

# Great Britain's colonial guns tum against Indonesia

by Michael O. Billington

British assets in the United States have significantly upped the ante in their efforts to use "human rights" to alienate the Clinton administration from its key Southeast Asian ally, Indonesia. For the first time since Indonesia's 1975 intervention in the former Portuguese colony of East Timor, State Department officials John Shattuck and Tim Wirth met with a founding member of the terrorist Revolutionary Front for an Independent East Timor (Fretilin), 1996 Nobel Peace Prize co-winner José Ramos Horta. Ramos Horta's trip to the United States was paid for, indirectly, by East Timor's former slave-trading colonial power, Portugal, through the cut-out of the Foundation of Portuguese Universities, a non-governmental organization founded by the directors of Portugal's *public* universities. On Feb. 25, Rep. Tom Lantos (D-Calif.) convened a meeting of the Congressional Human Rights Caucus, giving Ramos Horta a platform to urge Clinton administration backing for a UN-supervised referendum on East Timor's future. From Washington, Ramos Horta headed to Massachusetts, where he testified on Feb. 27 in support of legislation barring the state from doing business with companies operating in Indonesia. Before returning to his base of operations at the University of New South Wales, Australia, Ramos Horta will address meetings in Vancouver, British Columbia, and the ever-so-establishment World Affairs Council of Los Angeles, on March 5.

The escalation of attacks on Indonesia over East Timor emanates from precisely the same British colonial apparatus trying to lure Washington into support for the current genocidal warfare in the Great Lakes area of Africa. Baroness Caroline Cox, Deputy Speaker of the House of Lords, and Lord Avebury, chairman of the British Parliament's Committee on Human Rights, have played the leading roles in deploying their puppet, Uganda's President Yoweri Museveni, into military operations against Sudan and into eastern Zaire. One result has been a rate of genocide against primarily Hutu refugees which surpasses even the rate of slaughter in Hitler's death camps. Simultaneously, British Commonwealth precious minerals corporations, led by George Bush's Barrick Gold Corp., are moving into the war-torn areas to "recolonize" the region, planning to break up the existing nations into various "ethnic" subdivisions, functioning like corporate

colonies, in the pattern of the 19th-century British East India Company in Asia.

East Timor was a problem which had been largely forgotten *because it was well on the way to being solved*, until the Nobel Peace Prize award in 1996. A look at who is behind the recent furor reveals that the same individuals and institutions responsible for the Africa debacle, are also ganging up on Indonesia. Britain's role in the colonial control of Indonesia is nothing new. Dutch and Portuguese control over their East Indies colonies was always subject to British acquiescence (see box), as the British supervised the re-imposition of colonial authority in the Netherlands East Indies at the end of World War II, against the strong nationalist forces who had established the Republic of Indonesia on Aug. 17, 1945.

## The new destabilization

There is serious potential that the current provocations from London could cause a horrible explosion in Indonesia; however, it may be the case that the merchants of death have overplayed their hands in this case. Countermoves from the Indonesian government, as well as strong warnings from the Vatican, have forced the front men for the new British Empire to partially expose their real intentions. This includes not only Lady Cox, Lord Avebury, and Barrick Gold Corp., but also the Nobel Prize Committee, the "Republican Revolution" apparatus in the United States, the George Soros-funded Human Rights Watch, and the Bush-era National Endowment for Democracy, including several Congressional and State Department officials. Fully exposing this fraud *before* it causes a disaster in Indonesia is a matter of great urgency, not only in Asia, but throughout the world, and especially in Washington.

The current crisis was precipitated by the awarding of the Nobel Peace Prize in October 1996 to two East Timorese: Bishop Dom Ximenes Belo, the Portuguese-trained bishop of East Timor; and José Ramos Horta, the self-exiled spokesman for the now virtually defunct communist insurgency in East Timor, Fretilin. Although Bishop Belo has been an outspoken defender of the civil rights of the people of East Timor, and has been supported by the Vatican in those efforts, lumping him together with terrorist Ramos Horta as a "co-winner" of

the Peace Prize was a particularly devious and disgusting display of colonial intrigue by the oligarchical Nobel Prize Committee, notorious as spokesmen for the degenerate nobility of Europe and their "Enlightenment" outlook.

