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8 April 1966

INDONESIA, A US FOREIGN POLICY DILEMMA

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INDONESIA, A US FOREIGN POLICY DILEMMA

by

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Carlisle Barracks, Pennsylvania
8 April 1966

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SUMMARY

Indonesia was born out of the anti-colonial trend which developed in the Far East after World War II. It was born with a dislike and distrust of the colonial powers, particularly Holland. From the beginning this country grew with a strong nationalistic and revolutionary personality which, under the guidance of Sukarno, developed firm influencing elements of its foreign policy.

United States foreign policies are developed from basic national objectives supporting the principle of self-determination and the freedom of others. There are factors of Indonesian policy which by their nature resist basic US objectives and will not allow successful implementation of an acceptable US foreign policy as long as these factors are dominant.

In 1963 Sukarno led his country into a "confrontation" toward the Federation of Malaysia. The US had supported the forming of the Federation. From that time until 30 September 1965 relationships between the US and Indonesia deteriorated to the near breaking point. Sukarno led his country closer and closer to a Communistic state, which event would have considerable affect upon US strategy in the Far East.

The 30 September 1965 coup attempt was attributed to the Communists. Its failure struck a telling blow to the Communist party, reduced Sukarno's political influence in the country, and left the Army as the controlling political faction. Improvement in US-Indonesian relationships is expected; however, the situation is still too clouded to predict the degree of improvement.

This thesis concludes that the US should pursue a watch and wait attitude with no immediate change in its foreign policy toward Indonesia. It also concludes that careful consideration in US strategic planning should be given to the implications which will result if Indonesia becomes a Communist country.

CHAPTER 1

INTRODUCTION

This thesis is an evaluation of the relationship between the United States and Indonesia conducted through an investigation of related foreign policies with a view toward possible modification of United States foreign policy toward Indonesia.

The United States attempted to help Indonesia through the tedious years of growing up into a free and stable nation. It has provided millions of dollars of monetary, economic, social and military aid to Indonesia. It has maintained formal relationships with Indonesia in the face of public insults. What then has happened to allow Sukarno to flaunt himself with such statements as "Go to Hell with your aid?" Why should a country burn libraries which were provided as an assistance to that country's culture?

This country of Indonesia has been a dilemma since its emergence as a nation. Externally it has played world powers against each other to gain benefits from all sides in furthering itself. Internally it has allowed such cities as the great Asian port of Semarang to degenerate into a depressing example of economic stagnation and neglect.¹

Hopefully, this thesis will provide some answers to these questions and some insight into the foreign policy dilemma which the United States faces with Indonesia.

¹"Semarang Reflects the Decline of Indonesia's Great Port Cities," New York Times, 19 Apr. 1965, p. 6.

The development of this monograph will be through first a relation of the evolution of the national personality of Indonesia. Key historical events will be discussed to show their influence on Indonesia's foreign policy toward the United States. Definite trends, impressions and characteristics of the national personality will be identified. The second portion of the monograph will consist of a strategic appraisal of Indonesia as it is related to the United States position in the Far East. The third part will be a relatively academic development of United States national objectives and an analysis of the compatibility of these objectives with the national attitudes of Indonesia.

Conclusions and recommendations are developed on the strategic value of Indonesia and on United States direction of effort in its policies toward Indonesia.

The attempted coup of 30 September 1965 has upset the power balance to a degree where it does not appear likely that a clear view of the political attitudes of the new government of Indonesia will be apparent in the immediate future. Therefore, the input to this thesis terminated on 11 January 1966.

