

CHAPTER 8

AUSTRALIA AND INDONESIA

Australia's relations with Indonesia

8.1 Undoubtedly, Australia's role in East Timor's independence has had a deleterious effect on relations between Australia and Indonesia. This was acknowledged by DFAT at the hearing on 6 December 1999.¹

8.2 On 16 September 1999, the Indonesian Government abrogated the 1995 Australia-Indonesia Agreement to Maintain Security. Political and Security Affairs Minister Feisal Tadjung cited Australia's decision to review or cancel a number of bilateral military activities as among the reasons for Indonesia's decision, and said that the attitude and actions of Australia were no longer consistent with the spirit and letter of the Agreement.²

8.3 Many prominent Indonesians and the Indonesian media, including the national broadcaster, Antara, blamed Australia for Indonesia's loss of East Timor and for organising the Interfet operation in securing East Timor in preparation for UNTAET, the United Nations interim administration. They also accused the Australian media and some Australian critics for their broad-brush criticism of Indonesia and Indonesians for what happened in East Timor, rather than focussing on those responsible for the mayhem.

8.4 The Committee does not support any Australian criticism levelled generally at Indonesians over East Timor because it is convinced that most Indonesians would have been horrified by the destruction and murder that occurred in the territory, if they had been given accurate information about it.

8.5 Unfortunately, there was considerable distortion of the truth in Indonesian criticisms of Australia, especially by some Indonesian media, which even accused the Australian military of atrocities in East Timor that had been perpetrated by militias. Although the intensity of the campaign to discredit Australia has subsided, the sniping at Australia has continued and Australia is still unfairly regarded as a scapegoat for the machinations of the TNI, which were the main cause of Indonesian embarrassment over East Timor.

8.6 Having been one of the few countries to give *de jure* recognition of Indonesian sovereignty over East Timor, and having supported Indonesia over East

1 Mr Dauth, *Committee Hansard*, 6 December 1999, p. 991.

2 James Grubel, 'Indonesia scraps security treaty over East Timor', *AAP*, 16 September 1999; Don Greenlees and Robert Garran, 'Jakarta severs security ties with Canberra', *The Australian*, 17 September 1999.

Timor since incorporation in 1976, Australia was regarded by Indonesia as a staunch supporter. It was, therefore, perhaps irksome, from an Indonesian point of view, for Australia to be in the forefront of moves that led eventually to East Timor's independence. It was also embarrassing for Indonesia to have an Australian dominated Interfet force secure East Timor, which an Indonesian force of three or four times the size earlier could not, or so General Wiranto led everyone to believe.

8.7 Since December 1999, relations between Indonesia and Australia have remained strained. Prominent Indonesians still publicly criticise Australia and a proposed visit to Australia by President Wahid has been postponed several times. In late October 2000, the biennial Ministerial Forum between Australian and Indonesian Ministers was postponed by Indonesia at short notice.

Mending relations

8.8 DFAT Deputy Secretary, Mr Dauth, said there was a sound working relationship with Indonesia at many levels but, at the political level, the strains were evident and were not going to be resolved quickly.³

8.9 Since President Wahid was elected to office, he has travelled widely overseas but not to Australia. Although the Australian Government has invited the President to visit Australia, and the invitation has been accepted, the proposed visit has been postponed several times by Indonesia.

8.10 In November 1999, Dr van Langenberg questioned whether the Indonesian Government would be amenable to a high profile summit meeting with Australia. He thought it would not fit into the current foreign relations priorities of the current administration:

So there is, on the one hand, a kind of Asian agenda which has been largely borrowed, I guess, from the Malaysian priorities of recent times; it was an agenda that the Habibie regime too, to some extent, was also trying to develop. On the other hand there is this Middle Eastern agenda and then there is the agenda of rebuilding Indonesia's influence. Australia is very marginal in this scenario and I do not see that any kind of Australia-Indonesia summit is going to receive much sympathetic response in Jakarta at the moment.⁴