Granting Bishop Belo the award at this time was unwarranted, and would have been so even if Ramos Horta had not been included; the move was clearly calculated to stoke the fires of instability and conflict in East Timor. As Nobel Committee Chairman Francis Serjested admitted, "East Timor was about to become a forgotten conflict and we wanted to contrib-

ute to maintaining the momentum." However, *including* Ramos Horta was an affront not only to Indonesia (and to all sovereign developing nations), but also put Bishop Belo—and the Vatican—in the difficult position of apparent agreement with the separatist Portuguese colonial stooge from Fretilin. The intent of the award was to disrupt the significant steps taken both by the Indonesian government and Bishop Belo over the past few years to bring peace to the troubled island, *within* the mutually agreed sovereignty of the Indonesian nation.

## Lord Mountbatten and the return to empire

Britain was the dominant imperial power in Asia in the 19th and 20th centuries, dictating the pecking order among the other colonial powers, the Netherlands, Portugal, France, and Spain. In 1811, the British took control of the Netherlands East Indies, but decided that allowing the Dutch to run it was more convenient to their overall Asian interests, centered in India and China, and returned the East Indies to the Dutch in 1816. No doubt, H.M.'s Government appreciated the efficiency with which the Dutch looted their East Indies possessions. According to authors Audrey R. Kahin and George McT. Kahin, the Netherlands East Indies, which became Indonesia after 1949, "was probably the world's richest colony. At the very least it ranked just after India in the wealth it brought to a colonial power, and it was certainly more important to the Dutch economy than India was to Britain's." The meticulous records of the Dutch statistical office showed that exports ran at more than twice imports.

It was H.M.'s Government, in the person of Lord Louis "Uncle Dickie" Mountbatten of the Southeast Asia Command (SEAC), that supervised the return of the imperial powers following the collapse of Japanese occupation in 1945, circumventing President Franklin Delano Roosevelt's declaration to Prime Minister Winston Churchill that America did not fight the war to preserve the British, or other, colonial empires. The Netherlands East Indies were among those former colonies which Roosevelt proposed be placed in "trusteeship" after the war, a transition period aimed at fostering necessary economic development using American methods to prepare for independence. As early as December 1942, Roosevelt had extracted at least a verbal commitment from Queen Wilhelmina, then in exile, to convene a conference as soon as possible after the war to restructure the Netherlands' relations to its colonies.

During his July 1944 Pearl Harbor strategy meetings

with Gen. Douglas MacArthur and Admirals Leahy and Nimitz, Roosevelt reiterated that he had not the slightest intention of making it possible for the British to take over any part of the Dutch possessions. It was during those sessions that Roosevelt endorsed General MacArthur's brilliant campaign to cut off Japan logistically from its resupply routes in the East Indies, by hitting the enemy, repeatedly, in his rear and on the flanks, in his drive to retake Luzon and establish a chokepoint over the South China Sea. MacArthur's success rendered irrelevant and unnecessary Britain's plan for a frontal assault on Japan itself.

After Roosevelt's untimely death in April 1945, Churchill moved rapidly at the July 1945 Potsdam Conference to manipulate President Truman into accepting Britain's lead in deciding the fate of the colonies. Under the excuse that General MacArthur and the U.S. forces were needed to plan and carry out the invasion of Japan, the Dutch East Indies were removed from MacArthur's command and added to that of Lord Mountbatten, whose South East Asia Command included H.M.'s colonies in India, Burma, Singapore, and peninsular Malaya. In fact, Churchill already knew that the emperor of Japan was secretly negotiating surrender through Vatican channels, and that an invasion of Japan was not necessary. (Having arranged the invasion, Churchill then persuaded Truman to drop the atomic bombs on Japan *in order to avoid the invasion!* Such an atomic slaughter, the British believed, was necessary to so terrorize the world, that nations would willingly give up their sovereignty to a world government following the war.)