CHAPTER 2

INDONESIAN FOREIGN RELATIONS

THE COLONIAL ERA

Between the Pacific and Indian Oceans, between Asia and Australia lie over three thousand islands. Some are no larger than a small farm. It is as though the Gods that made the continents had a great deal of material left over and cast it helter-skelter into the equatorial waters. These islands were once the Spice Islands, then the Dutch East Indies, and finally, today, they are called Indonesia.¹ When Columbus made his historic voyage of 1492, he was searching for a new route to the Spice Islands (the Indies). Competition among European countries in the years following was great for the spice trade was a lucrative one. The Netherlands, to consolidate Dutch efforts, organized the United East India Company in 1602. In 1619 Governor General Jan Pietersgoon Coen of the United East India Company burned the ancient city of Jakarta and rebuilt it as a Dutch fortress² to add insurance to its claim to Java which it retained until after World War II.

The first germ of resentment toward colonization was born with these exploitations of the Spice Islands. Local rulers were influenced in their activities for the betterment of trade. The

¹Louis Fischer, The Story of Indonesia, p. 1.

²Ibid., p. 6.

17th and 18th century social system was an Oriental despotism imposed by Occidentals and implemented by Orientals.³ The long subjection the people of Indonesia endured under colonial rule created an aversion among them to anything resembling subservience to another world power.

American associations with the Indies up to World War II were primarily related to trade and therefore contributed little to this thesis. However, the vast influence of World War II on the world triggered the beginning of the end of the isolationist policy of the United States as it also triggered the beginning of the end of colonial exploitation throughout the world.

TROUBLESOME INDEPENDENCE

The Japanese had little difficulty in taking Indonesia at the outset of World War II. Holland's unprepared air force and fleet, supplemented by small Australian, British and American contingents, were brushed aside in 1942. Holland's land forces provided little resistance against Japan's occupation of the Indies. The Dutch would not give the Indonesians arms. Therefore, the Indonesians felt that the Dutch had abandoned them.⁴ The Japanese added fuel to the smoldering nationalistic movement in Indonesia. Indonesians were required to bow to the Japanese. Moslems were required to bow in the direction of the Emperor rather than toward Mecca.⁵

³Ibid., p. 20.

⁴Reba Lewis, Indonesia, Troubled Paradise, p. 25.

⁵Fischer, op. cit., p. 69.

Immediately after the Japanese surrender to the US on 15 August 1945, Ackmed Sukarno and Dr. Mohammond Hattan, followed by a party of Indonesian nationalists (PNI-Pendidikan National Indonesia), proclaimed the independent Republic of Indonesia with authority over Java, Sumatra and Madura.

The British arrived on 26 September 1945 to accept the surrender of the Japanese in Indonesia and supervise its "liberation." However, upon their arrival they found a government in being which the Dutch promptly refused to recognize. The British negotiated a truce between the Dutch and the new republic in order that British troops could leave Java. This truce, known as the Linggadjati Agreement, began in November 1946 but did not last for, in July 1947, the Dutch launched a full scale offensive in Indonesia as a "police action." The British found themselves in the middle of a struggle between Indonesia in its bid for national freedom and Holland in its bid to cling to old colonial philosophies.

The United States at first regarded this problem as one belonging to the British,⁶ and therefore took no direct action nor expressed any position one way or the other. United States opinion was divided between ideological sympathy for the Indonesian case on the one hand, and political ties with Holland in connection with the Western European political bloc and world power politics on the other.⁷ Although the United States was to take a very active part

⁶Ibid., p. 102.

⁷Charles Wolf, The Indonesian Story, p. 141.

in Indonesia's cause, this slight hesitation was noted as the first step in President Sukarno's subsequent change in philosophy in 1959 from that of "three worlds" affiliated to neither East nor West to that of the "new" emerging forces opposing the "old" established forces.⁸ Australia and India formally brought this matter to the attention of the United Nations Security Council by letter on 30 July 1947. The council decided that the hostilities in progress in Indonesia did constitute a breach of peace and a dual cease-fire resolution was put before the council on 1 August 1947.⁹ The cease-fire resolution was passed with the unusual circumstance of Russia and the United States voting together on an important issue. The United States then offered to be the "third party" in bringing the Dutch and Indonesians together to work out a solution. The United States effort failed because, from the Republic of Indonesia's point of view, the policies and sympathies of the United States with respect to Indonesia were unclear.¹⁰ The next few months were difficult ones. They pointed up the basic struggles in the world of this period. It was a fight for survival of colonialism in the East against the new wave of nationalism. On one side of the fight were Great Britain, France, and Belgium, the three great colonial powers. On the other side were Australia, Russia, Poland and Syria. In the middle were the United States, China, Colombia and Brazil.¹¹

