouellet authorized a sale of communications technology by Canadian Marconi to the Indonesian armed forces valued at just over \$1 million -- an innocuous-sounding beginning to the new Canadian policy, but one that was to prove the narrow end of the wedge. The following year, he put his seal of approval on a grand total of \$362,380,101 worth of military export permits to Indonesia. In the end, none of the companies concerned managed to negotiate a final sale, but the message from Ottawa was clear: the floodgates for exports were wide open, no matter how lethal the cargo might be.

Ouellet argued that arms exports were needed to create jobs in Canada, despite numerous studies that show the "defence" sector is among the least efficient in job creation. "We have to sustain those companies who have major investments in this area [arms] and who have a substantial workforce," he said. "Our number one priority is job creation (...) I'm admitting candidly that for the short term there is a contradiction here."<sup>50</sup>

Ouellet has now been replaced as foreign minister by Lloyd Axworthy, a strong supporter of East Timor when in opposition. This has raised the hopes of human rights activists, but Axworthy has yet to make any substantive changes on policy towards Indonesia. He has refused calls for a renewed embargo. Although Canada's share of the global arms trade is just 2 per cent, it is a \$4 billion per-year industry that is heavily dependent on exports. Arms manufacturers are concentrated around Toronto and especially Montreal, cities where unemployment is a major problem. These companies are also leading donors to the Liberal and Conservative parties. Bombardier Inc., one of the Canadian companies that exports to Indonesia, ranks among the top five donors to the Liberals.<sup>51</sup>

48 Ernie Regehr, "Military Sales," in Matthews & Pratt, *Human Rights in Canadian Foreign Policy* (Montreal, 1988), p. 211.

49 Canadian Military Industry Database, Project Ploughshares ecumenical coalition

50 Allan Thompson, "Canadian arms sales like dabbling in arson," *Toronto Star*, April 8, 1995.

51 Scharfe, p. 201.

### **The North American arms complex**

Canada is unique in the world in having a privileged relationship with the United States military-industrial complex. The Defence Production Sharing Agreements (DPSA) between the two countries guarantees a fixed share of the U.S. arms production to branch-plants located in Canada. Canadian military production is considered domestic under U.S. law and exempted from American-content regulations. In return, the Canadian government does not attempt to regulate arms exports to the U.S.

The DPSA marked the first continental integration of Canada into the larger North American economy, and spawned a Canadian military industry that is geared primarily towards the production of component parts, primarily for U.S. weapons systems. Well over half of Canadian military production ends up south of the border. This has also meant that Canadian markets, by and large, will be the same as American markets, since the military products of the two countries are designed to fit together.

### **Canadian opinion**

In parliament, the Bloc Québécois the right-wing Reform Party have both been critical of arms exports to Indonesia, as have several backbench Liberals associated with Parliamentarians for East Timor. The social-democrat New Democratic Party has on several occasions introduced private members' bills that seek a blanket embargo on arms sales to Indonesia, but these have never reached the floor.

A broad range of organizations in Canada has joined the call for a formal military embargo on Indonesia. These include the national Canadian Conference of Catholic Bishops and general synod of the Anglican Church of Canada; the national churches through the ecumenical coalitions Project Ploughshares and Canada-Asia Working Group; most of the country's biggest trade unions as well as the national Canadian Labour Congress; the National Action Committee on the Status of Women, and many others.

# Belgium: development aid paved the way

*Johan Peleman;*

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In a spectacular move, the Belgian State Secretary for Development Aid, Mr. Reginald Moreels, proposed last autumn to abolish any kind of development aid linked to export subsidies for Belgian industry, the so called "tied aid".

If implemented, this extraordinary change of policy, may bring an end to a tradition of dubious aid projects, through which Belgian industrial offsets were promoted with development aid. Often enough, private companies were specifically established to get hold of funds from export promotion programmes in third world countries. After a series of detailed articles in Belgian newspapers, the Belgian office for Development Aid (ABOS) will be restructured.

Metal Industries Development (MIDC) in Java, near Bandung, was one of those peculiar projects that triggered Mr. Moreels revolutionary proposal. This small scale factory was built in 1970. The first phase of the project, from 1970 until 1975, was considered a success story.

Two Belgian engineers assisted a local work force in repairing and rebuilding small machinery and tools. In the late seventies, the Belgian staff was reinforced, and the project budget was doubled from 2 to about \$4 million. The entire "tool clinic" was funded by ABOS.

In 1980, just before the third phase of the project, ABOS stepped back to leave the co-ordination of the project to a subcontractor called, "Bandung 3". An additional \$6 million were granted over a three year period.

Bandung 3 turned out to be a business group of Belgian companies with an urgent need for new export-contracts. One of the partners in Bandung 3 was Fabrique National Herstal (FN-Herstal), Belgian's biggest arms producer, now a subsidiary of the French group GIAT Industries. FN took the lead in the consortium and finally got a position on the Indonesian arms market with a first \$9 million contract (1995-rates). The original ABOS-funding of the MIDC-project in Bandung, totalling over \$30 million until 1992, paved the way for FN's adventure in Indonesia.

## Belgium fire arms in Indonesia

From the early 1980's on, the Indonesian ordnance factory for small arms PT Pindad manufactures the 9-mm FN Browning. Other types of FN-weapons produced under licence are the 7.62 mm FAL, the 7.62 mm SAF, and the 5.56 mm FNC (Indonesian type called SS1), all in use with the Indonesian armed forces (ABRI). The FNC appeared to be the new standard rifle for ABRI. In 1982 the Indonesian Air Force ordered 10,000 pieces of it. In 1984 the Indonesian government signed an agreement with FN that permits manufacturing in Indonesia. In the late eighties Indonesia also bought the FN 5.56 mm "Minimi" light machine-gun.

### Rocket and gun pods

ABRI also received a special machine-gun for light airplanes, the FN-7.62 mm Twin Mag Pod (TMP). Since the beginning of the eighties the system was the standard equipment of the BO-105 helicopters produced by the German company Messerschmitt Bolkow Blohm (MBB) -- now Eurocopter -- and licence-produced in Indonesia by IPTN since 1976. Only the rotors and transmission are still delivered by Germany. The helicopters are in use with the Indonesian Air force and the police. The stretched version NBO-105 MPDS (multipurpose delivery system) can carry 50 mm to 81 mm rockets and machine gun pods.

IPTN also obtained a Canadian licence to manufacture approximately 100 NBell-412 Special Performance helicopters. Standard armament for the Canadian and Italian (Agusta) models includes the twin dual FN Herstal 7.62 mm gun pods, single FN Herstal 0.50 inch pod, pods of seven or nineteen 2.75 inch rockets, the FN Herstal four-round 70 mm rocket launcher and a 0.50 inch gun or two (French) Giat M621 20 mm cannon pods. These rocket pods are also qualified for the Indonesian versions and fitted to several of them.

### Armour and artillery

The British Alvis-deal for Scorpions 90s(see UK) are having a Belgium connection. The Belgian company Cockeril Mechanical Industries (CMI) supplies the 90 mm Mk III-gun, the standard armament of the Scorpion light tank version. Other recently sold APC's (Armoured Personnel Carriers) include the Alvis Stormer and French Panhards. It is not clear if any of these have been fitted with Cockerill C25 turrets or with externally mounted 7.62 mm guns. The CMI-contracts with Indonesia are confirmed to have a value of approximately \$10 million.

The Belgian company Forges de Zeebrugge SA developed a 70 mm Multiple Rocket Launcher System, the LAU97, for export. From 1985 on IPTN started producing this 70 mm rocket system under licence. This rocket launcher can be mounted on a variety of vehicles, for instance the Alvis Saladin.

### Air Force

Apart from possible requirement by the Indonesian air force of F-16s, or alternative fighter types such as the Mirage 2000 or the Su-27 in case of an American embargo on the F-16 deal, several aircraft types are being upgraded.

In 1995 it was announced that the Belgian avionics company SABCA/Sonaca acts as a systems integrator in a \$40 million programme to upgrade eight F-5E and four F-5Fs. The three-year programme includes installation of new avionics, providing exchangeability with the F-16s and Hawk series of the Indonesian air force, structural repairs and rewiring to operate air-to-air missiles.

# EU relations with Indonesia

*Dr. Paul Lim; European parliamentary assistant*

In this short write-up of the European Union's (EU) relations with Indonesia, it should be first said that it goes back to the 1970s which saw the then European Economic Community (EEC) and the Association of Southeast Asian Nations (ASEAN) moving in the direction of multilateral relationship concretised in the EEC-ASEAN Cooperation Agreement of 1980. This 1980 Agreement, which is still in operation, does not in any way replace bilateral relations between the EU and Indonesia which still continues but it could be seen as being within the multilateral framework of the ECC-ASEAN Cooperation Agreement. There is no bilateral cooperation agreement between the EU and Indonesia as with the other ASEAN-countries except Vietnam. However, we must also not forget the bilateral relations between the individual Member States of the EU and Indonesia.

One can say that the fruits of bilateral relations between the EU and Indonesia are in the various rural and agricultural development cooperations projects, in energy and in the field of forestry. Indonesia also has on its soil regional projects like the ASEAN-EC Energy Management Training and Research Centre (AEEMTRC). Here again we must not forget that the individual Member States have relations with Indonesia in development cooperation etc.

Now, 1992 saw the proposition of a new so-called "third generation" Cooperation Agreement with ASEAN which included a human rights clause. However, in the European Council Portugal refused to give the European Commission the mandate to negotiate with the ASEAN countries this new Agreement for the reason of Indonesia's occupation of East Timor. In other words, no negotiations started with ASEAN. On hindsight, even if the whole Council including Portugal had approved the proposed third generation cooperation agreement and the Commission began negotiations, it is hardly likely that the ASEAN countries would have accepted the human rights clause.

So, East Timor remains a potential thorn not just in EU-Indonesia relations but also in EU-ASEAN relations. The ASEAN countries are in solidarity with Indonesia over East Timor or at least take the line that they would not interfere in the internal affairs of a friendly neighbour and ASEAN-members and would not break ranks. One could cast doubts as to whether the Philippines or Thailand really accept the Indonesian occupation of East Timor, but we have seen Indonesian pressure on the Philippines and Thailand on the visits of Mr. Hosea Ramos Horta onto their soil. One wonders what are the private views of Thai and Filipino officials on this matter.

Would the EU ever allow its relations with Indonesia or for that matter EU-ASEAN relations sour? The Santa Cruz massacre of 1991 brought down EU-ASEAN relations affecting also bilateral relations between individual Member States and Indonesia to various degrees. Since then relations have improved as toned down on human rights, and East Timor is not divisive, and becoming a bi-lateral issue between Indonesia and Portugal removing it as a thorn, culminating in the Asia-Europe Meeting (ASEM) in Bangkok meeting where ASEAN played an important part in bringing East-asian and ASEAN countries to meet up with the EU and its Member States. ASEM was also the setting for the contact between Indonesian and Portuguese leaders.

What would sour relations between EU and ASEAN for the present time is more likely to be Burma especially its impending admittance into ASEAN along with Laos and Cambodia. What will it mean also for the future of ASEM? Now, with Burma, the European Commission was ready

to start the procedure and investigation in view of lifting Burma's General Trade Preferences (GSP) privileges. Can such a thing ever happen to Indonesia over East Timor or can sanctions ever be brought against Indonesia over East Timor? For lifting Indonesia's GSP privileges, one has to prove forced labour practises in East Timor or, for that matter, Indonesia, and for sanctions, it is very unlikely.

Indonesia is too much of an economic, trade and investment interest to the EU and its Member States, to its economic operators. With Burma, it is possible, for trade with it, is not enormous. There is less economic interest at stake in Burma. With Indonesia, the sale of arms is one well-known sector and there are many others like oil, chemicals, industrial and manufactured goods. Indonesia represents a large producer goods and consumer goods market, the largest in Southeast Asia, if not a cheaper production base. There is also the attempt to match Indonesian Small and Medium sized Enterprises (SMEs) with European SMEs through the European Business Information Centre, through the European and Member States Chamber of Commerces in Indonesia. So, much economic interest at stake which would deter any sanctioning of Indonesia. Indonesia is economically important to the EU and its Member States. Another indicator of the economic importance of Indonesia is the resumption of new official development cooperation with Indonesia after tempers over the Santa Cruz massacre cooled down.

There is the other argument that is only when there is economic leverage which comes with trade and investment that human rights could be attended to, listen to but has European economic "muscle" in Indonesia been used to encourage Indonesia to withdraw from East Timor? In fact as we see British warplanes are used in East Timor.

One should not expect therefore any drastic change in the EU's and Member States' relationship in the direction of putting human rights and democracy and the withdrawal of Indonesia from East Timor as top priorities and determinants of relationship.

### **A call to act**

Does this mean that we should despair? No it does means much work to be done to convince policy-makers to go beyond making statements but the willingness to take measures that would even hurt the interests of the EU and its Member States, if it comes to that, when dialogue comes to nothing. This is a tall order. It means all the more the promotion of "codes of conduct" for European firms trading and investing in Indonesia for that matter any where else in the world. It means mobilising the parliamentary route which is generally easier. It means mobilising European public opinion. It means giving support to East Timorese and Indonesians who are working for human rights and democracy, support to those denied economic and social rights. Human rights is not just political and civil rights for the poor are denied economic and labour rights too. It means continuing and reforcing the campaign against arms sales to Indonesia used to violate the human rights in East Timor. One should not rely totally on a parliamentary campaign, but on a campaign by groups in civil society.