Lord Mountbatten assigned his South African-born asset, Col. Laurens Van Der Post, who had been interred by the Japanese for three years in the Dutch East Indies, to take charge of local operations, holding at bay the nationalist forces until sufficient British troops could be brought in to accept the Japanese surrender. The nationalists, under Sukarno and Mohammad Hatta, declared the establishment of the Republic of Indonesia on Aug. 17, 1945, and were determined to prevent the return of the Dutch. Once

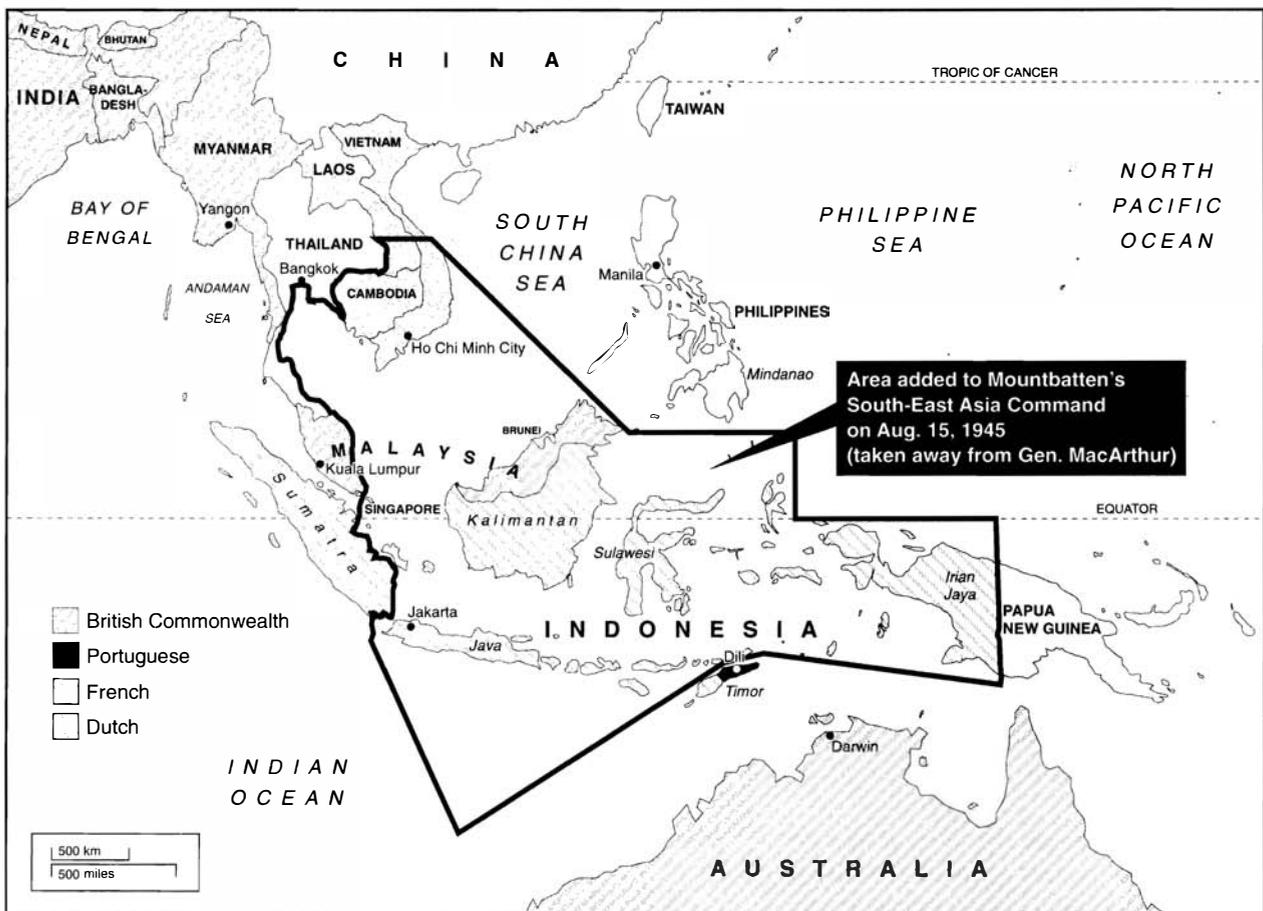
## Target: the Indonesian nation-state

As is evident from the anti-Indonesia diatribe gushing from the world's press sewers over the past months, the aim of the "East Timor" crisis is not the well-being of the people of East Timor, but rather to destroy Indonesia itself. This is not new. In 1974, Henry Kissinger, then secretary of state and national security adviser to President Gerald Ford, released a document, National Security Study Memorandum 200 (NSSM-200), entitled "Implications of Worldwide Population Growth for U.S. Security and Overseas Interests." The

report, which was adopted as official U.S. policy in October 1975, named Indonesia as one of 13 nations constituting the greatest threat to the national security of the United States, due to their large population density and their potential, and commitment, for development! Indonesia, the largest Muslim country in the world, with a population approaching 200 million, spread over 17,000 islands, is the world's fourth-largest nation.