⁸Frank N. Trager, "The US and Indonesia--A Tragedy in Diplomacy," New York Times Magazine, 29 Aug. 1965, p. 26.

⁹Wolf, op. cit., p. 138.

¹⁰Ibid., p. 139.

¹¹Fischer, op. cit., p. 121.

On 19 December 1948 the Dutch attacked Jogiakarta and captured Sukarno and other political leaders of the Republic. Holland had gambled! This attack triggered reactions throughout the West. Condemnation of Holland's attack took on great proportions in the UN and the United States Government suspended Marshall Plan aid to the Dutch. Prime Minister Nehru of India, at a conference of Asian nations at New Delhi on 20 January 1949, denounced Dutch military actions and demanded sovereignty for Indonesia.¹² The Dutch had gambled and lost. At the Round Table Conference at the Hague in late 1949, it was concluded that Holland would transfer sovereignty by 30 December to the independent Republic of the United States of Indonesia.¹³ All issues were settled with the exception of ownership of New Guinea. The New Guinea issue between Holland and the Republic of Indonesia became a sounding board for Communist anti-western propaganda until May 1963, at which time New Guinea was formally given to Indonesia.¹⁴

Prior to 1950, United States and Indonesian relations could be considered as steadily improving. The United States was commended by Indonesian Foreign Minister Subandrio for its support of Indonesia in the New Guinea issue.¹⁵ China regarded Sukarno as a traitor and lackey of US-Dutch imperialism.¹⁶ The United States

¹²Kapto Sunto, The Role of Indonesia in Southeast Asia, p. 6.

¹³Fischer, op. cit., p. 129.

¹⁴George A. Modelski, Indonesia and Her Neighbors, p. 9.

¹⁵Edward Djanner Sinaga, "A New Chapter in US-Indonesian Relations," Congressional Record, p. A7965, Vol. 108, Nov. 1962.

¹⁶D. P. Mozingo, Sino-Indonesian Relations, p. 8.

was learning how to exercise its post-World War II position in the world quite well. The future of US-Indonesian relations looked bright.

PROGRESSION TO A GUIDED DEMOCRACY

The years from 1950 to mid-1959 were dominated by complex political, social, economic and other factors, rational as well as irrational, in Indonesia's struggle for survival and her search for national identity.

It was not easy for American observers to penetrate and comprehend the factors dominating the Indonesian political scene at this period of United States relations.¹⁷ Added to this complex situation was a change in attitude of the Chinese toward Indonesia. During this period there was a growing sense of harmony between certain aims of Indonesian nationalism and Peking's drive to create a China-centered political order in the Far East that would exclude the presence and influence of the major Western powers, particularly the United States.¹⁸ By 1950 Indonesian Foreign Policy was integral to their nationalism. There was no assumption of anti-Americanism and yet the United States was rebuffed in its attempts to align Indonesia against communism.¹⁹

The first US Ambassador to Indonesia was Merle Cochran, a man well-qualified for this assignment. He knew the people. He was a

¹⁷Sinaga, op. cit., p. A7965.

¹⁸Mozingo, op. cit., p. 5.

¹⁹Ruth T. McVey, Indonesia, p. 350.

member of long standing in the Foreign Service Corps. He was instrumental in solving the issue with the Dutch regarding Indonesian independence. Ambassador Cochran turned to ways of assisting Indonesia in solving its serious internal problems and improving United States relations with Indonesia.