# Finland's relations with Indonesia

*Laura Lodenius, Committee of 100 in Finland*

Since Finland started to build economical relations with Indonesia in the sixties, commercial considerations have dominated; Finland's export industry got the priority. The Indonesian market is the most lucrative for the forest and pulp industry. Because of this economical interest Finland for instance has abstained in UN when there was voting on East Timor. One part of the export to Indonesia is arms trade and this is an important part of the relationship between the two countries. Arms exports are used as the key to open the doors for other offsets and improving the political relations between the two countries.

## **Arms trade to Indonesia**

In January 1995 president Martti Ahtisaari visited Indonesia. Just before this visit the government gave a permission to the company Nokia Telecommunication for exporting field artillery components and also to Vammass for exporting grenade components. The Indonesian company PT Pal is producing already the Vammass mortar bomb for its Commando type 60 mm mortars in license.

In 1995 Indonesia ranked fifth on the Finnish arms export statistics, after Norway, the United States, Austria and Sweden. All in all it was only 4.0%, of the total of Finnish arms export, worth US\$ 1,026,772.

Finnish arms trade is very limited compared to other European countries, but it has grown dramatically during the last few years. This as a result of active policy from the government. The government wants to support the defence-industry because it is in serious trouble -- like in the rest of Europe -- due to the fact that much of the imports of military equipment comes from other countries (which has made it almost impossible for the domestic market to produce competitive) and because of the strong competition on the world arms markets after the Cold War.

Finland wants to export more to Southeast Asia and several recent developments are underlining this. Shortly after president Ahtisaaris' visit to Indonesia the Finnish government decided to appoint a military attaché to Kuala Lumpur in Malaysia, with the special mission to promote Finnish arms trade to Southeast Asia. This task was never before included (at least non-officially) in the contracts of the attaches. Even more astonishing was the arrangement that 50% of the salary comes from the biggest arms producers in Finland. The government tried to keep this salary arrangement secret, but failed. The media got the information and the government earned negative publicity. When asked, the government said that the attaché is not going to promote arms offsets in Indonesia.

In March 1996 the government gave SISU-defence an export license for armoured troop carriers, the so-called PASI, and in June 1996 to Nokia a license to export electronic components for field artillery and in September 1996 to Elesco for maritime mine counter measures equipment.

The government defended the license decisions in the public with arguments like: "Also other European countries export," "Finland's equipment will not be used against people," Finland exports "only equipment which Indonesia does not use at East-Timor," "these are no real guns," and so on.

Some export license applications have been refused, because they are for "real" arms not "only components". This was the case when Indonesia wanted to buy cartridges from Finland.

Armoured personnel carriers are sold with white paint - used during UN-peace missions - but can easily be painted for other tasks. The peace organisations don't accept this division of arms into different categories, between those which can kill and those who are totally innocent and aim for a broader definition of arms trade.

### **NGO's campaigning against arms trade**

During 1995 the NGO's, Peace and Human Right organisations and the Finnish East-Timor group campaigned against the new arms trade legislation. This new legislation makes it easier to export military equipment and components, also to third world countries and areas with human rights violations and political instability. The aim of this change is to increase arms exports. The campaign managed to create a public discussion on arms trade and to get a clause in the law that the human rights situation in the countries of destiny should be taken into account when export licences are considered. The organisations have asked the government not to give export licenses to countries like Indonesia and Turkey.

Very often the anti-arms-trade-campaign knows about the coming decision on granting exports before the government votes on them and manages to get the media and public opinion aware, which makes it much harder for the politicians and the government to give permission.

### **Public activities on East Timor and Indonesia**

People begin to become more aware of the problem of Indonesia and East Timor. The Finnish East Timor group invited during 1995-1997 several East Timorese and Indonesian guests to give public lectures and visit the Finnish parliament and the ministry of Foreign Affairs. The public lectures they gave helped the Finnish public to learn about Indonesia and East Timor. In 1996 the East Timor groups organised an "East Timor week," with for example an exhibition and the launch of a booklet about East Timor in Finnish. Also the visit to Finland of the Nobel prize winner Mr. José Ramos-Horta attracted much publicity. Particularly his condemnation of arms trade to Indonesia brought about extensive media coverage.

The biggest success has been that public pressure has created a split in the government on the issue of arms exports. Many ministers have voted against permissions for exports to countries like Indonesia. Especially the Greens and Left wing alliance are against it, but also inside the biggest party of Finland, the Social Democratic party the opposition has grown.

### **Public opinion and the parliament**

In December 1995 the Finnish section of Amnesty International organised an opinion poll in parliament. It asked about the links between foreign trade and human rights, 90% of the respondents, answered that when granting export licenses for arms trade to Indonesia -- and other countries who seriously violate human rights - the human rights aspect should be taken more seriously and that export licenses should not be granted in those cases.

A public opinion poll held by the Finnish broadcasting company, asking "Should Finland export arms to Indonesia?", gave the result of over 80% saying "No". This is a clear sign that the government does not have the public opinion supporting its policies in the question of arms trade to Indonesia.

# France: looking for an Indonesian Eldorado

*Belkacem Elomari;  
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Seeing Indonesia, because of its economic growth, as a new Eldorado, the french arms industry, supported by the public authorities, have drawn up in line in the hope of gaining some parts of this market. The French marketing strategy is based on governmental support for both civil and military industrial investments in Indonesia. In France, two groups of parliamentarians are actively seeking to strengthen French-Indonesian ties, one in the Senate and the other in the National Assembly. Both are focusing on the development of economic relations between the two countries.

Simultaneously, several parliamentarians, with the encouragement of French support groups for East Timor, have expressed concern about the human rights situation in Indonesia. The official position of the French government has been to emphasise the fact that France has never recognised the Indonesian annexation of East Timor and that it supports negotiations between Portugal and Indonesia to find a just, all-embracing and internationally acceptable solution to the issue and seek ways to secure an improvement in fundamental human rights in the country. However the government policy did not correspond with these statements. The active and successful campaign of the support groups in 1994 had no follow-up and the new French government of Chirac gave e.g. an export license for French Panhard armoured personnel carriers late 1996.

## **Arms sales**

Cuts in French military procurement because of restructuring and a changing budget policy, coupled with strong US competition on the international arms market has created a situation where French industry has begun investing heavily in both military and economic sectors in Asia. In the past, this region had not purchased much in terms of French weaponry. Sales to the Far East, in 1991, represented only 6,8% of total French arms sales and 10,5% of sales to the third world. The year 1994 however marked the change in orders by Asian countries for French weaponry. Representing more than 50% of the French market, the region superceded the Middle East as the most important client for French weapons.

## **Acquisitions of french arms**

France has since the 1960's supplied the Luchaire rocket launcher and the Milan Euromissile missile launcher (a product of European Union co-operation) together with accompanying munitions to Indonesia.

As to air force material is concerned, the inventory is far more detailed and contains Aerospatiale Puma and Super Puma helicopters for which, since 1981, manufacturing licences have been accorded.

The twenty 105mm LG-1 light cannons that Indonesia ordered from GIAT Industries in 1994 have not been delivered yet. This US\$17 million contract which includes ammunition and technical

assistance, will benefit the Indonesian marines.

In 1996, Indonesia also ordered Mistral missiles of Matra for its navy. Samaero, the Eurocopter subcompany in Singapore, is negotiating the sale to Indonesia of several small transport planes TB type and TBM-700 of the French company Socata. The value of this possible contract is estimated at US\$ 34.6 million.

Early January 1997, the French minister of defence Charles Million proudly made a public announcement that under the patronage of his ministry and of Dr. Habibie, the Indonesian Minister for Research and Technology, GIAT Industries and the Indonesian PT Pindad had signed in Paris an agreement in principle for the start of cooperation in the area of military ground equipment.

### **Military co-operation**

French weapon sales to Indonesia favour not only the arms industry of the former but also co-operation between the defense forces of both countries. This co-operation dates back several years but continues to this day.

In the aeronautical industry, FIAS ( Formation Internationale Aeronautic et Spatiale) have sent experts to the IPTN training centre in Pusdiklat, Indonesia (3 up to 1989). This company has also set up an aeronautical training centre in Bandung and have up until the end of 1988 detached six of its experts to that facility. In June 1988 a further contract was signed between FIAS and the laboratories for thermodynamics, engines and propulsion. This contract ran until 1993 and concerned the creation of a laboratory of thermal exchangers where engineers, researchers and technicians trained by FIAS will work.

Another contract of FIAS, relating to the Lapan space research centre made it possible for a group of sixteen engineers to begin work in 1988 followed by six more in 1989. There has in total been, between 1980 and 1987, 158 Indonesian engineers and technicians trained for production by Aerospatiale and more than 50 for after sale service.

The French company Thompson-Brandt-Armaments has also sold licences for the production of mortars to Indonesia. Thomson-CSF have also in co operation with local industry conducted a research into a surveillance system for the straits of Malacca for the Indonesian customs service. The research institute into electronics (Lembaga Elektroniks Nasional - LEN) is responsible for the installation and operation of the communications systems.

### **Military students**

Indonesian military students train in France in particular in the Ordnance School. In 1988 there were 86 Indonesian military students in France.

### **Exchange visits concerning defence and security**

These visits foster trust between military and industrial circles in both countries and help create a favourable climate for arms sales. It was for this reason that Mrs Pratiwi Sudarmono was invited to Aerospatiale in 1989. In 1985 she was chosen by NASA to become the first Indonesian woman astronaut. In 1989 she visited the centre where Ariane launchers are integrated and various other air and space installations in particular FIAS, which was responsible for the training of Indonesian technicians. In addition exchanges also took place between French and Indonesian military personnel in the form of visits by French warships to Indonesian harbours. Between March and October 1989 five such visits took place. In 1993 IPTN, the Indonesian civil and military aircraft company was represented at the Bourget show.

### **Evaluation according to the European Code of Conduct**

Evaluating the french arms sales for 1996 in the light of the European Code of Conduct brings us to the following conclusions.

According to the Code of Conduct, France's export of arms to Indonesia is a direct participation in the conflict between the central Indonesian government on one side and the liberation movements of East Timor and Irian Jaya on the other (3rd criteria)\*.

Moreover, the lack of respect for human rights and the level of the state debt (US\$ 100 billion in 1996) are in contradiction with the 2nd and 8th criteria of the Code of Conduct<sup>52</sup>.

52 European Union Common Criteria for arms exports:

2. The respect of human rights in the country of final destination:

3. The internal situation in the country of final destination, as a function of the existence of tensions of internal armed conflicts

8. The compatibility of the arms exports with the technical and economic capacity of the recipient country, taking into account the desirability that states should achieve their legitimate needs of security and defence with the least diversion for armaments of human and economic resources.

Ordered	Delivered	Type/Name	Quantity	Company
--	1979	Excocet launcher	16	Aérospatiale
--	1979	Excocet launcher	12	Aérospatiale
1978	1981	Excocet launcher	4	Aérospatiale
--	1969	Alouette 3 helicopter	9	Aérospatiale
1977	--	AS 330 Puma helicopter	17	Aérospatiale
1976	1979	Exocet MM-38 missile	36	Aérospatiale
1979	1982	Transall C-160	3	Aérospatiale
1978	1981	Exocet MM-38 missile	24	Aérospatiale
1983	1985	AS 332 Super Puma helicopter	11	Aérospatiale
1982	--	Exocet MM-38 missile	48	Aérospatiale
1985	1986	Exocet AM-39 missile	10	Aérospatiale
--	1981	Sonar DUUX-2	2	Alcatel Th
--	1981	Sonar AN-526 Atlas	2	Alcatel Th
--	1975	Customs Patrol craft	3	Chantiers de l'Estrel
--	1979	Customs Patrol craft	7	Chantiers de l'Estrel
--	1980	Customs Patrol Craft	5	Sté Frse Const Nav
1979	1980	Customs Patrol craft	7	Constabele Méca Normandi <sup>53</sup>
1985	1989	Research vessel	4	Constabele Méca Normandi
1996	--	Research vessel (US\$ 50 million)	1	Constabele Méca Normandi
--	1988	Dagaie engines for Armoured Vehicles	10	CSEE
1994	--	Canon 105 LG	20	Giat Industries
1981	1981	AMX 10P	36	Giat Industries
1996	--	Simbad/Mistral air defence systems		Matra BAe Dynamics
--	--	AML-60/20	6	Panhard
1996		Amphibious scout cars	18	Panhard
--	1989	Sonar TSM 2060	2	Thomson Sintra ASM
--	1989	Sonar TSM 2022	2	Thomson Sintra ASM
1997	--	Airborne maritime situation control system Amascos (US\$ 50 million)	6	Thomson CSF
--	1989	maritime surveillance radar A10 1 bis V/TSM 2060	2	Thomson CSF
--	1981	Radar Calypso	2	Thomson CSF
1986	--	Surveillance Radar champ bat TRS-2230	12	Thomson CSF
1986	--	Surveillance Radar champ bat TRS-2215 3D	2	Thomson CSF
1992		Surveillance Radar maritime Ocean Master <sup>54</sup>	?	Thomson CSF

53 Built on Lürssen design

54 Three German license built BO-105 helicopters will be equipped with this system of Thomson CSF and DAS from Germany.

# Germany: Arming the Indonesian Regime of Terror

*Andrea Kolling*

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*With the assistance of Rainer Kahrs and Uwe Strobach*

For the German government it is 'business as usual'! Despite the illegal use of German weaponry in Indonesia's interior -- and the announcement that German arms will be used for this -- we can regard arms trade as a continuing common denominator of the German-Indonesian relationship. The close friendship between Chancellor Kohl and the worlds longest surviving dictator in power, the Indonesian President Suharto, provides a certain personal flair in this affair. Very soon, however, there will be a post Kohl and Suharto era and it remains to be seen as to what could be expected in changed times.