Population growth and development will tend to use up the valuable natural resources located in these nations, Kis-

### Former colonial empires in Southeast Asia



the British gained a position on Java and Sumatra, and with Van Der Post's lying intrigues to restrain the nationalists, the Dutch were reintroduced by stealth. The British then left to focus on their Singapore and Hongkong financial centers, leaving the Indonesians to fight a three-year bloody war for independence. Van Der Post, a renowned

follower of the occult, later moved on to become spiritual adviser to Lord Mountbatten's nephew Prince Charles.

The Portuguese also returned to East Timor in August 1945, reimposing their "cash crop" economy and forced labor policies with a vengeance, but the backward and illiterate population was unable to mount a resistance.

singer complained, while “the U.S. economy will require large and increasing amounts of minerals from abroad, especially from less developed countries.” Confessing his intent by denying it too boldly in this then-classified document, Kissinger wrote: “It is vital that the effort to develop and strengthen a commitment on the part of the Less Developed Country leaders not be seen by them as an industrialized country policy to keep their strength down or to reserve resources for use by ‘rich’ countries. Development of such a perception could create a serious backlash adverse to the cause of population stability.”

The role of the military in Indonesia is particularly on the chopping bloc. As demonstrated in Ibero-America, and as reported in a 1990 book, which came to be known as the “Bush Manual,” *The Military and Democracy: The Future of Civil-Military Relations in Latin America*, Bush-league interests in and around the State Department demand that the power of military establishments in developing nations be reduced, and that they be eliminated entirely from all political influence. This process leaves the target nation vulnerable to both foreign-sponsored drug armies and ethnic insurgencies, and to International Monetary Fund takeover of sovereign domestic economic policies through corrupted local political forces, usually called “democrats.”

Indonesia has a constitutional policy known as *dwifungsi*, or “dual purpose,” for its military: maintaining both a strategic military branch and a social military branch. Military officials are allotted a certain number of seats in the legislative body, as well as positions in local government, boards of directors of state industries, trade unions, and other social institutions. This “dual function” infuriates the “world government” proponents intent on carrying through on Kissinger’s NSSM 200, particularly since several other countries currently undergoing national consolidation after years of foreign-instigated insurgency—in particular, Myanmar and Cambodia—look to the relatively successful Indonesian model of military collaboration with civil institutions for nurturing peaceful transformation into a modern industrial nation-state. The oligarchs are not pleased.

## East Timor

Even the most ardent supporters of East Timor’s separation from Indonesia, such as José Ramos Horta, cannot disguise the despicable history of Portuguese occupation of the eastern half of Timor island. Ramos Horta wrote a laudatory preface to the book *East Timor’s Unfinished Struggle—Inside the Timorese Resistance* (1996), co-authored by Constancio Pinto, U.S. and UN representative of the leading coalition of Timorese pro-independence organizations, the National Council for Maubere Resistance (CNRM), and journalist Matthew Jardine, in which the authors report the following:

“Prior to the disaster of the Pacific War, East Timor was the most economically backward colony in all of Southeast

Asia. Dili, the capital, for example, had no electricity or town water supply, paved roads, telephone services (except to the houses and offices of senior officials), or wharves for cargo handling. This situation changed little over the next three decades. . . . Although educational levels rose beginning in the 1950s, 93% of the population was illiterate in 1973. With enrollment in government-run schools restricted to children of *assimilados*, Catholic mission schools were the only other option. Thus, as of 1960, primary school enrollment stood at only 6% of the total school-age population.

“Economically, the indigenous Timorese were very marginalized. . . . In 1974, more than 80% of East Timorese still lived in small rural hamlets largely controlled by traditional rulers who were sometimes quite despotic. . . .”