The Mutual Security Act of 1951 provides under Section 511a that military, economic and technical assistance can be provided to any state which will commit itself to a full contribution to the defensive strength of the free world.²⁰ Indonesian foreign policy which followed a "middle of the road" philosophy at this time was not compatible with any program which obligated Indonesia to a defense alliance. However, Foreign Minister Subardjo passed a note to US Ambassador Merle Cochran on 5 January 1952 committing Indonesia to acceptance of Mutual Security aid on the basis of Section 511a. When the agreement was made public there was a political eruption. Indonesia was being aligned with the United States through a concealed agreement of Subardjo and Cochran without full cognizance of the Indonesian Cabinet! As a result, the cabinet resigned and Ambassador Cochran shared the blame with the United States for a major setback in Indonesia-United States relationship.²¹ Subsequently, the two countries dealt in a friendly but more formal manner.

²⁰US Congress, Mutual Security Act of 1951 and Other Basic Legislation, p. 4.

²¹Trager, op. cit., p. 72.

The period from 1953 to 1959 showed a firm change in Indonesia's foreign relationships. The nation Sukarno governed was split politically. There were four major and nearly equal parties; Nationalists, Mosjumi (a Moslem party), Orthodox Scholars, and Communists. However, there was no party strong enough to rule.²² Sukarno in the late 50's said: "For more than eleven years we had never achieved stability in government. . . . Every cabinet has lacked authority and has had to face strong opposition, so that no cabinet has been able to hold out for quite a long time."²³ Also, there was little development of regional autonomy because of the meager powers in the municipality councils.²⁴ The government could be called an ultraparliamentary democracy influenced by a nationalistic, anti-communistic Army. The influence of the Communist party fluctuated during this period although it has almost always been an influencing factor in Indonesian politics. Sukarno was familiar with Marx's writings. He was not afraid of communism because he had met its challenge in 1948 and won. Soviet Russia had been courting Indonesia for years as an area for expansion of Communistic ideology. Peking's views swung toward Indonesia in 1952 as a result of the impact of its efforts to cultivate Asian national leaders.²⁵ P. N. Aidit and other Communist party leaders took full advantage of these facts to improve the Communist position.

²²"Sukarno," Time Magazine, Vol. 71, No. 10, 10 Mar. 1958, p. 20.

²³Fischer, op. cit., p. 177.

²⁴Ibid., p. 567.

²⁵Mozingo, op. cit., p. 8.

In 1956 President Sukarno visited the United States, Soviet Russia and Red China in that order. His reception in the United States was engulfed in an atmosphere of friendliness and warmth. He talked with President Eisenhower and spoke before a joint session of Congress. He stressed "nationalism" and "anti-colonialism" as the "mainspring of efforts."²⁶ He stated that Indonesia did need economic and social aid but not at the cost of her independence. President Sukarno then visited the Soviet Union where he was offered unlimited credit. One month later the Soviet Union offered Indonesia \$100 million in technical and economic aid. Sukarno then visited China. He was impressed. He said, "The Indonesian people feel the victories of the Chinese people like their own."²⁷ China's influence on Sukarno was gaining ground.

A movement developed in the outer islands in late 1957 which resulted in a major change in the political structure in Indonesia. Several of the regional leaders became concerned with Djakarta's apparent indifference toward regional problems and with the economic inefficiency of the government.²⁸ A regionalist resistance group was formed whose prime issue was its disenchantment with Sukarno, his "guided democracy," and communism. In January 1958 an ultimatum was presented to the central government by this group. By June almost all resistance by this group had been stopped by the quick actions of Major General Nasution, Chief of the Indonesian

²⁶"Text of President Sukarno's Address Before Congress on the Aims of Indonesia," New York Times, 18 May 1956, p. C4.

²⁷Ibid.

²⁸Sukarno, op. cit., p. 20.