A short but incomplete register of German arms deliveries to Indonesia shows a fairly long list of such transfers. Since 1986 the German federal government has approved 680 exports in total, of arms and armament equipment (according to the secretary of state, Mr. Kolb, from the ministry of economics). Between 1990-1993 the German government approved the export of arms to Indonesia, as per the official database, worth nearly US\$ 600 million more, than into any other country in Southeast Asia. This figure includes only the value of those arms delivered by Germany and not the value of exports of components and tools leading to licensed production in Indonesia. Besides, arms produced by Indonesia itself on German licenses are excluded.

Detailed or even complete information on arms exports to Indonesia is not available, although some deals have attained certain notoriety. One well known instance of this was the export of 39 warships of the former East German national people's army. Other instances include the export of submarines, Exocet missiles, patrol-boats, tools and machinery/equipment for the production of torpedoes, G-3 assault weapons and the MP-5 machine guns dedicated for 'Special Forces'. All of these deal did eventually become public.

The most important arms export from Germany to Indonesia however, is in the area of machinery and tools and of course, licensed production in Indonesia itself. The latter particularly fosters Indonesia's domestic arms production. The availability and use of German weaponry is thus almost impossible to control or monitor.

## **Bachruddin Jusuf Habibie -- a career in Germany**

In 1974 the former manager of Messersmitt Bolkov & Blohm (MBB) Jusuf Habibie, of Indonesia, founded the aviation corporation Nurtanio. Since 1975 MBB's BO-105 helicopters have been licensed for production. Over time Habibie has become a key figure with eminence, in the German-Indonesian arms trade. Being minister of science and technology and very close to President Suharto, Habibie is considered his possible successor and it is well known that little can be achieved in Indonesia without him.

After having studied engineering in Aachen, Germany, Habibie completed his studies with a doctors degree in the field of aeroplane construction. He first worked as an engineer in the atomic

research plant at Jülich and later he became vice-president of MBB-Hamburg. Though Habibie is not in military service, he has nevertheless a decisive say in affairs of the military in Indonesia. His importance in Indonesia's armaments procurement is obvious as he heads all of the state governed strategic industries. To his 'empire' belong, among others: the state-owned ammunition factory PT Pindad, Dahana Explosives, Steelworks Krakatau, PT Pal shipyard and the aviation industry, IPTN.

### **Aviation industry IPTN**

The aviation industry, today known as IPTN, was founded in 1974 under the name of Nurtanio and was supposed to become the sole supplier for aircraft on the Southeast Asian market. In the beginning Nurtanio focused on licensed production of military aircraft with a workforce of 500 servicemen and technicians at Bandung, Indonesia. Many of the workforce came from MBB or were trained there earlier. Ten years later Habibie's IPTN-workforce totalled 15,000 strong.

The first license production of IPTN, was the military version of the German helicopter BO-105, a helicopter documented to have been used in East Timor's mountainous region against the Fretilin partisans operating there. Most parts are produced by IPTN itself, only some of the most advanced technologies -- like rotors and transmissions had to be imported from Germany. Today this high-tech enterprise represents the first and only one to produce aeroplanes in the whole of Southeast Asia. In some areas of technology -- like the BO-105 -- it has surpassed pure licensed production but domestic production of spares or even components is almost not existent and most of which are imported even today. The shared hope of Habibie and his licensees to conquer the whole of the Southeast Asian market for small helicopters and planes for the police force did not materialise. The German helicopter was almost exclusively acquired by Indonesian armed forces and police. Highly subsidised attack helicopters are cheaper on the international market for such arms.

The capacities of IPTN are now used to develop and build a civil turboprop passenger plane under a development-programme worth \$2 billion. A project with the support of ASL Lemwerder -- small German company for marketing in which the Indonesian government is a shareholder -- is aimed at the marketing the Indonesian jet in Europe. In the past MBB provided the maintenance services for Indonesian military transporters of the 'Transall'-type (originally from France). Three were bought, and two more were leased from the German army, for the purpose of the large scale resettlement of people from densely crowded parts of the archipelago to thinly inhabited regions, in a widely disputed project called 'Transmigrasi'.

### **Ship wharf: PT Pal**

Quite similar in structure to IPTN is the shipyard PT Pal in Surabaya, another ambitious and prestigious enterprise of Habibie. Since the beginning of the eighties Jakarta invested almost US\$ 600 million to rebuild and modernize this shipyard, formerly the biggest in Southeast Asia, again with German support. In this case it was not MBB which was involved, but the owner of the shipyard Lürssen in Bremen. Friedrich Lürssen, is a man who has been involved in the arms trade with Indonesia since the fifties. At present he is the Indonesian honorary consul.

PT Pal got the license to build Lürssen's Fast Patrol Boats FPB 28 and FPB 57 in the eighties and hence far more than 1000 members of the Indonesian navy were educated and trained in shipbuilding and related skills in Germany. Later this complete trainee-system was exported to Surabaya where a further thousand trainees have finished their apprenticeship, 600 of them still working for PT Pal.

The shipyard PT Pal was also responsible for the maintenance and repair of the two Indonesian submarines (bought from Germany in the late seventies), and for this purpose employed both German and Indonesian technicians. Large parts of the shipyard itself came from Germany. In 1993 the Essen based firm, Ferrostaal, acted as the main contractor of a consortium consisting of Thyssen Rheinstahl and Klöckner, that exported machinery and components for further modernising the PT Pal shipyard via Bremen. Despite modernization and the input of large government subsidies PT Pal remains, however, dependent on continuing orders of warships by its own armed forces to use the capacities constructed. Thus 1994 saw the beginning of a warship programme planning the construction of six Lürssen boats, each worth US\$ 46.6 million. What is noteworthy in this context is that only 30% of the products' components are of domestic origin whereas 70%, weaponry and electronic equipment in particular, are imported from Europe. The other problems related to the functioning of PT Pal, are related to the sharp decrease in maintenance work and repair in general, and those stemming from the ongoing decline of the international containership building.

### **Steel production**

Ferrostaal AG which supplied many components for the PT Pal shipyard also built the Krakatau steelworks, in co-operation with Siemens and Klöckner and under Habibie's control. This was built on Java creating about 9000 jobs -- far too many for the project, say most of the experts (insiders included). The enterprises' own database however proves that permanent high subsidies for the expensive machinery and equipment e.g. from Germany, are essential to secure its survival. Moreover, the price of steel produced at Krakatau cannot compete with the price of, for example, South-Korean steel which is 20% cheaper. Thus we can see a sort of closed loop cycle, with IPTN and PT Pal in Indonesia itself, taking the bulk of Indonesian steel production, at a price far exceeding the one to be paid for on the world market for steel. Probably 90% of Krakataus steel production is for the PT Pal shipyard. An ambitious enterprise that is paid for by the general population of Indonesia.

### **Export credits**

Again and again, Habibie has claimed that the country's high-tech future will best be developed by domestic products demonstrating Indonesia's importance and power. It was Habibie who in 1993 signed the contract for the Indonesian purchase of 39 second-hand warships of the former East German navy. The deal, worth a total of US\$ 1 billion covered the export of different warships like corvettes, minesweepers, transport/supply ships and landing craft, which were partly demilitarized but also modernized on North German shipyards.

It took US\$ 291.2 million to overhaul them there and three more years to get all the ships to Indonesia. Shipyard PT Pal is currently doing the required military refitting worth about US\$ 320.3 million for their use in the Indonesian navy.

Important to note in this respect are the guarantees for this overhaul and refit given by the German government in the form of a Hermes Insurance. These guaranties amount up to US\$ 407 million. This is meant to cover the eventuality that the already indebted Indonesian government will not be able to pay for the costs of the necessary overhauling of the German ships mentioned earlier. This contract for the military refitting also includes the extension of the new naval base Teluk Ratai, which according to unconfirmed news reports is to be built by the German firm, Ferrostaal.

A similar programme amounting up to US\$ 387.3 million was approved by the German

government for the possible delivery of a submarine Type 209/1400 (with an option for two more).

### **The burden of arms export**

"Indonesia is Heckler & Koch's country". This phrase cited in the military magazine Asian Defence Journal, expresses quite bluntly the significance of the small arms producer Heckler & Koch (Oberndorf) for the Indonesian army. This German company -- a subsidiary of British Aerospace -- delivered G-3 assault guns, produced by Habibies' PT Pindad, to the Indonesian armed forces for years. One of these days Indonesia will get one of their most modern and sophisticated products, the MSG 90 sniper rifle. Snipers became well known during the war in Yugoslavia when they spread terror among the population of Sarajevo. In the case of Indonesia it is possible that the weapon will be used to kill personal enemies of the regime in power. But while Indonesia is publicly discussing the matter of purchasing this weapon for their marine infantry, the German government, when asked, confirmed the existence of only two of those weapons in Indonesia.

In 1995 another deal became public giving rise to further apprehensions. An affair set off by an article in the local press that wrote about a US\$ 58.2 million deal for MaK (Kiel) selling their light tank 'Wiesel' to Indonesia. While the company confirmed the deal, nothing was heard from the German government which was responsible for the export license. Wiesel, a vehicle earlier used in Somalia and Bosnia (for safeguarding against bandits and marauders, it was said), is a sort of all-terrain-vehicle designed to be transported by air and with a weapon platform easily adapted to all military requirements with modern guns and missiles. Two of them can be carried by a German army helicopter and one of them is transportable by the Indonesian air forces' IPTN produced type CN-235 aeroplanes. The question about their probable mission remains and is not answered by the German governments claim, that the Indonesian rulers have promised to restrict their use to national defence, defence within the framework of ASEAN and for UN-missions. Beyond that the German government took into account the opinion of experts who considered these vehicles not suitable for use against insurgent groups, which was quite different from their opinion in the case of Somalia and Bosnia.

The contract relating to the NPA fleet signed in October 1993, also demands the use of the warships to be restricted to coast guard services, securing the Indonesian (international) sea lanes and fighting smugglers. Quite different, not to say contrary, to the statement of the Head of the Indonesian armed forces General Feisal Tanjung who said, in October 1995: "The formation of BLT [Battalion Landing Team] strength is meant to overcome disturbances from within. The recent purchase of ex-East German LST's [Landing Ship Tank] is to replace the aging LST's whose conditions can no longer serve the operational needs." But even this frankly announced violation of a treaty between Germany and Indonesia, not to use the ships for internal use against the population apparently do not give rise to a call for sanctions by the German government. Essentially, following from the German guidelines concerning the export of weapons, no nation in a region of tension or which is fighting a war will receive German weapons. However, to protect themselves from being bound by this provision as early as in 1984, the German government publicly declared that according to them, 'there is no Indonesian war against East Timor'.

# Italy: Evading the law on arms trade

*Chiara Bonaiuti; Ires Toscana*

Official data provided to the Italian parliament by its government shows a decrease, as compared to the previous year, in the value of Italian arms trade to Indonesia in 1995. Deliveries in 1994 of US\$ 3.6 million decreased to only a few thousand dollars in 1995. The authorizations for export decreased from 54.8 billion liras in 1994 to 2.7 billion in 1995. The authorizations for export decreased from US\$ 32.2 million in 1994 to US\$ 1.6 million in 1995. The new authorisations only concern spare parts for fire control centres, previously supplied to the Indonesian navy. According to Italian government sources, they were not to be used for repressive purposes by the Jakarta government.

For a better understanding of Italian relations with Indonesia and the figures on arms trade, it is necessary to refer to the political debate taking place in Italian parliament and to the government report of 1994 with regard to Law 185/90 that regulates arms trade.

Italian arms export in millions US\$		
	1994	1995
Authorised	32.2	1.6
Delivered	3.6	--

**Source:** Presidente del Consiglio dei Ministri, Relazione sulle operazioni autorizzate e svolte per il controllo dell'esportazione importazione e transito dei materiali di armamento nonché dell'esportazione e del transito dei prodotti ad alta tecnologica del 1995 e del 1996. (Report on authorized and effected measures for the control of export, import and transit of military goods as well as on export and transit of high technology products in 1995 and 1996), Roma Camera dei Deputati Senato della Repubblica, Atti Parlamentari. The authorizations include those granted by the Ministry for Foreign Affairs and those granted by the Ministry of Defence in relation to "supply of services."

## The Italian law

The Italian law 185/90 on arms trade is a result of campaigns by Non-Governmental Organisations and peace associations for more public accountability. It regulates a number of restrictions on the export of Italian arms. The most important one concerning the violation of human rights. Paragraph 6.d. of the first article of this law, very clearly "forbids the export of arms to countries whose governments are responsible for violations of international conventions on human rights". This ban represents one of the biggest innovations of this law and therefore is the object of harsh criticism and frequent attacks from military lobbies.