In 1974, the left opposition came to power in Portugal. The new government told their colonial outpost in the Indonesian archipelago to allow the formation of political parties, in preparation for a planned 1976 election. But when the disintegration of political control ensued over the following months, Portugal packed its bags and left in August 1975, leaving most of its military hardware in the hands of the Portuguese military-sponsored radical “national liberation” group, Fretilin. As chaos swept the impoverished island, Fretilin launched an armed assault on those forces that advocated either integration with Indonesia or a more moderate and gradual course toward independence. Fretilin, whose secretary general was José Ramos Horta, while parading as “independence fighters,” was from the beginning, and is still today, openly aligned with, and controlled by, the Portuguese oligarchy, which in turn has, throughout modern history, been subservient to the British Foreign Office.

The other major parties formed a coalition in August 1975, against the Fretilin armed insurrection. When Fretilin declared “independence” on Nov. 28, the other parties issued a counter-declaration of independence from Portugal *and integration of East Timor into Indonesia*. Portugal, meanwhile, declared that it still held power in the colony it had abandoned! The United Nations today officially supports the farce of Portuguese sovereignty over East Timor.

## Enter, Henry Kissinger

The government in Jakarta had, until late 1975, declared itself to be committed to following the will of the East Timor people as regards independence or integration, but as refugees poured over the border into the western half of Timor, and civil war raged, Indonesia prepared to move into the breach. As perhaps the clearest signal of the bloody instability to follow, Henry Kissinger, accompanied by President Ford, appeared in Jakarta just days before the Dec. 7, 1975 Indonesian military move into East Timor. With the ink barely dry on his 1974 NSSM-200 declaration of population war against Indonesia, Kissinger (today *Sir Henry*) gave his approval to the Indonesian move into East Timor, but placed conditions on the policies to be implemented. These

were the years of Kissinger's population wars in Asia—replays of British 19th-century “cabinet warfare,” fighting surrogate wars in the colonies while the superpowers worked out “condominium” arrangements under the guise of détente and arms control. With the purpose of preventing development and reducing population by any means necessary, Kissinger tried to drag Indonesia into a quagmire, like that of the French in Indochina.

U.S. Aid for International Development (USAID) officials, fresh from the disaster in Vietnam, moved into East Timor. The genocidal “strategic hamlet” policy implemented in Vietnam (based on British counterinsurgency methods developed in Malaya and Kenya) was directly transferred into East Timor. The Indonesian military, in this era of “counterinsurgency,” was largely dependent on U.S. support, and Kissingerian methods were to predominate. Under the guise of denying food and resources to the insurgents, the civilian population was herded into controlled areas, designated “strategic hamlets,” while many villages were destroyed, creating tens of thousands of refugees. A 1979 USAID report (“East Timor-Indonesian Displaced Persons”) estimated that 300,000 Timorese, about one-half of the population, had been transplanted into the designated hamlets. Fatalities from military actions, or from starvation and disease, between 1976 and 1980, may have been as high as 100,000.

Jakarta acknowledges responsibility for serious errors in the war—and for recurring military abuses against civilians since 1980, including the infamous 1991 “Dili” incident, where soldiers opened fire on demonstrators at a funeral, killing scores of civilians. Policies have subsequently been drastically overhauled, and the soldiers and officers responsible were tried and convicted for crimes. But Jakarta has also tried to remind its critics of the *cause* of the crisis, as well as the murderous tactics of the Fretilin terrorists over the years, whose targets for assassination are usually East Timorese themselves, who are deemed traitors to the Fretilin cause.

### Lord Avebury and Lady Cox

Opposition to the Indonesian government is run directly out of London by an organization called Tapol, founded in the 1970s under the sponsorship of Lord Avebury. Avebury is the primary British controller for most Asian and African separatist insurgencies, a primary ingredient in all British foreign policy. Tapol has provided a well-financed base for any and all forms of opposition and subversion in Indonesia, working closely with its sister organization in the United States, the George Soros-financed Human Rights Watch Asia.

The East Timor insurgency has also enjoyed considerable input from the London-based Christian Solidarity International (CSI), run by Baroness Cox. Cox, trained at London's psychological warfare training center, the Tavistock

Institute, has attempted to instigate anti-Islamic warfare, especially against Sudan, under the guise of defending oppressed Christians. Cox and Avebury co-chaired a 1994 CSI conference in Bonn, which began the process leading to the current invasion of Sudan by Uganda, Ethiopia, and Eritrea, under British sponsorship. Because East Timor is largely Catholic, dating from the Portuguese occupation, the CSI has portrayed the Indonesian government as intolerant and oppressive against Christians.