8.11 The Committee was advised by Mr Bob Lowry in September 1999 against rushing into mending relations with Indonesia until the new government in Indonesia had acted to carry out the reforms necessary to make a transition to a more democratic state.⁵ Although those basic reforms have been carried out and a new democratic

3 Mr Dauth, *Committee Hansard*, 6 December 1999, p. 996.

4 Dr van Langenberg, *Committee Hansard*, 4 November 1999, p. 781.

5 Mr Lowry, *Committee Hansard*, 20 September 1999, p. 557.

government elected, the fragility of the democratic system has complicated the process of rebuilding the bilateral relationship.

8.12 Dr Kingsbury, too, suggested that Indonesia would move slowly in redressing relations with Australia. He told the Committee in November 1999 that:

I think there is a sense that this will be done and it should be done but that it will be done slowly and it should be done slowly. It may not get back to the level of chumminess perhaps that we saw under Keating. But, then again, that was very superficial and it really did not accurately reflect the nature of the underlying relationship.⁶

8.13 On 8 June 2000, at the funeral of Japan's Prime Minister Keizo Obuchi in Tokyo, Prime Minister John Howard and Indonesian President Abdurrahman Wahid held their first face-to-face meeting. Addressing the *Nihon Keizai* symposium on the future of Asia a few hours before his meeting with Mr Howard, the President said: 'We have to make peace with East Timor and Australia, because the three countries will become the anchor of stability in the area ... Because of (the need to maintain stability in the area), we have the duty to be good to each other, to be friends'.⁷

8.14 Similar sentiments were expressed to the Committee by Mr Dupont in September 1999:

we probably need to do what our ambassador in Jakarta is doing at the moment, which is to say, 'Look, at the end of the day we have to live with each other. We have to do business. We need to see East Timor in the context of our overall relationship.' We must continue to have this relationship because the alternative is conflict and hostility. This is not in anyone's interest. That is all very well for me to say, but the difficulty is getting the message through to powerbrokers. This is the real problem.⁸

6 Dr Kingsbury, *Committee Hansard*, 18 November 1999, p. 942.

7 'Gus Dur-Howard meeting successful: Alwi', *The Jakarta Post*, 9 June 2000. Japan's Foreign Minister Masahiko Komura during a visit to Jakarta in late April had expressed concern to President Wahid and Foreign Minister Alwi Shihab about the deterioration in relations between Indonesia and Australia (Lincoln Wright, 'Japan steps in to smooth ties with Indonesia', *The Canberra Times*, 11 May 2000). Mr Komura and Prime Minister Yoshihiro Mori facilitated the meeting in Tokyo between Prime Minister Howard and President Wahid (James Grubel, 'Funeral in Tokyo brings Pacific family together', *AAP*, 9 June 2000). At the April talks in Jakarta, the idea was raised of a tri-partite meeting or council of Indonesia, Australia and East Timor. President Wahid discussed the idea with Xanana Gusmão in Jakarta on 28 April, proposing that Gusmão raise it with Prime Minister Howard, which Gusmão did during his visit to Australia on 6 May. Mr Howard agreed, in principle, to a tri-partite meeting, but only after a bilateral meeting between himself and President Wahid (Karen Polglaze, 'Wahid calls for meeting with Howard', *AAP*, 28 April 2000; Lindsay Murdoch, 'Jakarta, Canberra and Dili must talk, says Wahid', *The Sydney Morning Herald*, 1 May 2000; Karen Michelmores, 'Howard backs tri-nation East Timor meeting', *AAP*, 6 May 2000).