Because of this political and economic pressure, a more restrictive interpretation of paragraph 6 has become predominant. A decision of the CISD (the Inter Ministerial Committee for the Trade of Military Products for Defence Purposes) in fact changed the contents of paragraph 6.d. The CISD decided that violations of international agreements are mandatory only when these are recognised and ascertained by the UN and/or the PESC (the Political European Security Cooperation), and only when Italy has voted in favour of such a pronouncement. Neither the decisions of the European Parliament, nor those of other International Organisations, besides

those of the UN or PESC , nor the reports of Amnesty International or those of other Non-governmental organisations, are binding.

### **Ban on arms exports to Indonesia**

Despite the relaxation of the ban on the export of Italian arms to countries that are violating human rights, Indonesia clearly still falls under the criteria as provided in paragraph 6.d. Actually, the violation of fundamental freedom, the military invasion of East Timor, the brutal repression which has ensued, the arrests without formal accusations and trials, the detention of political prisoners etc., that were denounced in all Amnesty International reports and in numerous European Parliament decisions, were also ascertained and recognised by the UN. On the 11th of March 1993, the UN Commission for Human Rights condemned Indonesia for the violation of fundamental freedom.

Following this decision, the Italian Government in the 1995 report, concerning arms exports in 1994, declared her intention to stop arms trade with Indonesia, which is in line with law 185/90. As a result, Indonesia should not have been listed in the successive report either as a receiver of actual deliveries or in relation to new authorizations for exports.

### **Resumption of arms trade with Indonesia**

However, the 1996 report concerning arms export in 1995, once again includes Indonesia among the countries to which exports have been authorized for a total value of US\$ 1.6 million. Even if the sum involved is rather modest, it is a signal of a change of course in relation to the explicit ban from the previous year. It points to the intent, although timid, to resume arms trade with this Southeast Asian country.

On these new authorizations a parliamentary initiative was taken by member of parliament Francesca Chiavacci of the Democratic Party of the Left. The reply of the under-secretary for Foreign Affairs, Rino Serri, made clear the course to a more lax interpretation of the ban ruled by art. 1 paragraph 6.d. and its applications. The under-secretary has affirmed that in 1995 as far as it concerned Indonesia, there had not been any ban on the exports of arms, because the condemnation for the violation of human rights had not been restated by the Commission for Human Rights after 1993. The under-secretary has further specified that only isolated transactions are involved.

The intention of the Italian industry to resume arms trade with Indonesia has been further confirmed by a 'patto di intenti', a common statement of intent between Italy and Indonesia. On the 18th and 19th of February 1997, the Defence Minister Beniamino Andreatta travelled to Kuala Lumpur in Malaysia and Jakarta in Indonesia. He met with the Indonesian Defence Minister Sudrajat, and the commander of the Armed Forces general Feisal Tanjung. The Italian delegation showed a very interesting composition: in addition to the Defence Minister, the chairmen of important Italian arms industries, such as Mr. Fabiani, the president of Finmeccanica, an industry that accounts for 70% of the production of Italian arms; Mr. Guaraglini from Alenia defence; and Mr. Antoni for Fincantieri and Ritad Ghimelli, were also present.

The meeting was used as an occasion to promote the most recent developed Italian arms systems, and was concluded with two agreements: one political, the other economical. The first is an agreement of intent, signed by the Italian Minister for Defence and by the Indonesian Minister of Foreign Affairs, Alatas, to strengthen cooperation on defence. The second is a draft commercial agreement on cooperation in specific fields of high technology like defence and aerospace. The agreement was signed by Fabiani, President of Finmeccanica and by Professor B.J. Habibie, who is

president of the Strategic Industries (BPIS) as well as the Minister for Technology and above all Soeharto's right arm (see also Germany on the career of Mr. Habibie).

### **Debate in parliament**

This recent event unleashed a heated debate in the Italian parliament. Several MP's of the opposition, but also some members of parliament of the majority, requested the government to "stop military aid to a country that has trodden over human rights and International Law, until Indonesia respects the human rights". They requested the Minister of Defence to clarify his position in relation to arms trade with Indonesia. The parliamentary Commission on Foreign Affairs denounced the fact that "the government only retained the condemnation of human rights violations , pronounced with a formal casting vote by the Commission of Human Rights of UN as binding; requesting that this should be, quite independently from a vote of revocation, considered void if in successive sessions of the Commission a new decision of condemnation is voted for, and demands that the government abides by the ban on arms exports until such a condemnation is lifted". Many MP's voiced their opinion against the government's interpretation, highlighting the fact that the mitigations of the bans sanctioned by Law 185/90 would betray the rationale and the aims of the law.

The debate is still open and involves Indonesia as well as the future of the Italian Law on public accountability for arms trade, arms control and transparency.

# Netherlands: arms from the Dutch state and Thomson branch HSA

*Martin Broek  
Campagne tegen Wapenhandel*

For 350 years, Indonesia was a Dutch colony. This historic relationship between Indonesia and the Netherlands has strongly influenced the developments within ABRI, the Indonesian army. It also influences Dutch policy towards Indonesia up to the present. ABRI was established during the independence war against the Dutch (1945-1949). The Dwi Fungsi [two functions] doctrine had its origins in the experience during the revolution against Dutch colonialism, when guerilla leaders combined military and political roles. When the Dutch captured almost the entire government in Yokyakarta in 1948, the military was, for a brief time, in effect the government.<sup>55</sup>

Another main conflict with the Dutch, the West Irian Campaign, was used by the military as an important motivation for a reorganisation of ABRI. This included the improvement of standing forces for reinforcements to "cope with limited war situations and to provide a ready response to domestic disturbances."<sup>56</sup> In other words during this conflict as well the Dutch policy against Indonesia was strengthening the role of the Indonesian military.

A reaction to the position of the Dutch on West Irian was the take-over of the Dutch industry in 1957. The military used their strong position and the martial law imposed in 1957 to gain a lion's share in this acquisition of Dutch industry. In this way they strengthened their economic position considerably.

## **The past as an alibi for the present**

The Dutch colonial past in Indonesia also has its influence on politics in the Netherlands. It is part of the national heritage and regarded as a black page -- although differences exist on the scope and angle of criticism -- in Dutch history. Strong criticism towards Indonesia is not welcome, because many people feel 'our own past requires modesty'. However this modesty-argument is also a useful excuse to let economic relations prevail over human rights. Don't let the past rule the present is not an easily accepted device in the Netherlands.

For example in 1995 room for questions on Indonesia inside parliament was limited, because that year the Dutch queen visited Indonesia and commotion in Dutch parliament could have spoiled the visit. Up to now the Minister of Development Aid is not allowed to speak on Indonesia, following his 1992 policy of connecting aid to human rights with regard to Indonesia. Indonesia reacted by refusing to accept Dutch development aid since that time. The governments' foremost fear was for the influence this could have on economic relations.

## **Inherited Dutch defence-industry**

The Dutch colonial period was also very important for the domestic defence-industry in Indonesia. As early as 1950 the Dutch handed over a factory for the production of light weapons. At present this factory is known as PT Pindad (see also German chapter) a producer of rockets,

<sup>55</sup> [Political Roles of the Military in Southeast Asia: the Military in Indonesia, Harold Crouch, paper for the international studies association convention, 1988, St Louis.](#)

<sup>56</sup> [Indonesian Defence Policy and the Indonesian Armed Forces, Bob Lowry, Canberra Papers on Strategy and Defence No. 99, 1993, Canberra, p. 40](#)

ammunition, rifles and pistols. Nowadays PT Pindad uses licenses from Belgium, Finland, France, Germany, Italy, Spain and Sweden. The ship wharf PT Pal, in Surabaya, is also a reminder of the Dutch presence in Indonesia, when the biggest part of the Dutch navy was stationed in this East-Java city. Almost the entire military infrastructure of that time was handed over to the Indonesians by the Dutch in 1950.

### Present arms trade

During the last ten years the Dutch state and Hollandse Signaal Apparaten (HSA, daughter of the French firm Thompson-CSF) have been the biggest Dutch suppliers of Dutch arms and military services to ABRI. The most important Indonesian receiver of Dutch arms is the navy. The Netherlands supplied nine of the major surface vessels of the Indonesian navy and is continuing its efforts to sell more naval equipment. During the Dutch queen's visit she was accompanied by Dutch naval frigates, and prominent members of the maritime defence industry followed in her. In the period 1988-92 Dutch arms exports ranked second after the U.S. exporting arms to Indonesia, according to the SIPRI-yearbook of 1993. In December 1996 a report leaked to the press which showed that at that moment Indonesia had become the twelfth largest recipient of Dutch arms outside NATO in the period 1990-1995, with a total value of exports of US\$ 17.7 million (see table I).

Dutch arms trade to Indonesia in US\$	
1990	518
1991	1,518,413
1992	4,222,156
1993	62,352
1994	9,229,536
1995	2,670,779
Total	17,703,754

**Sources:** Realisaties militaire goederen 1990 naar niet NAVO-landen; and Overzicht uitvoer van militaire goederen in de jaren 1991 t/m 1995 naar de landen buiten de NAVO, 04-10-96. [Realisations military goods 1990 to non-NATO-countries; and Overview export military goods during the years 1991-1995 to countries outside NATO, 04-10-96.]

### The Naval technology of Hollandse Signaal Apparaten

In 1994 HSA signed two contracts. The first order was a deal between HSA and the Indonesian navy for the upgrading of three surplus Dutch van Speyk-class frigates (delivered between 1986-1991). The Dutch state was supporting this programme.

In November 1994 a 45 million US\$ deal followed. It was the selling of command and sensor equipment, and a land-based training system to the Indonesian wharf PT Pal, for installation onboard Lürssen patrol vessels from Germany. Connected to this contract was a technology transfer which will enable the production and testing of various components at PT Len Industries in Bandung<sup>57</sup>

In January 1996 the Indonesian Minister of Foreign Affairs, Ali Alatas, visited his colleague Hans van Mierlo in the Netherlands, and asked if any objections could be expected against the order. Van Mierlo answered with a proviso that he did not see any. Dutch parliamentarians however confronted him with the words of Feisal Tanjung commander of ABRI, who said that Indonesian

<sup>57</sup> Signaal lands contract for combat system, Jane's Defence Weekly (JDW) 17-12-94; Electro-optical fore control systems for republic of Indonesia navy, Asian Defence Journal (ADJ) 9/94, p. 119. Signaal wins NAV V price, Jane's Navy International (NIN) January/February 1995, p. 5 and Contract fast patrol boats NAV V Indonesia signed, ADJ 2/95, p. 105.

naval vessels could be used for internal repression. When a parliamentarian asked if this use was a reason to cancel the deal he gave a bold answer: "One of the functions [of Dual Function] of ABRI is the maintenance of public order and security. The cited statement in this question is not giving a new point of view and doesn't mean a principle obstruction for a potential delivery."<sup>58</sup> While the Dual Function is legitimizing the dominant role of the military inside Indonesian society at a social, civil, political and economical level, including the repression of democratic groups in Indonesia and of the East Timorese opposition against the illegal occupation, Dwifungsi was not regarded as something to be taken into account.

However up to now, no export permission has been granted for this deal. HSA will never sell the equipment without permission. It looks as though the order was cancelled. The reason for this is not clear. One of the possible answers is that systems from the Naval Combat Systems branch of Thomson CSF were sold instead.<sup>59</sup> This Thomson branch is managed from HSA in the Netherlands, but based in France. If this was the case, a Dutch export permission is not required, nor is the answering of painful questions in Parliament.

### **Submarines and illicit commission**

Submarines have been on the Indonesian shopping list for many years and the Netherlands are a potential supplier. At the moment it looks as though the Germans are the most plausible partner for Indonesia. However the Dutch attempts are an example of the amount of bribing the Indonesian military is expecting in such deals.

During the period 1993-1996 the Dutch ship wharf Rotterdamse Droogdok Maatschappij (RDM) tried to sell two of its Moray-class submarines to Indonesia. This deal was -- and still is -- necessary to keep the company in the submarine business. In 1994 the Indonesians said they were not interested. So the Dutch government made the order more attractive and added two second hand submarines of the Zwaardvis-class to the deal. That way Indonesia would have been able to buy four submarines for just a little less than one US\$ 500 million.<sup>60</sup>

But the Indonesians were still not interested they wanted more. They asked for US\$ 109-115 million illicit commission. The Ministry of Finance decided this was going to be too much. Not because the bribery consisted of more than 20%, but because of the fear that the RDM wharf could collapse during the construction. And in that case the Dutch state would have to pay the losses suffered by ABRI, as well as the bribes and the ancillary suppliers.

### **Human Rights and the navy**

Criteria in Dutch guidelines for arms exports state that no export licenses should be given if:

- tensions or war in the region of the consumer country exist;
- arms embargoes by the Security council or European Union exist against the country;
- if the arms can be used for human rights violations; and
- the balance between the amount spent on public spending and defence. These criteria are not decisive but balanced with interests on economics and foreign policy considerations.