### Ramos Horta and world government

If the colonial pedigrees of Baroness Cox and Lord Avebury are impeccable, that of Nobel Laureate José Ramos Horta is outright disgusting. In his Nobel Peace Prize acceptance speech, Ramos Horta began by praising the Portuguese Empire: “I would fail my historical inheritance and my conscience if I did not begin my address in the language which today unites more than 200 million people in the five regions of the world. . . . I wish to express the eternal gratitude of the people of East Timor, and my own, to the people of Portugal, the President, our friend Jorge Sampaio and his predecessors, Dr. Mario Soares and Gen. Ramalho Eanes—men of principles and compassion.”

Ramos Horta quite openly admits that *independence* for East Timor is not his preference, but *recolonization under Portuguese sovereignty*. In an Oct. 30, 1996 interview on Lisbon's RTP Internacional Television, Ramos Horta described his three-phase process for separation from Indonesia, leading to a referendum to choose among independence, integration with Indonesia, and “free association with another state”—i.e., colonial status under Portugal. “I would not be at all surprised,” he said, “if, out of those three choices, a large percentage, if not the majority, ended up opting for the possibility that has been least talked about, that [of] a status of free association with Portugal, as is the case with Madeira and the Azores. . . . Timor would be a quasi-independent state, but would be tied to a sovereign Portugal.”

Even worse than his slavish groveling before Portugal, is his overt call for the United Nations to run East Timor as a satrapy of world government. In his Nobel acceptance speech, Ramos Horta pledged: “We will not have a standing army. Our external security will rely on a treaty of neutrality to be guaranteed by the UN Security Council.” His “phase one” calls for “a considerable UN presence through its specialized agencies, namely, FAO, WHO, UNICEF, etc., and a permanent representative of the UN secretary general.” Phase two would also be “controlled by the UN,” and the UN would run the proposed referendum. The heroic “freedom fighter” will subject his people first to the United Nations and then to Portuguese colonial status!

It is not surprising, therefore, that the Nobel Committee chose him. Former editor-in-chief of the *Far Eastern Economic Review* Philip Bowring, writing in the *International Herald Tribune* on Oct. 15, 1996, noted that the committee's

prize selection fits the “neo-colonialist human rights agenda. This is the third time in eight years,” Bowring wrote, “that the award has gone to Asians opposing their governments,” referring to Myanmar’s Aung San Suu Kyi in 1991 and Tibet’s Dalai Lama in 1989. “The Nobel recognition of rights to self-determination and democracy would carry more weight if the Nobel panel had ever done anything for peace or freedom in Asia or elsewhere in colonial times. . . . No, it was too busy handing out self-congratulatory awards to UN agencies, the Red Cross, and assorted Western do-gooders and diplomats.”

## Bishop Belo

It is with this fact in mind that the award to Bishop Belo was particularly cynical. The award was proposed by Congressmen Frank Wolf (R-Va.) and Tony Hall (D-Ohio), both members of Baroness Cox’s Christian Solidarity International. Returning from a three-day visit to East Timor in January 1997, Representative Wolf, while carefully praising only Bishop Belo, without mentioning Ramos Horta, nonetheless called for a colonial “solution” to the problems in East Timor, which directly paralleled Ramos Horta’s proposals. Wolf claimed there are *increased* levels of “torture, terrorism, fear, uncertainty, and rumor,” and that “movement away from this condition is virtually non-existent”—a statement that flies in the face of reality. He demands the withdrawal of the military from East Timor, “dramatically and quickly.” He calls for more UN and non-governmental organization activity there, and encourages U.S. government actions and declarations against Indonesia. An international body should be formed, Wolf says, to replace Indonesia’s direct sovereign negotiations with the people of East Timor, to be led by a foreign “facilitator,” recommending Sir Colin Powell, Knight of the British Empire. Shortly after Wolf’s return to the United States, Baroness Cox paid a visit to Virginia to get a first-hand report from the congressman.