8 Mr Dupont, *Committee Hansard*, 24 September 1999, p. 620.

8.15 Another witness to comment along similar lines was Mr Aspinall, a lecturer in Indonesian Studies at the University of New South Wales. In November 1999, he said that:

There is no question it is going to be a very challenging time, not only because of the [internal] regional challenges ... which Indonesia faces, but also due to the complexity of Indonesia's new political system, in particular the spectrum of political forces represented in the government. However, my underlying feeling remains that, once the initial transition in East Timor is achieved, there is enough long-term ballast in the relationship, but, even more so, there are underlying interests or motivations for the two countries to restore relations to their previously good level. Matters of geography, economic cooperation and so on will remain and will obviously influence both governments, no matter what particular challenges arose in terms of Indonesia's particular political make-up.⁹

8.16 As close neighbours, the Committee believes, and re-affirms, that it is in the long-term interests of both Australia and Indonesia to develop a strong and enduring relationship. However, there is little point in being precipitate in trying to form a new relationship until there is a readiness on both sides to embrace one. Given Indonesia's loss of East Timor and the enormity of the political changes that have occurred since the downfall of President Soeharto, it is not surprising that there are many uncertainties in Indonesia at the moment. These domestic tensions have not been conducive to rebuilding relations with Australia, particularly as many well-placed Indonesians still harbour grievances against Australia over both the loss of East Timor and the continuing international concern over the militias and displaced East Timorese living in squalid refugee camps in West Timor. However, in time, the mutuality of interests should bring about a rapprochement in relations.

8.17 As DFAT pointed out, not all levels of the relationship have suffered the significant downturn experienced at the political level. DFAT should continue to shore up support at these working levels as a basis for improving political relations in due course. DFAT should also try to maintain trade and people-to-people contacts between the two countries.

Building a constructive relationship

8.18 Dr Maley pointed out that the bilateral relationship had given the appearance of being one-sided in the past, noting that Australian Prime Ministers had visited Indonesia on about 15 occasions in the past 20 years, but an Indonesian President had not visited Australia since 1975. The East Timor crisis and the introduction of a new democratic system in Indonesia have provided an opportunity to develop a more balanced relationship.¹⁰

9 Mr Aspinall, *Committee Hansard*, 4 November 1999. p. 829.

10 Dr William Maley, *Committee Hansard*, 11 November 1999, p. 866.

8.19 A number of witnesses also expressed the view that equality should be a fundamental plank in the new relationship and that Australia should maintain the moral values on which its society was built.¹¹ Consistent principled policies would also serve Australian interests better in the long term than short-term pragmatic ones.

8.20 Mr Dauth told the Committee that DFAT was confident that, over time, the relationship with Indonesia could be rebuilt. He went on to say: 'But the government's view is very clearly that this will be done on the basis of mutual effort and mutual benefit. In the future that relationship will be stronger, in our view, for the fact that it will not constantly be undermined by East Timor in the way in which it was for the previous 25 years.'¹² Later, Mr Dauth emphasised it 'will be a relationship between equals'.¹³

8.21 Mr Mark Plunkett urged that it was important that Australia now more than ever listen to and form an unconditional, constructive relationship with Indonesia. 'It really is about trying to determine what your enlightened self-interest is but, more importantly, understanding what their enlightened self-interest is. And you are not going to get what you want unless they get what they want. So you have got to engage in role reversal and you have got to actively listen'.¹⁴ Dr Kingsbury emphasised the need for frank communication in the relationship and for each to be confident in being able to express concerns, where necessary, about each other's policies.¹⁵ In other words, each side needs to listen and talk to each other, and try to understand the other's perspective and come to an understanding accordingly.

8.22 Although Australia and Indonesia have mutual interests, each also has its own individual interests and values. The Committee believes that Australia should promote our national interests and uphold our democratic values in relations with Indonesia and other countries. Undoubtedly, Indonesia will do the same. A frank and open relationship will help avoid confusion, ambiguity and marked changes in approach, which will help to develop consistency, reliability and trust.

8.23 Dr Kingsbury added that the occasional minor diplomatic spat or tussle, which would occur from time to time, should not necessarily mean that everything had to fall apart as a consequence: 'It is a question of keeping things in perspective and in context and just being a bit gentle about how we view things, but nonetheless being fairly open and fairly honest and fairly transparent in that process.'¹⁶

11 See Lt Gen. Sanderson, *Committee Hansard*, 15 September 1999, p. 545; Mr Haigh, *Committee Hansard*, 3 November 1999, p. 672; Dr Maley, *Committee Hansard*, 11 November 1999, p. 866.