Naval equipment is the most important part of Dutch arms trade. It seems obvious that naval vessels are not used for internal repression. Because the human rights criteria is the strongest argument against arms deliveries it is hard to tackle the Dutch military trade with Indonesia. However, unlikely as it may look in Indonesia, the armed forces are all used in the security

58 Letter Foreign Affairs to parliament 02-02-96. Annex to the letter of the Minister of Defence 20-06-96.

59 TAVITAC transitions to New Technology, NIN, december 1996, p. 30. In this article it is stated Indonesia has three of the systems.

60 2 x US\$ 46 million for Zwaardvis-class and 2 x US\$ 208 million for Moray-class. 'Zwaardvis en Tijgerhaai; Onderzeeboten verkopen met onderzeeboten,' Colijn en Rusman, Vrij Nederland 03-08-96.

approach. Also the navy.

In 1986 it was reported that Dutch built vessels had been used to bombard the coastal areas of West Papua. The Swedish naval guns aboard those vessels must have been used for this. At the time it was a very common tactic of the Indonesian armed forces to sweep a region of Papua's by coastal bombardments.<sup>61</sup> In 1975 when these ships were ordered by Indonesia there was a strong protest against it, because of the annexation of East Timor. The arguments used by the Dutch government for not stopping the order was that naval vessels cannot be used against the East Timorese resistance.

In 1995 naval vessels intercepted and hindered a refugee ship coursing to Australia. The vessel had to change course and go back to East Timor. These fugitives were refused the right of seeking refuge in a foreign country and some were even tortured after returning home.<sup>62</sup> Indonesia decided to increase patrolling this region after several East Timorese refugees in Australia caused diplomatic difficulties.

Naval vessels are also used as a means of military transport. In 1994 it was stated that naval ships had been used to transport heavy equipment to East Timor.<sup>63</sup> When the Indonesians bought the Van Speyk-class frigates the commander of the Eastern fleet remarked upon the large transport capacity of these ships, while the Yugoslavian frigate in Indonesian service is specially appointed for troop transports.<sup>64</sup>

So naval vessels are used for bombardments, prison guards and transport of troops and equipment as part of the military operations of ABRI against the population of East Timor and the internal opposition. Dutch command, radar and fire control equipment are an integral part of these vessels.

## Education

The relationship of education of Indonesian students in the Netherlands has a long history and military related education forms part of this. One of these projects in the past was the translation of a psychological test by the University of Nijmegen, which was used for testing political prisoners on Communist sympathies.<sup>65</sup>

Early in 1997, after a visit to Indonesia, the Dutch Minister of Education said he made agreements with the Indonesian Ministers of Education, and of Research and Technology to improve co-operation. The Minister of Research and Technology, Habibie, is the one who is developing the Indonesian arms industry. At this moment Indonesian students of air- and spacecraft construction from Bandung are studying at the Technical University of Delft. When in the Netherlands in August 1993, Habibie visited the Dutch Fokker plant in Amsterdam and was brought up to date on transfers of space technology and production under license in Indonesia. Since 1996 there is an official program in the Netherlands strengthening technology co-operation between the Netherlands and Indonesia.<sup>66</sup>

61 'Papoea's', commentaar door B. Lulofs Den Haag, Telegraaf 16-08-86. It is the only source we have found on this use of Dutch ships. There was only one class of Dutch vessels at the time in the Indonesian Navy the Dutch corvettes of the Fatahillah-class equipped with Bofors guns. Jane's Fighting Ships (JFS) 1996-97 p. 308. In West Papua: the obliteration of a people, by (1988, p. 79) it was stated by the first ambassador of West Papua, Eliezer Bonay when interviewed in 1981: "They can only bomb, or attack with rockets from the sea. So they just bomb whole regions where there are villages, wherever there are people. Indonesian troops rarely kill guerillas, sometimes one or two. It's the people who get killed."

62 Information from the East Timor Centre for Human Rights, Information, Education and Training, 27-11-95 on Apakabar.

63 In a report of an East Timorese it was mentioned that military reinforcements arrived 'by sea (...) bringing heavy equipment, including artillery and tanks.' TAPOL Bulletin No. 127, feb. 1995, p. 19.

64 JFS 1996-97

65 Handel in onderdrukking, 1982, p. 48.

66 Export hoger onderwijs naar Indonesië kansrijk, Algemeen Dagblad 16-01-97 and Financieel Dagblad 10-01-97 and VeeDee Amok no. 5, 1993, p. 15.

In May 1996 the commander of the Dutch armed Forces General Van den Breemen offered education and training to the Indonesian marines and proposed strengthening the ties between the Dutch and Indonesian armed forces. The Dutch parliamentarians were not informed about this mission. It was an interview in the Indonesian weekly *Gatra* that shed light on it. Besides the effort of strengthening reciprocity Van den Breemen said: "We spoke about contacts at the level of special forces, amphibian assault units and frogmen."<sup>67</sup> Obviously what Van den Breemen meant was the Dutch Special Boat Squadron (SBS). Educated in jungle warfare, infiltrations, sniper-actions, espionage etc, this is the *creme de la creme* of the Dutch armed forces, well trained for counter insurgency. The Ministry of Defence said it was part of a programme expanding the relations between the Dutch and Indonesian armed forces, which had declined in recent years. "It is time to change this," according to a spokesman. Most of the Dutch political parties reacted against these plans, because of competence -- they were not informed -- or for more principle reasons. In response to the reaction of parliament the Dutch Ministry of Defence denied the text of the interview, withdrew the words of the previous day and said contacts should go on, at a moderate level. However, recently the Dutch Intelligence and its Indonesian counterparts discussed improving relations.<sup>68</sup>

### **Activities**

Dutch protests against arms trade to Indonesia have developed since 1994. Huge protests against arms trade to Indonesia at the end of the seventies and early eighties faded away, but interest has grown again for the issue.

Early in 1995 a secret visit by the commander of the Indonesian armed forces, Tanjung, leaked to the press and instead of taking place behind closed doors it was reported on television, together with arguments of the demonstrators against the Indonesian military and arms trade to the Soeharto regime. The HSA-order of late 1994 started to attract attention when it became the main issue of a radio programme on arms trade to Indonesia in december 1995. During the first half of 1996 lots of peace and human rights groups wrote letters to the parliament and left wing parties repeatedly questioning the government on the deal. The umbrella organisation of Dutch students (LSVB) raised the subject because of brutal actions of ABRI against demonstrating Indonesian students in April 1994, during which three students died. This might be the reason that the deal was cancelled even though a contract had already been signed. The quick reaction by the Dutch parliament to Van den Breemen's offer to the Indonesian military, was probably also a result of this awareness.

In the second half of 1996 different groups wrote petitions to the Dutch parliament to demand, amongst other things a stop of arms deliveries to Indonesia, in line with the European parliament resolutions. The last petition -- exclusively on arms trade to Indonesia -- was also signed by the Christian Trade Union (CNV), the second most important trade union in the Netherlands. It was novelty, a Dutch trade union demanding to stop arms trade.

### **Official politics**

The HSA order met with strong criticism from the Dutch Minister of Development Aid, Pronk (Social Democrat). Who continued to speak about Indonesia although he was not allowed to. Both the small left wing party's, the GreenLeft and the Socialist Party made arms trade to Indonesia an important point of discussion during the last meeting of the commission on Foreign Affairs. The

<sup>67</sup> *GATRA* 18-05-96 (translation Komitee Indonesia); *Algemeen dagblad* 22-05-96; and *de Volkskrant, Algemeen Dagblad, Trouw* 23-05-96.

<sup>68</sup> Letter of the Minister of Home Affairs to the Parliament, 11-02-97.

Socialist Party asked the Dutch Minister of Foreign Affairs to put it on the agenda of the European Union. The resolutions of the European Parliament and the expansion of the US arms embargo on Indonesia were used as arguments underlining the importance of such a policy. The Dutch Minister of Foreign Affairs has given no reaction thus far.

In July 1996 -- during the period that Indonesia was in turmoil, because the party leader of the / PDI was replaced as a result of her growing popularity -- the Dutch Secretary of Defence went to the Indonesian Air Show (IAS) in Jakarta. He was accompanied by two F-16's and a tanker aircraft (Indonesia wants to buy two new tanker aircraft). He was looking for the commanders of the Indonesian army and navy and was offering Dutch surplus arms. However the IAS did not go as smoothly as planned; a dinner for the foreign guests attending the Air Show had to be called off and Feisal Tanjung cancelled all the appointments he had at IAS. According to the Far Eastern Economic Review this was because of discord in the armed forces about the methods used against the PDI leadership. Not all the Indonesian military like "the army's image as a bullying enforcer,"<sup>69</sup> and during the IAS, Tanjung had to solve this internal opposition. Although the Dutch Secretary of Defence was directly confronted with the activities of his Indonesian hosts so far it has not been a reason to change policy.

Dutch arms exports to Indonesia after 1975			
No.	Type	Delivered by	Period
8	F-27 Transport aircraft	Fokker	1976-1977
3	F-28M 400 M Troopship	Fokker	1976-1977
23	F-28 Fellowship Civil	Fokker	1976-...
	M 8 firecontrol, SINBADS on 2 209-submarines	HSA	1977-1981
3	Corvettes Wilton Fijenoord	(RSV consort.) US\$ 243 milion	1979-1980
4	Fire control systems for South-Korean fast attack craft	HSA	1979-1980
..	AMX-PRI reconnaissance vehicles	NL-State *	1976-1978
	Armaments and electronics fitted in the included SEWACO system for Yugoslavian Ki Hajar Dewantar-class frigate	HSA and Netherlands	1981
	Windtunnel project for Puspipotec research centres in Serpong	NLR & NL-State	1981
6	Bailey bridge sections	NLState	1981
100	jeeps	NL-State	1981
100	1 ton trailers	NL-State	1981
130	3 ton trucks	NL-State	1981
385	AMX-LTI 105 light tanks	NL-State *	1979-1985
55	AMX-PRA armoured vehicles	NL-State *	1981-1983
10	WASP Helicopters (ASW)	NL-State	1981
150	AMX-PRA 105mm Howitzers	NL-State, revision by RDM & Wilton Fijenoord US\$ 83 milion	1983-1985
2	Minehunters Tripartite type	v d Giessen de Noordt	1988
2	Weapons control, Radar, Fire control and Sonar for Singa-class	HSA	1988-1989
2	Propulsion for two Indonesian government tugs	Stork-Wärtsilä	1991

69 Indonesia political Engineering, John McBeth in Jakarta, Far Eastern Economic Review (FEER) 04-07-96, p. 14.

1	Survey ship for maritime research	Amels Makum	1985
	Fire control & radar on Lürssenpatrol boats FPB-57 (NAV I and III)	HSA	1988-1993
6	frigates Van Speyk type	NL-State	1987-1991
	Overhaul Van Speyk-class	NL-State & HSA	1987-1996
2	Signaal Scout radar	HSA	1992-1993
	Updated SINBADS TFCS on 209-class	HSA	1993-1996
	Overhaul Van Speyk-class	NL-State & HSA	1996-1997

\* The French government gave a license to export these vehicles to Indonesia.

**Sources:** STOP Arming Indonesia; Netherlands, 1994; Handel in onderdrukking, 1982; Jane's Fighting Ships 1996/97.

# Spain: Indonesia and Southeast Asia: a special place in Spanish arms trade

*By Arcadi Oliveres,  
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Since the beginning of the 1980s, Southeast Asia has been an area of special interest for Spanish arms exporters. During the last years (1993-1995), Spain continued to maintain a remarkable activity in Southeast Asia in respect to the arms industry. Probably the most important relationship was established with Thailand, because of the sales of an aircraft carrier, which was contracted in 1992.

There also are agreements with the Philippines on aircraft (CN-235) supplies by Indonesia, but produced under Spanish licenses, to Brunei and Malaysia.

A number of Southeast Asian countries acted as intermediaries during the war between Iran and Iraq (1980-1987). They acted as staging posts for Spanish arms exports. The Philippines, Indonesia, Singapore and Thailand became the official destinations for explosives which were later turned over to Iran.

Spain also is actively promoting its military equipment in this same area. For example, it participated in the Asian Aerospace' fair held in Singapore in 1992 and 1994. Spanish businessmen and officials regularly travel to Asian capital cities, while official trade organisations provide active support and advice. Special focus is on Indonesia, which is seen as harbouring a potentially vast market, due to its political and demographical situation.

Finally, if not only Southeast Asia is taken into consideration, but the far East as well, we also see Spanish military aircrafts in South-Korea.

## **Exports to Indonesia**

The importance of trade with Indonesia becomes evident, when it is considered, that in the 1980s this country received 80% of Spanish arms exports to Asia (the Middle East excluded). In the case of Spanish trade with Indonesia, we can differentiate two categories of military products: small arms and aeronautic components. However, it is not easy to obtain accurate data on Spanish arms exports, because they do not appear separately in the figures provided by the Ministries.

Spanish companies, other than the aeronautics product sectors, also sell to Indonesia. CESELSA, which is now owned by INDRA, for example, is developing a flight simulator for the CN-235. Small arms producers exported more than US\$1 million worth of goods to this Asian country between 1988-1992. The sale of small arms increased sharply during the period 1993-95, and approximately valued US\$2 million. BAZAN has offered to supply Corvettes and Frigates.

Finally, the offer of SESA to supply telephone communication systems to Indonesia may have military implications in the future for companies represented by SESA (the Spanish subsidiaries of ALCATEL and AT&T).