The state legislature of the Commonwealth of Massachusetts, led by Bush’s ally Gov. William Weld, heard testimony on Feb. 27 from Ramos Horta in support of legislation barring any corporation doing business with Indonesia from doing business with the state government in Massachusetts—an outrageous breach of sovereignty, which the Commonwealth had already imposed on Myanmar. Conservative Revolution yahoos in the Congress, such as Sen. Jesse Helms (R-N.C.), are lending support to this colonial-style approach. Rep. Patrick Kennedy (D-R.I.), son of Sen. Edward Kennedy (D-Mass.), appears to have forgotten his Irish anti-colonial roots: As head of the “Portuguese-American caucus” in the U.S. Congress, Kennedy is introducing federal legislation along the lines of the Massachusetts state bill, placing restrictions on U.S. companies doing business in Indonesia.

But Bishop Belo and the Vatican have not played the game according to the British intelligence script. Although the bishop was highly honored to be granted the award, and

certainly welcomes the attention on East Timor, he has from the very beginning clearly distanced himself both from Ramos Horta and the anti-Indonesian propaganda surrounding the award. On the day of the award, Bishop Belo told the press: “We have to work hard for peace. Sometimes they [Jakarta] understand and accept there is a need for love and dialogue. [I am] sometimes happy with the process, sometimes not, but it needs time.” At the Nobel awards ceremony, he said the prize was for the Indonesian people in general, and the East Timor people in particular, and refused to hold a joint press conference with Ramos Horta. The people of East Timor, he said, “wish to build bridges with their Indonesian brothers and sisters and to find ways of creating harmony and tolerance.”

In an extraordinary counter to the effort to provoke Christian/Muslim conflict, Indonesia’s Foreign Minister Ali Alatas travelled to the Vatican in November 1996, meeting with Msgr. Jean Louis Tauran, Vatican secretary for relations with states. Monsignor Tauran endorsed the Indonesian view, as expressed by Alatas, that Bishop Belo’s “interest and concern over matters pertaining to humanity and human rights that may affect our people in East Timor” were respected by the government, but that “Bishop Belo’s involvement in political matters is unacceptable.” Alatas explained to the Vatican that “the Indonesian people could have accepted the awarding of the Nobel Prize to Bishop Belo alone, although the Nobel Committee might have had reasons unacceptable to us. . . . Nevertheless, it is deeply deplorable that the Nobel Prize was also awarded to Ramos Horta.” The Vatican, while deploring the violence on both sides, has openly acknowledged Indonesia’s responsibilities in East Timor, and praises Indonesia, the world’s largest Muslim nation, for its great deference to the Christian community, including the fact that there are no prohibitions on Muslims converting to Catholicism.

Only weeks after the granting of the Nobel Prize, President Suharto travelled to East Timor to dedicate a 27-meter-high statue of Christ in the capital, Dili (East Timor is the 27th province of Indonesia). He met amiably with Bishop Belo, sharing a helicopter flight to view the area of the statue.

It is not that Bishop Belo has always been “soft spoken” about Jakarta’s oppressive tactics in East Timor, but, rather, that he believes the civil and human rights problems must be solved within the context of Indonesian sovereignty, and that Jakarta has improved its record in recent years.

Germany’s weekly *Der Spiegel*, a British voice in Germany since its founding in the British-occupied sector after World War II, attempted to provoke a crisis between the bishop and Jakarta by printing a falsified interview in November 1996, based on a discussion from the previous April. The bishop promptly released a statement demanding an apology from *Der Spiegel* to Indonesia and the Armed Forces. “I did not intend to tarnish or criticize the Indonesian government, the nation, people or the Armed Forces,” he said. He denied accusing the Army of treating

Timorese as slaves or “scabby dogs.” “I did not know the word ‘scabby.’ I have just learnt it after the quote was printed,” he said.

### **The development of East Timor**

In an October 1996 White Paper on East Timor, the Republic of Indonesia points to its record of development investment in East Timor since 1976. The development budget for East Timor is six times greater per capita than that for any other province, reflecting the effort to make up for the neglect under Portuguese colonial rule. In 1975, there were but 47 elementary schools, two middle schools, one high school, and no colleges for the population of 625,000! Education was overwhelmingly run by the Catholic Church. By 1995, there were 30 kindergartens, 684 elementary schools, 109 junior high schools, 54 senior high schools, and four colleges, for a population of 843,000. The colony had only two hospitals and 14 clinics in 1974, with three doctors and two dentists! By 1996, there were 400 doctors and 1,500 paramedics working in 11 hospitals and 332 village health centers. Much of this growth occurred in the past five years.