12 Mr Dauth, *Committee Hansard*, 6 December 1999, p. 991.

13 Mr Dauth, *Committee Hansard*, 6 December 1999, p. 995.

14 Mr Mark Plunkett, *Committee Hansard*, 15 September 1999, p. 529.

15 Dr Kingsbury. *Committee Hansard*, 18 November 1999, p. 942.

16 Dr Kingsbury. *Committee Hansard*, 18 November 1999, p. 942.

Democratic Indonesia

8.24 Dr William Maley noted there were a lot of young, open-minded, educated Indonesians who were appalled by what had happened in East Timor, and whose aspiration for the future of their country was to see it develop as a democratic and much more liberal state than it had been during the Soeharto period. Those sorts of groups should be engaged by the Australian Government, NGOs, and Parliament. The more links that could be built with the liberal and democratic forces in Indonesia and in other countries of the region, the better placed Australia would be to cope with troubles in the future, because partnerships based on shared values were much more robust than alliances based on a sense of transient interest.¹⁷

8.25 Mr Aspinall suggested that, in order to maintain long-term healthy relations with Indonesia, Australia needed to differentiate between the sometimes pressing short-term considerations of fostering good relations at the governmental level and keeping one eye on the long-term developments at the grassroots of Indonesian society and their possible implications for future political change. He regarded this as being a failure of Australian foreign policy in the past. Australian Governments previously had had a fascination with the successes of the Soeharto government, despite considerable evidence concerning its growing unpopularity from at least the early 1990s.¹⁸

8.26 The Australian Government and Parliament need to keep in touch with public opinion across the spectrum of Indonesian society. In the Committee's Interim Report of 30 September 1999, the Committee recommended a visit to Indonesia by an Australian parliamentary delegation to discuss issues of importance to both sides with Indonesian parliamentarians. Such a visit has not yet taken place. The Committee reiterates its call for such a visit and recommends that overtures be made to the Indonesian Parliament to seek their agreement to it.

Further Australian involvement in Indonesia

8.27 One of the speculative criticisms unfairly but frequently levelled at Australia has been that intervention in East Timor represented only the first of a number of intrusions into Indonesian domestic politics. Some Indonesians and Indonesian media have accused Australia of planning further interventions in domestic Indonesian politics to support the breakaway of other parts of Indonesia—such as West Papua, Aceh and Ambon—where there has been domestic conflict.

8.28 Australia has made it clear that it has no intention of involving itself in other Indonesian trouble spots. The Australian Prime Minister emphasised this point during a meeting with President Wahid while in Tokyo for the funeral of the former Japanese Prime Minister. Critics of Interfet and Australia's role in it sometimes conveniently forget that Interfet had a United Nations mandate and that Indonesia formally allowed

17 Dr Maley, *Committee Hansard*, 11 November 1999, p. 864.

18 Mr Aspinall, *Committee Hansard*, 4 November 1999, p. 830.

its intervention in East Timor. In addition, although Australia was the dominant contributor to the force, it included contributions from many other states, including some ASEAN states.

8.29 Dr Crouch pointed out relevant characteristics of Australia's and Indonesia's military structures, which militated against military operations of one against the other. Broadly speaking, Australia has a powerful air force and navy while the army is small. The navy and the air force are quite capable of meeting an hypothetical Indonesian invasion threat. If Australia wanted to intervene in Indonesian affairs militarily, the navy and air force are of limited use; Australia by itself does not have a great capacity to put men on the ground.¹⁹ The Interfet and subsequent deployments of troops to East Timor stretched Australia's capacity almost to the limit.