## **The role of aeronautics in the relationship with Indonesia**

The far biggest share of contracts with Indonesia was established by one company: Construcciones Aeronauticas, SA. (CASA). Since 1975 it has collaborated closely with the

Indonesian company Industri Pesawat Terban Nusantara (IPTN), also known as Nusantara Aircraft Industries or Nutranio.

This cooperation consists mainly of contracts in which Spanish technology is granted to Indonesia for the production of the civil passengers plane C-212 Aviocar personnel and cargo transport planes, and the CN-235 modernized version assembly, using parts supplied by CASA. The CN-235, of which Indonesia uses the transport and maritime patrol (CN-235 MPA) version is being used by the Indonesian armed forces. The contract amounts up to 117 units, of which 40 have already been supplied.

<b>Military aeronautic export to Indonesia 1980-1992</b>			
<b>In millions US\$</b>			
<b>Years</b>	<b>Military Aeronautic sales</b>	<b>Total Spanish exports to Indonesia</b>	<b>% Aeronautic/Total</b>
1980	16.622	76.111	21.8
1981	26.368	147.698	17.8
1982	56.965	260.468	21.9
1983	31.424	324.12	39.7
1984	33.507	163.396	20.5
1985	28.713	184.054	15.6
1986	11.256	64.552	17.4
1987	6.345	51.571	12.3
1988	10.056	72.745	13.8
1989	7.166	110.722	6.5
1990	8.615	99.983	8.6
1991	10.980	76.318	14.4
1992	11.781	132.793	8.9
1993	6.849	148.436	4.6
1994	3.318	155.506	2.1
1995	3.055	176.204	2.8
<b>Total</b>	<b>273.020</b>	<b>2,244.680</b>	<b>12.2</b>

**Sources:** V. Fisas, *Las armas de la democracia*, Ed, Critica: Barcelona 1989 Instituto Español de Comercio Exterior (ICEX), Indonesia, Madrid 1989 Ministerio de Economía y Hacienda, *Estadísticas del Comercio Exterior de España*, years 1989, 1990, 1991, 1992, 1993, 1994 and 1995.

The percentage of the aeronautical sales in relation to the total value of the Spanish exports to Indonesia has decreased as compared to the eighties. This decrease probably is the consequence of different factors: the reduction of the international arms market, the production directly made by Indonesian factories themselves, but working under Spanish licenses, and the removal of the possibility, imposed by the Development Aid Committee (DAC) of the Ministry of Development Aid (ICDE), of financing purchases of arms with credits from the Spanish Development Aid Fund (FAD).

### **Reluctance to control the arms trade**

Spanish legislation on arms sales in general is liberal. One exception is the Royal Decree 824 of

28th March 1993 which approves of the "Regulation of Defence Material and Dual Purpose Material in External Commerce". It points out that exports will not be authorized if, for instance, "there are objective signs of the possibility of using defence or dual purpose material in actions which disturb global and regional peace and stability or security."

It becomes evident that this phrase covers the Indonesian government's treatment of its civilian population, especially in East Timor, Irian Jaya (New Guinea) and Aceh in the northern zone of Sumatra, and that, consequently, Spanish sales of arms and dual purpose equipment to Indonesia should be stopped.

It is unlikely that authorizations by the Spanish government for arms exports to Indonesia will continue. The violations of the human rights are frequently denounced and civilian conflicts are present in several parts of the country (especially in East Timor). One of the reasons authorizations are still granted for these exports, probably is the secrecy of the Commission for the regulations of exporting arms and dual purpose equipment.

Different Spanish NGO's are campaigning for more transparency of Spanish arms trade. Two purposes are important: 1. the publication of a book on the conduct of the Commission and 2. the control of the Commission by the delegates. There seems to be a positive shift in public awareness towards this initiative that will be voted on in the Spanish parliament in early April 1997.

# Sweden: arms exports

## under scrutiny

*Henrik Westander;*

*Swedish Peace and Arbitration Society (SPAS)*

The Swedish companies FFV and Bofors have been exporting arms to the Dutch colonial forces on Java well before Indonesia became an independent state in 1949. Deliveries continued to the newly-found republic. Between 1951 and 1957, FFV had permission to export machine guns and ammunition to Indonesia. During the 1950s Indonesia was a major buyer of Swedish arms and ammunition in the Third World; by the of the 50's and the early 1960s, Bofors exported both naval and field anti-aircraft guns. However, all arms exports to Indonesia stopped during the conflict between Indonesia and Malaysia (1963-1966), and apart from the sale of a small consignment of spare parts by Bofors in 1968, Indonesia remained closed to Swedish arms exports for many years.

### **Cultivating the Indonesian market**

In 1972 the arms industry complained repeatedly that their applications for export licences were always turned down. Two years later, however, the Swedish government gave Bofors the green light to start cultivating the Indonesian market, and in 1975 the Minister of Trade gave Bofors the go-ahead to sign a contract for naval anti-aircraft guns.

In December of the same year Indonesia invaded East Timor. The Social Democratic government advised Bofors not to sign deals with Indonesia. Bofors, however, anticipating a right wing government, ignored this warning and went ahead with the signing of a contract. The company also made use of the government's earlier permission to enter into the first of a long series of contracts with the Indonesian navy in February 1976.

Subsequently, the War Material Inspectorate advised Bofors against making new deals -- advice which Bofors ignored. The government repeatedly gave in after much soul-searching, and granted approval for new arms exports to the occupying power, Indonesia. The Social Democrats, then in opposition, were highly critical of these sales. But the right wing government, which was in power from 1976 till September 1982 in Sweden, approved sales of sixteen 40mm guns, three 120mm guns, three 375mm anti-submarine mortars, five 57mm guns and 84 air-defence missiles RBS 70 (with 12 launchers).

### **Good Luck to Bofors**

The Social Democrats, especially Mats Hellström (Minister of Foreign Trade) and Pierre Schori (Secretary of International Relations), were very critical of these sales. Yet, in November 1982, immediately after winning the elections, the Social Democratic government approved the sale of four new 40mm guns to Indonesia. The Prime Minister Olof Palme stated in 1982 that "according to reliable sources, there is no fighting in East Timor at this moment".

In January 1983 Mats Hellström was appointed Minister of Foreign Trade, and became responsible for the arms export. He stated categorically that he would not approve any new arms deals with Indonesia. At the same time, however, the Minister of Finance Kjell-Olof Feldt, wished Bofors luck in their negotiations in Jakarta to obtain new contracts for deliveries of guns. The first new contract was signed in 1983, the year in which Indonesia launched a major offensive against

East Timor.

For a long time Hellström refused to approve the deal, but in February 1986 the Government overruled him and gave the go-ahead. Hellström did his best to cover up the deal, but it was revealed and he was strongly criticized. He resigned in October 1986, partly due to the arms export, and was appointed as Minister of Agriculture.

The new Minister of Foreign Trade, Anita Gradin, stated that there would be no more arms deals with Indonesia. In September 1991 the Social Democrats lost the elections, and a new right-wing coalition formed the government.

In November 1991 a massacre by the Indonesian armed forces in Dili, the capital of East Timor, was filmed by a television team and pictures were spread worldwide. In January the following year, the Social Democrats responded to the massacre by tabling a motion in Parliament demanding a stop to all exports of war material to Indonesia.

### **Human Rights violations**

The Social Democrats could have stopped the deliveries of spare parts. In all controversial arms deals the government informs the 'advisory parliamentary committee,' and each of the five parties represented had a right of veto. But in practice, nothing changed. The deliveries of spare parts continued, as the new conservative Minister of Foreign Trade, Ulf Dinkelspiel, confirmed in Parliament on December 8th 1992.

Between 1990 and 1992 Bofors exported spare parts to a value of US\$ 0.8 million to Indonesia. There were no other exports. Later Bofors signed contracts for the supply of training ammunition. The government gave permission for export. They could still say that these were merely follow-up deliveries.

On October 6th 1993, however, SPAS (the Swedish Peace and Arbitration Society) revealed that Kockums was marketing submarines to Indonesia. The War Material Inspectorate stated that "Indonesia fulfils the conditions in the guidelines for export of war equipment."

SPAS was critical of Sture Ericson, the Defence and Security spokesman for the Social Democratic Party, who, as a member of the advisory parliamentary committee, had acted against the Party's official policy. This fact and other controversial arms deals with the Middle East which SPAS revealed, contributed to the end of his political career: the local members of the party did not nominate Sture Ericson for parliament again.

Another consequence of SPAS' efforts was that Pierre Schori, the Social Democratic spokesman for Foreign Affairs, publicly stated that the party will block new arms deals with Indonesia. But at the same time, the companies concerned have obtained permission from the government to sign new contracts.

In September 1993 the right-wing government gave Bofors the go-ahead to tender for four naval guns to Indonesia, worth 35 million Swedish crowns. The government was divided on the issue. The Minister for Culture, Birgit Friggebo, was against the deal and the Social Democrats, who had approved permission in a parliamentary commission, were very doubtful.

A year later, in September 1994, the Social Democrats won the general election and Mats Hellström became the new Minister for Foreign Trade and responsible for arms exports. He took a more restrictive line, which annoyed the arms exporters.

At the same time the situation in occupied East Timor worsened, an occupation which the Social Democrats regarded as one of "the postwar period's most ruthless breaches of international law".

A number of protests were staged against the Indonesian occupation during the Economic

Summit meeting held in Jakarta in November 1994. Once the meeting was over, the military and their death squads started a widespread wave of terror in East Timor.

"These events are part of a general escalation of violence and a worsening of the situation in East Timor" said Foreign Minister Lena Hjelm Wallen in Parliament (14 March 1995).

### **European Union**

In November 1994 the European Parliament called for member states to "stop all military assistance and arms export to Indonesia".

During 1994 and 1995 both the Centre and the Social Democratic parties motioned in the Swedish Parliament that the Swedish government should support the implementation of this and/or similar resolutions.

By now Sweden was a new member of the European Union, and Sweden's chances to exert influence there often named. "Within the European Union we shall unite with, for instance, Portugal (...) to together try to increase pressure against Indonesia" said the Minister for Foreign Aid, Pierre Schori, in Parliament 16 of February 1995.

"I think it excellent that the European Parliament wants to stop arms exports" Hellström said in an interview 24 March. He also promised that Sweden intended to take up the matter of arms export to Indonesia in the EU.

In June 1995 Hellström stated he would take "a very restrictive stance" if Bofors applied for permission to export guns. But a week later Hellström handed over responsibility for arms exports to Jan Nygren, the Minister for Co-ordination.

It was presumably now, in the summer or early autumn of 1995, that Bofors applied for permission to export three naval guns to Indonesia (that is one gun less than Bofors was given the go-ahead to tender for in September 1993.)

At the same time there were violent riots in East Timor. In September the European Parliament passed a new resolution exhorting all member states to "immediately stop all arms exports" to Indonesia.

### **Naval guns**

In November 1995 a senior officer in Bofors was so certain that the deal would be approved that he told SPAS that the company already had export permission for the new guns. But the matter was very sensitive. In December 1995 the Prime Minister, Ingvar Carlsson, and the other EU heads of governments wrote of "the growing tension in East Timor". The Left Party's Eva Zetterberg (18 November), the Greens' Eva Goes (21 November) and the Liberal's Lennart Rohdin (14 December) criticized this new gun deal in Parliament. The Centre Party's foreign affairs group had earlier demanded "a stop to all military assistance and arms export to Indonesia".

Jan Nygren now considered it politically impossible to approve export of the guns. When the subject came up in Parliament he wriggled out of it. "The matter is not on the government's table" as he put it the 14 December.

But at the end of March 1996, when Göran Persson had become the Social Democrat Prime Minister and Leif Pagrotsky responsible for arms export, Bofors was told that they could soon deliver the guns shortly.

On Friday 12 April 1996 SPAS revealed in a newspaper article that the government intended "shortly" to approve the export of three guns from Bofors to Indonesia.

Our information resulted in a debate within the government, but the message did not get through. On April 18 the government approved the deal. SPAS soon revealed this classified decision, to the irritation of Leif Pagrotsky. We gathered together a number of organizations for a common

protest and arranged a press conference together with critical members of Parliament from several parties.

### Pressure increased

Pressure increased further when SPAS, in the summer of 1996, could reveal that the government had also approved the sale of an additional 42 air-defence missiles RBS 70 to Indonesia.

In mid-October the East Timoran Jose Ramos-Horta was awarded the Nobel Peace Prize. This was a great boost for the people of East Timor. And a hard slap in the face for the Swedish government since Horta very strongly criticized the export of Swedish weapons to Indonesia.

The following day SPAS published statistics which showed that during the first half of 1996 Sweden had exported arms and ammunition to Indonesia worth US\$ 7.4 million. Partly naval artillery, partly air-defence missiles.

This led to a new debate, but Leif Pagrotsky refused to take part in it. Among other things, he would not appear in three television debates with SPAS.

### "follow-on deliveries"

Leif Pagrotsky approves what he calls "follow-on deliveries" to Indonesia, also of complete weapon systems. At the same time he has claimed he does not approve export of any military equipment not previously exported. For instance, a deal which SPAS uncovered in the autumn of 1993 was stopped by the Social Democrats. In this case Hägglunds was not allowed to export armoured personnel carriers BV206 to Indonesia (Since then a Finnish company has tried to get the contract, a deal SPAS has criticized in the Finnish media). If a similar deal was put on Pagrotsky's table today we are sure that he would turn it down.