Over 1,000 miles of paved roads have been constructed across the province. While there were 100 churches in 1974, there are now over 800.

Extensive irrigation projects have been completed, and crop-diversification programs have begun to break the colonial legacy of a “one-crop country” of coffee plantations. A fishing industry has been built almost from scratch.

Jakarta is now planning a major cement factory for East Timor, admitting that the investment is not “cost effective.” Rather, it was reported as a move by Jakarta to “reaffirm its promise to spread development more evenly throughout the archipelago.”

### **The land-bridge vs. the land grab**

In recent weeks, Indonesia has successfully avoided another potentially disastrous attack on its sovereignty by the new British Empire. British Commonwealth mineral and precious metals companies, which are engaged internationally in a “land grab” to control vital resources, in anticipation of the collapse of the financial bubble, nearly succeeded in stealing the rights to potentially the largest gold deposit in the world, the Busang mine in East Kalimantan, Indonesia. A small Canadian firm, Bre-X Minerals, discovered the reserves, but does not have the resources to develop them on its own. Canada’s Barrick Gold Corp., headed by Prince Charles’s ski buddy Peter Munk, suddenly appeared on the scene, making a power play intended to bully Indonesia into turning majority share in the mine’s development over to Barrick.

Munk called in the head of Barrick’s international advisory board, Sir George Bush, Knight of the British Empire, who wrote to President Suharto, and who may have traveled to Jakarta in October, seeking controlling interest in the mine’s development. The government then urged Bre-X to strike a

deal with Barrick, giving them majority control.

On Jan. 3, 1997, *EIR* published an exposé of Barrick’s filthy role in the ongoing British-run genocide in Central Africa, as part of a report titled “George Bush’s Heart of Darkness.” The report revealed that Barrick had attained rights over vast areas of Zaire’s rich northeast provinces, while Bush’s British allies orchestrated the “ethnic cleansing” of the area, using marcher lord armies from Uganda and Rwanda, joined by mercenaries employed by the mining companies themselves. This report circulated throughout the diplomatic community, including in Indonesia.

In mid-February, Indonesia shocked the business world by awarding the contract to a combination of Bre-X, two Indonesian companies, the Indonesian government, and the American firm Freeport-McMoRan Copper and Gold, which runs another large gold mine in Indonesia’s Irian Jaya. Barrick was totally cut out. Chairman Peter Munk complained bitterly to the *Toronto Globe and Mail* on Feb. 22 that sometime in January, the decision process was taken over by President Suharto’s close friend Muhammad “Bob” Hasan. Hasan, said Munk, insisted that Barrick give up majority control, which Munk refused to do. Freeport-McMoRan will have only 15% of the project, against Barrick’s projected 67.5%, but will oversee operations. Freeport President James Moffett has developed close relations with Hasan over the many years of Freeport’s operations in the country.

Such defense against predators is essential, but much more is needed. If Indonesia is to escape the escalating political destabilization, it must prepare to meet the economic depression now unfolding globally, and, in particular, the coming collapse of the speculative financial bubble. Indonesia’s domestic industry, and its small machine-tool capacity, have been carefully nurtured and protected by President Suharto and his top science and industry adviser, B.J. Habibie. But the scope of these sectors is far from adequate, and has been compromised by financial deregulation and the “globalization” process, allowing both speculative markets and cheap labor processing industries to proliferate, leaving a huge vulnerability to the coming crash.

The great challenge to Indonesia is to build up the vast underdeveloped eastern islands, including East Timor. Besides being the “frontier” for national development, these islands serve as a bridge, connecting Java to the Philippines, Japan, and Australia. The great Eurasian land-bridge projects now under way will link Jakarta by rail to East Asia, Europe, and Africa. Viewing the South China Sea region as an Asian lake, Jakarta must build up its domestic shipbuilding, machine-tool, and heavy industrial capacity, in order to develop the entire archipelago as an extension of the great land-bridge project. Nothing short of this scale of development can protect the nation from the global collapse—nor can anything less inspire the necessary vision for the next generation of Indonesians to strengthen their nation’s role in fostering future human progress.