Northern Territory and eastern Indonesia

8.30 The Committee was told by the Northern Territory Government that the Territory had focussed its relations with eastern Indonesia rather than with Jakarta, although they operated an office in Jakarta with local staff. Eastern Indonesia is part of the BIMP-EAGA region, which is the less-developed areas of Brunei, Indonesia, Malaysia and the Philippines.²⁰ The Territory is an observer on one of its working groups. Strong relationships have been developed between the Northern Territory and provincial administrations in eastern Indonesia, and these relationships have survived 'rocky periods in the past'.²¹ The Territory was confident that it would weather the current difficulties with Indonesia.

Australian defence co-operation with Indonesia

8.31 The 1999-2000 Budget allocated \$7.25 million to defence co-operation with Indonesia. The Defence Department told the Committee, with regard to training opportunities under the Australia-Indonesia defence co-operation program:

Our training focus is shifting to complement the priority areas identified in the Future Directions paper. More in-country training is being conducted by MTTs that employ a train-the-trainer approach, thereby training more personnel and reducing costs. ABRI is keen to take up all ADF training offers and to explore new ways of achieving our objectives. There is considerable potential to increase our cooperation in strategic planning processes and human and financial resource management.²²

8.32 Over the period 1994-95 to 1999-2000, the numbers of Indonesian personnel participating in ADF training programs were:

19 Dr Crouch, *Committee Hansard*, 20 September 1999, p. 581.

20 Mr B. Ely, *Committee Hansard*, 8 September 1999, p. 382.

21 Mr B. Ely, *Committee Hansard*, 8 September 1999, p. 381.

22 Defence Department, submission no. 55, annex A, 30 March 1999.

1999-00	200 (approx.)	na
1998-99	197	137 in Australia; estimated 60 in Indonesia
1997-98	201	111 in Australia; 90 in Indonesia
1996-97	236	125 in Australia; 111 in Indonesia
1995-96	290	129 in Australia; 161 in Indonesia
1994-95	160	128 in Australia; 32 in Indonesia ²³

8.33 Opposition to defence co-operation between Australia and Indonesia, particularly military training, was expressed by a number of witnesses.²⁴ Mr Anthony O'Connor, Amnesty International, said:

when the first exchanges of Kopassus troops for joint training with the SAS occurred, we had just released a report on the events in Aceh from 1989 to 1992 ... We do not believe that there should be a defence cooperation program of the type that existed before. The minister said last year, when he suspended the joint training with Kopassus, that he understood that a process of reform or of improving professional standards and accountability was under way and that he expected that the cooperation would resume when those internal reforms were completed.²⁵

8.34 Dr Damien Kingsbury, Executive Officer, Monash Asia Institute, and Dr David Bouchier, a lecturer in Asian studies at the University of Western Australia, also expressed concern that, in the past, Australia had engaged in training with the Kopassus, described as having 'been at the cutting edge of human rights abuses'.²⁶ Dr Kingsbury gave some weight to the benefits Australia obtained from engagement with the Indonesian military but was doubtful as to whether, on balance, the relationship was beneficial.²⁷ Other witnesses were opposed to any kind of co-operation with the Indonesian military.²⁸

23 Defence Department, submission no. 55, annex A, 30 March 1999.

24 Mr Alcock, *Committee Hansard*, 19 July 1999, p. 45; Ms Van Der Sman, *Committee Hansard*, 19 July 1999, p. 86; Dr Bouchier, *Committee Hansard*, 20 July 1999, p. 170; Ms Lawrence, *Committee Hansard*, 20 July 1999, p. 157; Mr Aubrey, *Committee Hansard*, 27 August 1999, p. 316; Mr O'Connor, *Committee Hansard*, 4 November 1999, pp. 787-8; Mr Haigh, *Committee Hansard*, 3 November 1999, p. 672; Dr Kingsbury, *Committee Hansard*, 18 November 1999, pp. 945-6; Dr Hill, *Committee Hansard*, 18 November 1999, p. 953.