Army.²⁹ This coup failure had two main aspects. First, this attempt was an uprising against Sukarno and his political philosophy. It was contained and defeated by the Army. As a result of the Army gained favor and strength as a power element and from this point on it moved toward more activity in the political scene.³⁰ Secondly, the regionalists had selected communism as a prime target. This immediately made the Indonesian Communist Party, the PKI (Partai Komunis Indonesia), a strong ally of the central government. On the other hand, other political parties who could not clearly declare themselves on the countergovernment movement faced political denouncement. Thus the PKI became the only major party which was active in national politics.³¹ The emerging of the Army and the PKI as the major political factions under President Sukarno laid the groundwork for political control of Indonesia by the "triangle." (Sukarno, the Army, and the PKI).

The United States did not declare its support for either side in the initial phases of the Indonesian revolt. In fact there were some indications that, if the United States had chosen a side to support, it would have supported the revolutionary element! The United States was skeptical of anything supporting a Communistic faction. Secretary of State John Foster Dulles stated at a news conference on 11 February 1958, "We would like to see in Indonesia

²⁹Herbert Feith, The Decline of Constitutional Democracy in Indonesia, p. 588.

³⁰"The Role of Political Organizations in Indonesia," Far Eastern Survey, Vol. 27, Sep. 1958, pp. 129-142.

³¹Herbert Feith, The Decline of Constitutional Democracy in Indonesia, p. 540.

a government which is constitutional There is a kind of 'guided democracy' trend there . . . which may not quite conform with the provisional constitution, and apparently does not entirely satisfy large segments of the population."³² There were other indications of United States intervention and support of the rebel forces. Charles Bohlen, US Ambassador to the Philippines, was accused by Sukarno of heading this assistance. As the revolution progressed in favor of the central government, the United States position toward Indonesia changed. Upon request of the Indonesian government, Secretary Dulles publicly denounced all foreign intervention in the revolution.³³

The policy statement by Secretary Dulles set off a chain reaction which resulted in a political blow to the PKI. They had been instrumental in securing arms from Poland and Czechoslovakia, and in pressing for "volunteers" from Peking and Moscow and therefore, were supporting foreign intervention. The resulting disfavor started an anti-communism movement. The movement, led by Nasution and the Army, became so strong that fears of military dictatorship were expressed. In fact, Sukarno exerted a vigorous effort to prevent the pro-American movement from going too far by turning to the best organized body of support against the Army--the PKI.³⁴ Thus, the "triangle" was brought back toward a better

³²Sukarno, op. cit., p. 20.

³³Ibid.

³⁴Herbert Feith, The Decline of Constitutional Democracy in Indonesia, p. 591.

balance of conflicting factions. United States-Indonesian relationships continued to improve from the near catastrophe of 1958.

THE TURN TOWARD CHINA

The question of ownership of New Guinea was not resolved when Indonesia gained its independence in 1948. Twice attempts were made to bring the problem before the United Nations and twice they failed. In July 1959 Indonesian Foreign Minister Subandrio announced that Indonesia would not again turn to the UN for support of her claims in New Guinea. He also announced that the Dutch would be presented with a confrontation in all fields.³⁵ On 17 August 1961, the Indonesian government terminated diplomatic relations with the Netherlands.³⁶ On 19 December 1961, Dr. Zairin Zain, Indonesian Ambassador, indicated his government would like the United States to offer its "good offices" in the dispute between Indonesia and the Netherlands.³⁷ On 20 December 1961, the United States declared its readiness to assist in the dispute. On 17 January 1962, Secretary-General U Thant urged a peaceful settlement of the problem under the United Nations Charter.³⁸ Attorney General Robert F. Kennedy

³⁵Justus N. vander Kroef, "Nasution, Sukarno, and the West New Guinea Dispute," Asian Survey, Aug. 1961, Vol. 1, No. 6, p.