The only exception to this policy to date is that the Government has given the go ahead for deliveries from Bofors for components to mine-sweeping equipment.

Pagrotsky's definition of "follow-on deliveries" has led to extensive debate and is now being investigated by the parliamentary Committee on the Constitution where the current arms deals with Indonesia are also under scrutiny.

The debate has also led to a vigorously growing opinion against all war materiel exports to Indonesia. Five of Parliament's seven parties, the Centre party, the Liberals, the Christian Democrats, the Left Party and the Green Party, now demand a stop to all export of war materiel to Indonesia, including of spare parts. There is also a strong opinion within the Social Democratic party demanding that they should live up to previous commitments to stop all war materiel export to Indonesia. SPAS continues the campaign against the exports of spare parts and ammunition.

The responsible minister, Pagrotsky, said in Parliament on October 24 1996 that of all arms producers within the EU, Sweden is the most restrictive regarding arms exports to Indonesia. But, unlike his predecessor, Hellström, Pagrotsky has declared that the Swedish government does not intend to work within the EU for an arms embargo against Indonesia (article in Svenska Dagbladet 22 December 1996).

Export of arms and ammunition to Indonesia 1950-1992, in millions US\$			
Year	Amount	Year	Amount
1950	0.09	1980	3.46
1951	0.60	1981	5.84
1952	2.16	1982	12.05

Export of arms and ammunition to Indonesia 1950-1992, in millions US\$				
1953	2.36		1983	3.22
1954	1.94		1984	9.01
1955	0.42		1985	3.49
1956	0.44		1986	13.61
1957	0.74		1987	6.69
1958	0.09		1988	2.31
1959	0.03		1989	6.68
Total	US\$ 8.87 million		Total	US\$ 66.36 million
1960	0.89		1990	0.00
1961	0.81		1991	0.23
1962	3.45		1992	0.52
1963	0.05		1993	0.08
1964	0.05		1994	1.63
Total	US\$ 5.25 million		1995	0.00
1976	0.07		1996	at least 7.90
1977	0.07		Total	US\$ 10.36 million
1978	4.98		Total 1950 - 1996: US\$ 105.36 million (at least)	
1979	9.40			
Total	US\$ 14.52 million			

# Switzerland: Guns and assault rifles for Indonesia

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According to official figures, Switzerland has exported only small quantities of arms to Indonesia. However, the official figures are unreliable, since the Swiss Arms Export regulations can easily be evaded.

Arms have frequently been sold to Indonesia through subsidiary companies and by granting manufacturing licences. In this way, Indonesia has acquired Swiss assault rifles, rockets and air defence guns, which are now being used by the Indonesian armed forces. The Swiss government does not have to take political responsibility for these supplies. In addition, in June 1993 the government gave the company Oerlikon-Contraves permission to export arms to Indonesia directly from Switzerland.

As official data shows, Switzerland has exported arms to Indonesia with a value of 1,8 million Swiss francs between 1982 and 1993. This mainly consisted of small quantities of accessories and ammunition for the air defence guns produced by Oerlikon Bührle. Indonesia acquired these guns (20mm and 35mm) through the French firm CMN and foreign subsidiary companies of Oerlikon Bührle. The guns are intended for use in German patrol vessels and mine-sweepers which are being built at the Indonesian shipyard PT Pal under a license authorized by Lürssen. Sura rockets designed by Oerlikon-Contraves are made under licence in Indonesia for the German BO-105 helicopters. The first test rounds were fired in 1978 and since that time the helicopters have been equipped with these rockets, which originally came from Switzerland.

## **The constitution**

The Swiss parliament amended the country's constitution on June 23rd 1993, making it possible to lift the existing arms embargo against Indonesia. Oerlikon-Contraves, from Zurich, asked for permission to deliver parts and ammunition for air defence guns, worth 10 million Swiss francs. Though the government admitted that the human rights situation in Indonesia is precarious, it sought to justify the deal on the grounds that air defence guns are defensive and unsuitable for internal use and would therefore not affect the human rights situation. The Swiss government decided that further supplies should be decided on on a case to case basis.

Deliveries of air defence guns through subsidiary companies, which did not need the permission the constitution requires, through the years have led to a large number of orders for spare parts and ammunition. Demands for such items grew to such a level that the Swiss government felt obliged to abandon export control, even though its permission ran counter to the Swiss Arms Export regulations. These regulations forbid arms exports to regions with tension and to countries in which human rights are systematically violated. Yet the constitution does not make any distinction between offensive and defensive arms.

Originally, the government wanted to keep the decision a secret, and it only became public after the anti-arms trade group ARW, which had been tipped off by an informant, informed the media. The controversial transaction involving Oerlikon Bührle has up to now not taken place. In December 1996 the military magazine 'Jane's Defence Weekly' published that Indonesia is looking

for 150 new armoured personnel carriers and that they will possibly buy the carriers of the English firm GKN Defence under a license authorized by the Swiss firm Mowag.

### Assault rifles

The Swiss Industrial Company (SIG) sold assault rifles (type SG-540/541) to Indonesia through its subsidiary company Manurhun in France.

### Trainer aircraft

Pilatus' Aircraft Industry is represented in Indonesia by the firm Transavia Utama. The Indonesian air force does not possess Pilatus trainer aircraft, but it does have "Islander" from Pilatus' English subsidiary company, Britten-Norman and more than 40 trainer aircraft which include AS-202/18A3 "Bravo" from another Swiss firm FFA Altenrhein. The Swiss government does not regard trainer equipment as arms.

### A total arms export ban

In 1995 and 1996 the Swiss parliament discussed a new arms export law. Due to a very strong lobby of the arms industry, it had to compromise very much: Human rights are not considered any longer in connection to arms deals in this new law. The proposal of the government, that wanted to regard trainer aircraft as arms was rejected; and the defence-industry only needs permission for the export of production licenses if they are of "essential significance" for the production of arms. The reality of this new law will show how effective the new regulations for exports and production licenses will be.

In June or September 1997 there will be a referendum on a total ban, including deliveries through foreign subsidiaries, mediation, production under license, finance companies and the export of trainer aircraft. This is the result of an initiative by ARW, the Social Democratic party and the Christian Movement for Peace.

**Sources:** Military Powers, October 1991; Friedens Politik Zeitung der ARW (ARW's Newsletter); Schweizerischer Aussenhandel Statistik.

<b>Swiss arms exports to Indonesia, according to official figures.</b>			
These statistics do not contain the assault rifles, rockets and air defence guns, nor the military training provided by Switzerland, as exports through subsidiary companies of licences and of training aircraft, are not taken into account by Swiss law. Below the value of official Swiss arms exports.			
1996	931.6	1989	513.7
1995	0	1988	27.4
1994	0	1987	176,769.5
1993	-	1986	-
1992	-	1985	42,277.0
1991	349,517.8	1984	467,437.1
1990	-	1983	6,429.5
		1982	170,281.1
Amount in US\$			

# UK government position

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Equipment with military use, or with "dual" military / civil use, needs a licence before it can be exported from the UK. In deciding whether to grant the licence, the Government says that it pays attention to the human rights record of the recipient country, and acts in accordance with internationally agreed criteria. These latter include:

- a) a respect for human rights in the country of final destination (European Union common criteria);
- b) that the arms not to be used other than for the legitimate defence and security needs of the recipient state (guidelines agreed by the permanent members of the United Nations Security Council);
- c) that the arms not be used for the violation or suppression of human rights and fundamental freedoms, for the purposes of repression or other than for the legitimate defence needs of the recipient state (Organisation for Security and Co-operation in Europe principles.).

The UK government professes its concern about the human rights situation in Indonesia and East Timor, and has recognised that "there is still much to be done by Indonesia to improve its human rights record."<sup>70</sup> The Government does not believe an arms embargo would bring about a change. It has, however, said that "we do not licence for export any UK defence equipment which we judge likely to be used for internal repression."<sup>71</sup> Despite this, in late 1996, it licensed the export of armoured vehicles and water cannon although, similar equipment, sold previously had been used to violate human rights. More details are given below.

The Government promotes military exports to Indonesia through its Defence Export Services Organisation which opened a Jakarta office in 1991. It employs three staff and cost an estimated US\$128,841 in 1995/6.<sup>72</sup>

## **Licences granted**

An export licence is needed before military equipment can be exported from the UK. Equipment which only has a military use (as distinct from having both civil and military application, comes under Schedule 1, Part III, Group 1 of the Export of Goods (Control) Order. The Government will not say exactly what equipment has been exported, but lists released by the Department of Trade and Industry, give the total number of licences issued in each of its Military List classifications. There is no way of telling, however, whether the licence covers, for instance a complete aircraft, or a component of an aircraft. Furthermore, the computer records cannot always identify individual items on an export licence if it is part of a larger application.

<sup>70</sup> Letter to Brother Daniel, 19.12.96

<sup>71</sup> Hansard, 3.2.97

<sup>72</sup> Hansard, 9.7.96

Military List (ML) classification	Description (all cover complete weapons and components for the weapons)	No. licences granted			
		1993	1994	1995	1996 Jan-Jun
ML1	Small arms, machine guns and accessories	2	4	3	
ML2	Large calibre armament or weapons (eg. guns, howitzers, mortars)	2	5	2	2
ML3	Ammunition	12	3	3	
ML4	Bombs, torpedoes, missiles, mines	10	3	1	
ML5	Fire control systems (eg. weapons sights, bombing computers, target range finding)	5	6	7	1
ML6	Vehicles inc. tanks and armoured vehicles	2	4	14	3
ML7	Toxicological agents, riot control agents	1	2		
ML8	Military explosives and propellants		1		
ML9	Combat ships	2	4		
ML10	Aircraft	7	10	9	18
ML11	Electronic equipment specially designed for military use, not coming under another heading	24	22	18	6
ML13	Armoured goods inc. body armour	1	1	3	2
ML18	Equipment and technology designed for production of Military List goods	2			
ML24	Specially designed military software			1	2
PL5006	Apparatus specially designed for handling, detecting, etc improvised explosive devices		1	7	1
PL5017	Equipment designed for the development of goods in Group 1				2
PL5027	Technologies applicable to some of the above	1	2	4	

**Deals list:** It is important to remember that there is no register of export licences granted. The list that follows only covers deals reported in the press and is therefore of necessity incomplete.

### The Hawk deals

On 21st November 1996 the President of the Board of Trade, Ian Lang, announced that he had issued licences for the export to Indonesia of 16 Hawk aircraft, plus associated equipment. The deal was worth an estimated US\$489 million. The aircraft have a range of capabilities, including ground attack.<sup>73</sup>

This followed a US\$815 million deal, signed in June 1993. This contract covered eight Hawk 100 advanced trainer/light attack aircraft and sixteen Hawk 200 single-seat fighters, plus spares and training. The work took place in BAe factories in Warton and Salmesbury, both in Lancashire, and Brough, Humberside. The Adour Mk871 engines were built by Rolls Royce, in Filton, Bristol.

There were no Indonesian-built components in these Hawks, but at the time it was said there are likely to be some if the order is extended. While the deal was under negotiation, it was speculated that a purchase of up to 96 Hawk aircraft was possible if BAe helped Indonesia develop its own aeronautical industry. At that time a contract was said to be dependent on the willingness of BAe

<sup>73</sup> Hansard 21.11.96 & 16.12.96; Financial Times, 22.11.96

to allow 35% of the manufacture to be carried out by IPTN, Indonesia's state-run aeronautical company. None of the subsequent reports, mention this. IPTN manufactures parts for the BAe Rapier missile under an offset agreement on the purchase of the Hawks.<sup>74</sup>

Interestingly, in several editions of "The Military Balance", the International Institute for Strategic Studies described Hawk aircraft already supplied as being in service with one of the Indonesian Air Force's Counter-Insurgency (COIN) squadrons. However, from the 1995/6 edition they have been listed as being in a fighter/ground attack squadron. Is this change simply a public relations exercise?

There have been a number of reports over the years, from local people and journalists, of the use of Hawk aircraft in East Timor. Unfortunately, but understandably, there is no film footage to substantiate these reports, nor is there evidence from a source which the UK government will accept.

### **Light tanks and armoured vehicles**

On 9th December 1996, only a few weeks after the latest Hawks announcement, Ian Lang, issued export licences to Alvis 50 Scorpion armoured vehicles, plus associated equipment. This latter was later revealed to include ammunition and gunnery desk top simulators.

The US\$130 million contract, is the second of an expected three orders, the first having been placed in early 1995. The first contract included Scorpion 90 vehicles, Stormer command post variants, armoured personnel carriers, armoured recovery vehicles, ambulances, flatbed cargo carriers, and an armoured vehicle-launched bridge carrying a Class 30 scissor bridge.

