

RESTRICTED COVERING CONFIDENTIAL



Foreign and Commonwealth Office

London SW1A 2AH

5 November 1979

Dear Michael,

State Visit by President Soeharto: Call
on the Prime Minister by the Indonesian
Ambassador

The Ambassador will pay a courtesy call
at 9.45 am on Wednesday, 7 November.

I enclose the following briefing:

- (a) Points to Make and Essential Facts:
- (b) Fact sheet on Indonesia:
- (c) Biography of the Ambassador:
- (d) Programme for the State Visit.

Yours sincerely,

R E Pringle

R E Pringle
Private Secretary

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CALL ON THE PRIME MINISTER BY THE INDONESIAN AMBASSADOR AT 0945 AM
ON WEDNESDAY, 7 NOVEMBER

POINTS TO MAKE

General

1. Greatly looking forward to the State Visit. Hope the President and his wife have an enjoyable time and that Anglo-Indonesian relations become even more cordial.
2. The Indonesian guests will be able to meet British people from many walks of life, and will be able to judge how much interest there is here, in Indonesia.
3. Several British Ministers have met their Indonesian counterparts; the State Visit will be an excellent opportunity to build on these contacts.
4. We have a high regard for Indonesia's role as an influential member of the Association of South-East Asian Nations(ASEAN) and in the Third World's councils.

State Visit Arrangement (If Raised by the Ambassador)

5. I shall meet the President for a tête-à-tête (with only one note-taker each and an interpreter present) at 11.15 am on Wednesday, 14 November; at noon we shall be joined by Ministers from both sides for a plenary session.

(Defensive)

6. Lord Carrington, Mr Nott and Mr Howell will pay calls on the President at Buckingham Palace. Calls by Indonesian Ministers on the Foreign and Commonwealth Office and Department of Trade are being arranged. These should give ample opportunity for bilateral contacts.

ESSENTIAL FACTS

BACKGROUND

1. The Ambassador asked for this opportunity to call, in order to pay his respects. He has not previously met the Prime Minister. He may convey a message from President Soeharto, but the Indonesian Embassy do not expect him to raise substantive matters.

THE STATE VISIT

2. The Queen and The Duke of Edinburgh made a successful State Visit to Indonesia in March 1974; President Soeharto's visit in return is the first to Britain by any Indonesian Head of State. The President has never been here before, but he has made State Visits to the United States (twice) and to Belgium, France, Germany, and the Netherlands.

3. The President will arrive, from Geneva, on 13 November, and will make State Visits to Sri Lanka and Bangladesh after leaving on 16 November.

ANGLO-INDONESIAN RELATIONS

4. Relations are cordial but lack much substance (it is hoped that the State Visit can help remedy this). There is a degree of mutual regard and a similarity of outlook on many world problems.

5. Indonesia is strategically placed, at the junction of sea and air routes between Europe and the Far East. She is potentially powerful, and her influence in the Third World is for moderation. She sees herself as the future leader of the Association of South-East Asian Nations (ASEAN).

PREVIOUS VISITORS

6. Mr Cecil Parkinson, visited Indonesia in June. Mr Blaker was there in September, and was received by President Soeharto. These



early marks of attention from the new British Government were much appreciated.

7. Professor Mochtar, the Indonesian Foreign Minister had discussions with Mr Blaker when Mochtar was briefly in London in September, after attending the Havana non-aligned summit meeting.

FACT SHEET ON INDONESIA

1. Area: 2,027,087 sq kms. There are over 13,000 islands spanning 3,000 miles - equivalent in distance to Dublin - Moscow. Java, where half the population lives, is about the size of England and Wales.

2. Population: 143 million (1977)

Current rate of growth of population about 2% per annum. Indonesia is the third most populous non-communist state.

3. Religion: Muslim 90%
 Buddhist/Hindu 6%
 Christian 4%

4. National Language: Bahasa Indonesia (a form of Malay). English is taught in secondary schools.

5. GNP Total: US\$40,610 million (1977)
 Per capita: US\$284 (1977)

<u>Balance of Payments</u> (US\$ million):	<u>1977</u>	<u>1978</u>
Exports	10,763	10,998
Imports	7,478	8,309
Invisibles and transfers (net)	3,335	3,912
Capital account	1,100	1,406
<u>OVERALL BALANCE</u>	<u>+ 998</u>	<u>+ 99</u>

<u>International Reserves</u> (US\$ million):	<u>1977</u>	<u>1976</u>
Total	2,509	2,626
Months of imports covered	2.74	2.54

<u>Foreign Trade</u> (percentages):	<u>1973</u>	<u>1976</u>
<u>Main Exports</u>		
Petroleum and petroleum products	50.1	70.3
Wood, lumber and cork	18.1	9.2
Rubber	12.2	6.2

<u>Major Imports</u>	<u>1973</u>	<u>1976</u>
Manufactures	85.1	74.5
Foodstuffs	9.9	13.8
Oil	1.8	7.8

<u>Main Export Markets</u>	<u>1973</u>	<u>1978</u>
Japan	53.2	41.2
USA	14.5	27.8
Singapore	10.6	6.7
FRG	3.7	2.4
(UK)	(1.0)	(0.5)

<u>Main Sources of Imports</u>	<u>1973</u>	<u>1978</u>
Japan	29.3	30.4
USA	18.8	11.7
FRG	7.2	8.0
Republic of China	-	4.9
Singapore	4.9	5.5
(UK)	(3.8)	(2.9)
<u>UK Trade with Indonesia</u>	<u>1973</u>	<u>1978</u>
Exports	£33 m	£84 m
Imports	£15 m	£33 m
Balance of trade in the UK's favour	£18 m	£51 m
Position in UK's Export League Table	51 (of 91)	61 (of 150)

HIS EXCELLENCY MR SALEH BASARAH

Indonesian Ambassador to London, since 11 April 1978.

Born 28 August 1928 in West Java.

Married; 3 daughters; 2 sons.

Trained as a pilot in California in 1950-51. After holding various operational commands, became Chief of Staff for Departmental Affairs of the Indonesian Ministry of Defence and Security, in December 1969.

In April 1973 became Chief of Staff of the Air Force.

Visited the Farnborough Air Show in November 1976.

After finishing his tour of duty in June 1977, became Chairman of Indonesia's only aircraft assembly company.

Although an Air Chief Marshal, Mr Saleh Basarah does not use his Air Force rank.

He is intelligent and able, with a reputation for integrity. He is very pro-British, partly because the RAF have let him fly a Hawk aircraft of the type that the Indonesians have bought from us.

Is believed to have the ear of President Soeharto. Sociable and outgoing, his interests include boxing and education.

A Muslim.

Quite good English.