³⁶Aread Lijphart, "The Indonesian Image of West Iran," Asian Survey, Jul. 1961, Vol. 1, No. 5, p. 9.

³⁷E. W. Kenworthy, "Jakarta's Envoy Favors US Aid in Dispute," New York Times, 20 Dec. 1961, p. 4.

³⁸Department of State Bulletin, Problems of West New Guinea, Vol. 46, p. 203.

visited Indonesia in February. He made a resounding but over-zealous plea for democracy as he attached "Marx's Manifesto."³⁹ Ambassador Ellsworth Bunker accepted from the Secretary-General the assignment as moderator of this deep-seated and difficult problem. His proposals for negotiations were released to the public by UN vote dated 25 May 1962. Through the diplomatic art of Ambassador Bunker, the Netherlands and Indonesia signed an agreement for a plebiscite on 15 August 1962. Formal control of New Guinea by Indonesia took place on 1 May 1963.

The United States was now looking forward to "clear sailing" in their relations with Indonesia.⁴⁰ However, Sukarno was getting closer to China as he united Indonesia under NASAKOM (unity of Nationalism, Religion and Communism).⁴¹ From 1963 until 30 September 1965 there was a marked decline in the influence of anti-Communist elements in Indonesia.⁴²

Instead of turning his efforts to the internal problems of economic degeneration, Sukarno again turned toward the international scene. Sukarno's theme of revolution and his dream of controlling the whole archipelago to the Thailand border led him to contest the Federation of Malaysia. In September 1963 the

³⁹Department of State Bulletin, Attorney General Explains US Goals to People of Japan, Indonesia, and Germany, Vol. 46, p. 761.

⁴⁰Sinaga, op. cit., p. A7965.

⁴¹Herbert Feith, "President Sukarno, The Army and the Communists: the Triangle Changes Shape," Asian Survey, Vol. 4, No. 8, Aug. 1964, p. 975.

⁴²Ibid., p. 974.

British Embassy in Jakarta was sacked and burned. US Secretary of State Dean Rusk took issue with Minister Subandrio for their action and President Sukarno as much as told the United States to stay out of her business. President Johnson's plea that Indonesia discontinue its aggressive policies in January 1964 was followed by an intensification of the "confrontation" policy against Malaysia. In March 1964 Sukarno conducted a public tirade in the presence of the ever determined Ambassador Jones in which Sukarno addressed Jones and said "To hell with your aid." The US Information Agency library in Jogjakarta was seized followed by the US Senate voting to ban all aid to Indonesia.⁴³ On 17 August 1964, Sukarno presented his Independence Day speech entitled "A Year of Living Dangerously," in which Sukarno made a major break with the west. He lined himself up against the United States on almost every international issue of importance.⁴⁴ In December the US Information Service libraries in Jakarta and East Java were sacked. All trends now pointed toward Indonesia becoming a Communist state. Sukarno on a visit to Shanghai stated that Indonesia and China were standing and fighting on the same battlefield.⁴⁵ Thus, in 1964 there was a change in Indonesian foreign policy from one of internal revolutionary tendencies to offensive revolutionary thinking. As early as January 1964 the Army Chief of Staff, Ahmad Yani stated

⁴³Trager, op. cit., p. 26.

⁴⁴Denis Ashton Warner, "What We Got For Pampering Indonesia," Reporter, Vol. 31, 8 Oct. 1964, p. 30.

⁴⁵"End of the Road for United States in Indonesia," US News and World Report, 15 Mar. 1965, p. 49.

that Indonesia was changing from a defense concept based upon her own national territory to a new concept including international elements.⁴⁶ The Communist ideology of China as promoted by the PKI in Indonesia had become the foreign policy of Indonesia!