25 Mr O'Connor, *Committee Hansard*, 4 November 1999, pp. 787-8.

26 Dr Bouchier, *Committee Hansard*, 20 July 1999, p. 173; Dr Kingsbury, *Committee Hansard*, 18 November 1999, p. 945.

27 Dr Kingsbury, *Committee Hansard*, 18 November 1999, pp. 945-6.

28 For example, Mr J. Aubrey, *Committee Hansard*, 27 August 1999, p. 322; Mr Alcock, *Committee Hansard*, 19 July 1999, p. 45; and Ms Van Der Sman, *Committee Hansard*, 19 July 1999, p. 86.

8.35 Dr Kingsbury was of the view that if training in Australia was meant to impart certain responsibilities or notions of respect for human rights and civilians, it had been an abject failure.²⁹ Dr Helen Hill said:

you cannot change the culture of an organisation by bringing individuals out of their situation, giving them some training and then sending them back. The change of culture needs to come partly from the top and partly from the bottom and be worked on within the organisation.³⁰

8.36 Dr Harold Crouch said that, when it came time for Australia and Indonesia to restore military relations, the focus should be firmly on defence, and not on contributing to internal security: 'A force like Kopassus is clearly an internal security force. We had no business to be training them. That has backfired now, as we see'.³¹

8.37 Mr Michael Scafton, head, East Timor Policy Unit, Department of Defence told the Committee:

In terms of the Indonesian army and specifically the most contentious element, Kopassus, the training has been very specific. The intention of the training with Kopassus and the Indonesian army has been in two major areas - primarily about basic military skills training. It is nothing to do with insurgency training or managing internal security issues, but primarily in the areas of basic training and infantry skills.³²

8.38 Asked by the Committee what was meant by 'basic military skills and basic infantry skills', Air Commodore Kerry Clarke, replied:

The sorts of skills that we are talking about are basic cleanliness, health, safety, organisation in the sense of discipline and responsibilities of the individual soldiers in the command chain—that sort of basic building block which makes the difference between the average person perhaps out in a hostile environment and a professional soldier. Those are the sorts of skills we are talking about.³³

8.39 Earlier, on 8 June 1999, Mr Hugh White, Deputy Secretary, Department of Defence, told the Senate Foreign Affairs, Defence and Trade Legislation Committee during an estimates hearing that:

More broadly, our SAS cooperation with Kopassus has been limited to two types of activity. The first is counter-terrorism training and that is training in particular in counter-hijack techniques. Successive governments have put a high priority on that for the very direct reason that, as so many Australians

29 Dr Kingsbury, *Committee Hansard*, 18 November 1999, p. 945.

30 Dr Hill, *Committee Hansard*, 18 November 1999, p. 953.

31 Dr Crouch, *Committee Hansard*, 20 September 1999, p. 583.

32 Mr M.J. Scafton, *Committee Hansard*, 11 November 1999, p. 850.

33 Air Commodore K.J. Clarke, *Committee Hansard*, 11 November 1999, p. 850.

travel through Indonesia by air, the chances of Australian lives being at risk in any aircraft hijack situation in Indonesia is quite high. There, therefore, seemed a high strategic interest or a high national interest in Indonesian forces being as competent as possible in performing those very difficult and complex types of operations.

Secondly, there has been interaction between the SAS and Kopassus in normal war roles. This training is not in anyway oriented towards counterinsurgency or internal security operations. There has been no occasion on which SAS forces have in anyway been involved in operations with Kopassus in Indonesia under any circumstances.³⁴

8.40 Some witnesses pressed the desirability of making public the names of Indonesian officers who underwent training in Australia, so that their subsequent performance could be checked.³⁵ The Committee accepts that it has been consistent government policy over decades not reveal the names of participants in international training programs.