Mr Lang's December 1996 announcement also covered a second export licence, given to Procurement Services International Ltd for a variety of police vehicles, including seven Tactica water cannon. These are made by Glover Webb, of Hamble, Hampshire, a company that was bought by GKN in 1994. However, follow-up questions in the House of Commons revealed that in fact the licence covers nearly 300 armoured vehicles: 2 Tactica four-seat, 2 Tactica 10-seat, 5 Tactica explosive ordnance disposal (EOD), 7 Tactica water cannon, 8 Tactica command and communication vehicles, 2 base station communications equipment, 164 Hornet Patroli, 50 Hornet Dalmas, 24 Hornet APC8 armoured personnel carriers, 12 Hornet armoured EOD carriers, 24 Hornet deterrent vehicles, and 12 Hornet armoured command and communications vehicles. It seems that the licence for the Glover Webb equipment has been placed in advance of a firm contract. In mid-February 1997 this was "expected soon".<sup>75</sup>

Questioning revealed that export licences for three water cannon had been issued in 1994 and for another six in 1995.<sup>76</sup>

### **Similar equipment used**

The UK government has admitted that UK-manufactured armoured vehicles, supplied in the 1960's, were used against students protesting over bus fare increases in South Sulawesi last April. Three students died as the vehicles entered their campus. The Foreign Office expressed its concern about this to the Indonesian authorities, which punished six junior officers for using excessive force. Their trial, and the punishment meted out, was not related to the use of the vehicles. The senior officers in charge of the operation were not charged or punished.

Pictures taken by Indonesian human rights campaigners show Tactica water cannon in use in

<sup>74</sup> Flight International, 21.4.93; Financial Times and Times, 11.6.93; Flight International, 16.6.93; Jane's Defence Weekly, 19.6.93; Reuters, 6.12.93; Flight International, 24.8.94; Aviation Week & Space Technology, Market Supplement, 22.4.96

<sup>75</sup> Jane's Defence Weekly, 18.12.96 & 19.2.97; Hansard, 9.12.96, 13.1.97 & 23.1.97

<sup>76</sup> Hansard, 20.2.97

Bandung, in June 1996, against people protesting at the deaths of the South Sulawesi students. Descriptions from eye-witnesses indicate that a tear gas was used in the water cannon.

### **Other equipment**

In addition to those deals mentioned above, the International Institute for Strategic Studies' "The Military Balance 1996/97" lists the following UK manufactured equipment as being in the possession of the Indonesian armed forces:

- 69 Saladin armoured reconnaissance vehicles manufactured by British Leyland (Alvis) - 16 being upgraded;
- 55 Ferret armoured reconnaissance vehicles manufactured by Daimler Motors - 13 being upgraded;
- 55 Saracen armoured personnel carriers manufactured by British Leyland (Alvis) - 14 being upgraded.

All these armoured vehicles appear to have been supplied in the late 1960s and early 1970s.

This publication also lists 14 BAe Mk53 Hawks as currently in service with the Indonesian Air Force. The Army has 51 Rapier surface-to-air missiles; other Rapier missiles are available to the Air Force for airfield defence.

### **Training**

The UK government, in answer to parliamentary enquiries, will provide lists of those countries whose military personnel have received training in the UK, or been trained by members of the UK armed forces. Indonesia is always on these lists, indicating the UK is continuously training members of its armed forces.

Members of the Indonesian police force have also been trained by the UK authorities. One project, investigated by the National Audit Office (NAO) and covered in the latter's report "Aid to Indonesia", 29th November 1996, took place in the late 1980's. It provided management training for the Indonesian National Police and aimed to create a pool of management trainers. The NAO reported that the Foreign and Commonwealth Office, in supporting the project, recognised that the police were closely integrated with the military establishment, and said that any delay in implementing the project "would hardly have a favourable impact on the former Chief of Police who had moved on to become a Presidential adviser and was likely to play a crucial role in decisions on future military procurement for the Indonesian armed forces."

### **The campaigns**

The Campaign Against Arms Trade (CAAT) and TAPOL -- the Indonesia Human Rights Campaign have been working for an arms embargo on Indonesia since the 1970's. However, the Dili massacre, and subsequent television documentaries, have made this a hot political issue in the 1990's, and many organisations and individuals in the UK have joined the campaign.

In addition to on-going parliamentary lobbying, there have been campaigns, based near the relevant factories, against the Hawk and armoured vehicle deals, and action inside the factories themselves. A Christian campaigner poured his own blood over Hawk aircraft, while the four Ploughshares women broke into the Warton plant and smashed up a Hawk. The jury at their trial, in July 1996, found them not guilty of causing criminal damage.

In early 1997, CAAT, TAPOL and the World Development Movement tried to use the legal system to challenge the armoured vehicle licences. While the UK government had never accepted the argument for an embargo, that any military equipment sold to the Indonesian authorities gives

them international credibility and respectability, it said it would not issue licences for the export of any equipment which is likely to be used for internal repression. Since both armoured vehicles and water cannon were so used in 1996, the three organisations went to court alleging that the Government had acted unlawfully in issuing the licences. The organisations lost their case as it was ruled that the Government could decide which of its foreign policy considerations were paramount.

Amnesty International UK has also called on the Government to revoke the armoured vehicle licences, "in the light of mounting evidence about the use of such equipment in committing grave human rights violations in that country". This is first time AIUK has made such a call.

At the time of writing a General Election is imminent and this may bring a change of Government. Unfortunately, the Labour Party's policies look little different from those of the Conservatives, but more of their backbench MPs and local members are supportive of an embargo. The campaign to stop all military exports to Indonesia continues.

# **Agreement Between The Government Of Australia And The Government Of The Republic Of Indonesia On Maintaining Security.**

THE GOVERNMENT OF AUSTRALIA AND THE GOVERNMENT OF THE REPUBLIC OF INDONESIA (hereafter referred to as the "Parties"),

DESIRING	to strengthen the existing friendship between them;
RECOGNISING	their common interest in the peace and stability of the region;
DESIRING	to contribute to regional security and stability in order to ensure circumstances in which their aspirations can be best realised for the economic development and prosperity of their own countries and the region;
REAFFIRMING	their respect for the sovereignty, political independence and territorial integrity of all countries;
REAFFIRMING	their commitment to the settlement of all international disputes by peaceful means in accordance with the Charter of the United Nations and international law;
RECOGNISING MINDFUL	that each Party has primary responsibility for its own security; of the contribution that would be made to their own security and that of the region by cooperating in the development of effective national capabilities in the defence field and hence their national resilience and self-reliance;
NOTING	that nothing in this Agreement affects in any way the existing international commitments of either Party;

THEREFORE AGREE as follows:

## Article 1

The Parties undertake to consult at ministerial level on a regular basis about matters affecting their common security and to develop such cooperation as would benefit their own security and that of the region.

## Article 2

The Parties undertake to consult each other in the case of adverse challenges to either party or to their common security interests and, if appropriate, to consider measures which might be taken either individually or jointly and in accordance with the processes of each Party.

## Article 3

The Parties agree to promote - in accordance with the policies and priorities of each - mutually beneficial cooperative activities in the security field in areas to be identified by the two Parties.

## Article 4

This Agreement shall enter into force on the date of the later notification by either Government of the fulfilment of its requirements for entry into force of this Agreement.

IN WITNESS WHEREOF, the undersigned, being duly authorised by their respective Governments, have signed this Agreement.

DONE at Jakarta on the eighteenth day of December, one thousand nine hundred and ninety-five in the English and Indonesian languages, both texts being equally authentic.

FOR THE GOVERNMENT  
OF AUSTRALIA:  
GARETH EVANS  
Minister for Foreign Affairs

FOR THE GOVERNMENT OF  
THE REPUBLIC OF INDONESIA:  
ALI ALATAS  
Minister for Foreign Affairs

**The European Parliament meeting in plenary session on Thursday, 19 September adopted the following resolution which was sponsored by all the main political groups:**

The European Parliament,

- A. Recalling its previous resolutions on Indonesia.
- B. Whereas the Indonesian authorities have launched a crackdown against peaceful campaigners of the pro-democracy movement, resulting in a wave of arrests and police interrogations of active members of this movement, which has created a situation of fear whereby many hundreds of pro-democracy activists have been forced into hiding.
- C. Deeply concerned at the violent seizure of the headquarters of the Indonesian Democratic Party (PDI) by military and paramilitary forces on 27 July 1996.
- D. Having regard to the preliminary report of the Indonesian National Commission of Human Rights on the events of 27 July which refers to 5 deaths, 149 wounded and 74 missing persons.
- E. Whereas further restrictions on the freedom of expression occur, in particular the curbing of the press and the maltreatment of journalists trying to cover the events of 27 July and whereas the Government continues to deny the rights of freedom of speech and assembly.
- F. Noting that the Government of Indonesia has not yet ratified the International Covenant on Civil and Political Rights or the Convention Against Torture and other Cruel, Inhuman and Degrading Treatment or Punishment.
  1. Condemns the seizure of the PDI building by military and paramilitary forces and the casualties inflicted on 27 July and the subsequent wave of arrests of members of the pro-democracy movement;
  2. Reaffirms its solidarity with the aims and goals of the Indonesian pro-democracy movement in the struggle for a just, democratic and pluralist society;
  3. Calls for the immediate and unconditional release of all those who have been arrested for the peaceful expression of their political aspirations, notably Muchtar Pakpahan, leader of the SBSI workers union, and the release of all political prisoners, including those from East Timor and Irian Jaya;
  4. Calls on the Indonesian authorities to halt the legal proceedings against Mrs Megawati Sukarnoputri, president of the Indonesian Democratic Party;
  5. Requests that the UN Special Rapporteur on extrajudicial, summary or arbitrary executions be asked to undertake an investigation into the events of 27 July and the whereabouts of the people still missing;

6. Appeals for restrictions on the freedom of expression and for the ill-treatment of journalists for reporting on the events of 27 July to be ended forthwith;
7. Reiterates its demand for the Member States of the European Union to withhold all military assistance and all arms sales to Indonesia;
8. Urges the Council to consider, as a matter of urgency, the adoption of a common position on the human rights situation in Indonesia and the suitability of declaring a moratorium on the development of economic and political relations with Indonesia in protest at the widespread repression;
9. Calls on the Commission to keep the establishment of trade relations with ASEAN subject to respect for human rights, in particular by Indonesia, and to adhere to the position that these two matters cannot be discussed separately;
10. Urges the Indonesian authorities to stop violating the rights of peaceful critics and activists and to guarantee to all individuals, including independent journalists, their rights to freedom of speech and association, as expressed in the international declaration on human rights;
11. Instructs its President to forward this resolution to the Council, the Commission, the Government of Indonesia, the Secretary-General of the United Nations and the UN High Commissioner for Human Rights.

# Further reading

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**Magazines:**

- ◆ Damoclès: Centre de Documentation et de Recherche sur la Paix et les Conflits (CDRPC), ISSN 0296-1199
- ◆ Indonesian Informationen (German): Watch Indonesia!, ISSN 0947-0751
- ◆ Inside Indonesia (a quarterly magazine) available from:
- ◆ PO Box 190, Northcote 3070, Australia, fax/ tel +61-3-9481 1581.
- ◆ IPB News: International Peace Bureau
- ◆ Rundbrief (German): BUKO - Kampagne "Stoppt den Rüstungsexport"
- ◆ Südostasien Informationen (German): Südostasien Informationsstelle / Asien House, ISSN 0930 - 7826
- ◆ TAPOL Bulletin (English): TAPOL: the Indonesia Human Rights Campaign
- ◆ The East Timor Estafeta (English): ETAN (East Timor Network/US), ISSN 1088-8136
- ◆ Timor Informations (French): Association de Solidarité avec Timor Oriental (ASTO), ISSN 0154-487X
- ◆ Timor Link (English): Catholic Institute for International Relations

*"Despite a surface adherence to democratic forms, the Indonesian political system remains strongly authoritarian. The Government is dominated by an elite comprising President Soeharto, his close associates and the military."*

Indonesia Report on Human Rights Practices for 1996; Released by the Bureau of Democracy, Human Rights, and Labor. U.S. January 1997

*"Recently the military plundered the land of villagers in Pematang Belo (Sumatra) and changed its function to a military camp for training. The real intention of this action was to kick the people from their land and take it."*

From a letter of an Indonesian Human Rights activist, January 1997

*"Reiterates its demand to the Member States of the European Union to halt all military assistance and all arms sales to Indonesia;"*

The European Parliament, Resolution 19 September 1996

*"In the annals of crime of this terrible century, Indonesia's assault against East Timor ranks high, not only because of its scale (...) but it would have been so easy to prevent, and bring to an end at any time. There is no need for threats to bomb Jakarta, or even to impose sanctions on the aggressor. It would suffice for the great powers to refrain from their eager participation in Indonesia's crimes - to stop putting guns into the hands of the killer and tortures (...)"*

Noam Chomsky in East Timor: Genocide in Paradise

Notwithstanding these frankly written words, Western governments continue to sell arms to the Indonesian government. This booklet provides information on arms trade to the Indonesian military from Australia, Belgium, Canada, Finland, French, Germany, Italy, the Netherlands, Spain, Sweden, Switzerland, the United Kingdom and the United States. It is written by groups campaigning against arms trade and groups from the solidarity movement with Indonesia and East Timor. José Ramos-Horta, the Special Representative of the National Council of Maubere Resistance (CNRM) underground umbrella organisation based in East Timor, wrote the foreword. It provides detailed information on the military support from Western governments for the longest surviving military regime in the world and the methods to evade the law.

*Indonesia: Arms trade to a military regime* is the second publication from the campaign STOP Arming Indonesia of the European Network Against Arms Trade (ENAAT). The first booklet *STOP Arming Indonesia; a european perspective on arms trade to a military regime*, was published by ENAAT in September 1994.

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