

C A B I N E T M I N U T E

Canberra, 3rd June, 1958.

Decision No. 1402

Without memorandum - Indonesia

The Minister for External Affairs referred to the current internal situation in Indonesia and to the decision of the American Government to give aid to the Indonesian Government. He emphasised that the Australian Government had impressed on United States the need to limit military aid to arms of an internal security type.

The Minister referred next to the strain in the relationships between the United States and the Netherlands which developed out of the American decision to supply aid, including some arms, to Indonesia.

The Minister next informed the Cabinet that the Netherlands Government had proposed that the Netherlands and Australia should engage in staff talks. He indicated that this proposal had been put into the defence machinery for study. Cabinet expressed the view that any decision to engage in staff talks would require the most careful prior consideration by the Government.

The Minister suggested that the difficulties about staff talks may not apply to an exchange of intelligence with the Dutch. Cabinet then discussed the possibility of such an exchange on a secret basis and accepted it in principle subject to the necessary precautions about the source of Australia's intelligence.

In general discussion Cabinet indicated the view that the United States alone among the Western powers was in a position to influence the course of Indonesian actions in relation to Dutch New Guinea. The significance of this must be brought home to the United States. Australia should, therefore, press (and if necessary continue to press) upon the United States administration at very high levels the need, in its relationships with Indonesia, for an attitude of the utmost firmness against any armed attack by Indonesia on Dutch New Guinea.

Certified true copy

J. B. ...
for Secretary to Cabinet

TOP SECRET

Australian Archives
A4940/1
C1943
Indonesia - policy

836