8.41 Mr Mark Plunkett was of the opinion that military co-operation between Australia and Indonesia ought to be maintained: 'it is folly if you walk away when the relationship gets a bit rocky ... you have to keep the relationship going at all costs'.³⁶ He also referred to his experience as special prosecutor with the UNTAC in Cambodia in 1992-93 where he observed the close and effective relationship between the Australian military and the Indonesian military, and commented: 'That is a good foundation for relationship building which we ought to maintain ... But part of our assistance and training ought to go across to things like conflict management training to demonstrate that it is possible to get what you want without having to use force'.³⁷

8.42 Mr Robert Lowry said that there was enormous expertise that Australia could make available to the Indonesian military if they decided that it was in their interest to become an effective apparatus of a democratic state: 'they do need to reform the armed forces from the very top to the very bottom. To do that, they will need a lot of assistance, not only in terms of finance, which basically has to come from the Indonesian government, but in terms of the technology and the know-how to frame the policies that are needed and to help with the training, the implementation of the legal reforms and so on'.³⁸

8.43 Lieutenant-General John Sanderson thought there was no foundation whatsoever for believing that the Australian Defence Force had trained Indonesians in

34 Mr H. White, *Senate Foreign Affairs, Defence and Trade Legislation Committee Hansard*, 8 June 1999, p. 216.

35 Dr Bouchier, *Committee Hansard*, 20 July 1999, p. 173; Mr O'Connor, *Committee Hansard*, 4 November 1999, pp. 790-2.

36 Mr Mark Plunkett, *Committee Hansard*, 15 September 1999, p. 546.

37 Mr Mark Plunkett, *Committee Hansard*, 15 September 1999, p. 545.

38 Mr Lowry, *Committee Hansard*, 20 September 1999, p. 566.

techniques and doctrines which had led to human rights abuses in East Timor. He said:

I know that the Australian Defence Force has not engaged with the Indonesian armed forces, ABRI, on internal security operations. They have indeed engaged in counter-terrorist operations, which have been about an international or a regional counter-terrorist regime. But the focus of that activity has essentially been about developing an external regional security perspective. So I think it is wrong to say the techniques that they have picked up they have picked up as a consequence of their dealings with the Australian Defence Force. On the contrary, their activity has displayed a marked lack of professionalism.³⁹

8.44 Air Commodore Kerry Clarke said that, without the co-operation and baseline relationship that Australia had established over the years with the TNI, the introduction of military observers and the evacuation of Australian, United Nations and internally displaced personnel could not have occurred during the crisis in East Timor in September 1999. The TNI had been very co-operative in that activity and the personal relationships on the ground in Dili were 'pivotal' to its success and to the success of the initial footprint of Interfet on the ground. He said:

The relationship between the TNI commander at the time and General Cosgrove was professional and effective, and we are justifiably proud that the TNI cohabited with Interfet and, in fact, that they subsequently withdrew after the MPR [Majelis Permusyawaratan Rakyat] decision without any confrontation between TNI and Interfet personnel. So, the basis of a relationship that has formed over the years stood us in good stead at the time.⁴⁰

8.45 Mr Michael Scrafton drew attention to the wider benefits of the good relationship with the Indonesian armed forces that had been built up as a result of the defence cooperation program, referring to the precautions taken for the safety of Australian citizens in Jakarta when the Soeharto regime fell in 1998 amid public disorder:

it was largely as a consequence of the good relationship we had built up that the Indonesians did something very unusual in terms of international relations through the TNI and gave us blanket clearance for our aircraft and helicopters in preparation for a possible evacuation. So, in our view, there have been very clear benefits to Australia's objectives in the region out of the relationship, not least of which were the ways in which we managed to handle the relationship in East Timor when things got tough there.⁴¹

39 Lt Gen. Sanderson, *Committee Hansard*, 15 September 1999, p. 546.

40 Air Commodore Clarke, *Committee Hansard*, 11 November 1999, p. 843.

41 Mr Scrafton, *Committee Hansard*, 11 November 1999, p. 843.

8.46 On 3 May 2000, Major General Peter Cosgrove said, in Adelaide, that Australia's defence ties with Indonesia had major benefits during the East Timor crisis. He said the ties may have helped keep the casualty count low on both sides:

I believe there was a pay-off there through an understanding, hopefully some level of respect, which defused situations which could have been much more critical. They predisposed protagonists from my level down to talk through issues rather than to shoot through them. Maybe our astonishingly low casualty count on both sides, so to speak, is to some degree testimony to that factor.⁴²

8.47 Speaking at the Brisbane Institute on 17 May, General Cosgrove defended Australia's former military ties with the Indonesian armed forces. He said those who thought the Australian Defence Force's ties with Indonesia's armed forces (TNI) had proved 'useless' were wrong. The military relationship had delivered two benefits that had allowed soldiers to talk through the issues rather than shoot through them in East Timor: 'First, TNI had a clear view of our competence and determination and, secondly, I'm convinced that from time to time personal relationships and mutual respect had pay-offs in minimising and resolving misunderstandings at the level of our troops' interaction'.⁴³

8.48 On 10 September 1999, the Government announced a review of the defence relationship with Indonesia because of events in East Timor, as a result of which there was a significant scaling back across a wide range of activity. The agreement for the framework of activities around which the defence co-operation took place remained in existence, and there continued to be a low level of activity in the relationship, but a number of important elements ceased, including land force exercises and special forces contacts.⁴⁴ Although military skills training has been suspended, staff college level exchanges and educational activities were continuing.⁴⁵

8.49 On 2 May 2000, Prime Minister John Howard said that it was too early to talk about renewing Australia's defence ties with Indonesia.⁴⁶

8.50 The Committee believes that Australia has the capacity to assist the TNI become a professional force but until there is a clear indication that the TNI is prepared to move in that direction, Australia should not countenance renewing the

42 'Indonesian defence ties helped in Timor crisis', *AAP*, 3 May 2000.

43 Lincoln Wright, 'Ties with Indonesian military prevented bloodshed: Cosgrove', *Canberra Times*, 17 May 2000.

44 'Aust cancels military training with Indonesia', *AAP*, 10 September 1999; Mr Scafton, *Committee Hansard*, 11 November 1999, p. 854; Mr Hugh White, Deputy Secretary (Strategy), Department of Defence, estimates hearings, *Legislation Committee Hansard*, 3 May 2000, p. 88.

45 Mr M.J. Scafton, *Committee Hansard*, 11 November 1999, p. 853.

46 James Grubel, 'Howard says too early to resume defence ties with Indonesia', *AAP*, 2 May 2000; Michelle Grattan and Lindsay Murdoch, 'Too soon to resume defence ties, says PM', *The Sydney Morning Herald*, 3 May 2000.

defence co-operation program. The Committee does not, however, include military educational exchanges, which have been continuing, in this context.

8.51 The Committee believes that there are at least two criteria, apart from the general state of the relationship between Australia and Indonesia, which should be met before any additional defence co-operation measures are undertaken.

8.52 The first criterion is a resolution of the refugee problem in West Timor and the neutralisation of the East Timorese militias, including prevention of their incursions into East Timor. While the TNI abrogates its responsibilities in West Timor and fails to comply fully with Indonesian Government orders relating to refugees and militias, it is not in the interests of Australia, East Timor or other countries involved in the rebuilding of East Timor after the ravages of the militias and TNI in September 1999, for Australia to provide defence co-operation to Indonesia. It would almost be tantamount to condoning TNI actions during and after the destruction.

8.53 The second criterion is clear evidence that the TNI is dismantling the territorial command structure throughout Indonesia and that it is becoming a professional defence force rather than mainly an internal security force. It has been the territorial command structure that has given the TNI the power to meddle in domestic matters both nationally and right down to village levels, and given rise to gross human rights abuses perpetrated in East Timor and elsewhere in Indonesia. As Indonesia now has a democratic system, albeit in a fragile state, it would be anathema for Australia to support the TNI or any other element in Indonesia not working to strengthen democracy.