An influencing factor toward Indonesia's withdrawal from the United Nations on 7 January 1965 was Malaysia's acceptance of a nonpermanent seat in the Security Council. The result of this withdrawal was a closer tie of Indonesia to Peking. The third US Information Service library was seized in February 1965. United States rubber holdings and plantations were seized. Ambassador Jones' residence was invaded. Finally, on 24 April 1965, Sukarno signed a decree ordering the seizure of all foreign-owned enterprises.⁴⁷ Ambassador Marshall Green replaced Ambassador Jones in July shortly after which the US Embassy was stoned. US-Indonesian relations continued to degenerate until 30 September 1965. On that date a coup was attempted by Lt Col Untung, a member of Sukarno's palace guard. The coup was a bloody attempt to eliminate the eight top officers of the Army thereby leaving the Army with no control element to guide its activities. However, Defense Minister General Nasution and Major General Suharto escaped the plot allowing General Nasution to give General Suharto the political authority and guidance to act against the Communist supported coup and initiate a sweeping purge of the PKI.

⁴⁶Justus M. vander Kroef, "Indonesian Communism and the Changing Balance of Power," Pacific Affairs, Vol. 37, No. 4, p. 373.

⁴⁷Neil Sheehan, "Indonesia Seizes Rest of Property in Foreign Hands," New York Times, 25 Apr. 1965, p. 1.

The Army became the predominant factor in the government of Indonesia. Sukarno's ties with Communist China placed him in a questionable position as the head of state to the point where the Army ignored his directive to "forgive" the Communists.⁴⁸ On 14 December 1965 the First Deputy Premier Dr. Subandrio was removed from office. A triumvirate was appointed as an executive body directly under President Sukarno with General Nasution as one of the three members.⁴⁹ The removal of Dr. Subandria, a pro-Communist, was another gain in the strength for the Army. As the purge of the Communists continues it becomes increasingly clear that Sukarno cannot wield his former power in any new government structure. However, at this writing it is not clear what will constitute the government of Indonesia. In spite of the existing strength of the Army in Indonesia today, there are two very important influencing factors which must not be overlooked. First, the Army or whoever else may gain power in Indonesia, must approach the economic crisis in order to remain in power for any length of time. Second, the Communists have been in disfavor before and returned to gain major political control in Indonesia. The one fact does exist that the United States should have one more chance with Indonesia.⁵⁰

⁴⁸"Army in Jakarta Imposes a Ban on Communism," New York Times, 19 Oct. 1965, p. 1.

⁴⁹"Nasution Gets a New Top Post as Jakarta Displaces Subandrio," New York Times, 14 Dec. 1965, p. 1.

⁵⁰Roger Hilsman, Letter to the Author, 24 Nov. 1965.

FACTORS INFLUENCING INDONESIAN POLICY

This review of Indonesia's negotiations with the United States and other countries of the world provides an image of that country's personality. From this image evolve some general factors which have been influential in shaping Indonesia's policies toward other countries. The following factors are important to the subsequent development of US foreign policy toward Indonesia in chapter 4. They must be compatible with basic US objectives if successful pursuit of US foreign policy is to come about, and where compatibility exists, they influence the manner of implementing basic objectives through specific policies.

✓ Nationalism has promoted an isolationist attitude in Indonesia. The international climate and the balance of "the triangle" determined whether the attitude was pro-western or pro-Communist. The coup attempt of 30 September 1965 has greatly reduced the pro-Communist sector with an unknown projected effect on Indonesia's political state. However, the Communist party, whether recognized or underground, has existed in Indonesia since the early days of the country.

The Army as the national security force in Indonesia has been the determining factor in the major uprisings or coups in the country. Since 30 September 1965 the Army has become the major influencing factor in Indonesian politics.

Indonesia does not trust the countries of the western world. This mistrust stemmed from its early experiences in Dutch

colonization and continued conflicts with the Dutch, and was enhanced by general western attitudes. Democracy, as we know it in the United States, has never existed in Indonesia.

Indonesia has no real political or diplomatic code of ethics. Acts or agreements by the country were directed toward the good of Indonesia alone whether or not they were compatible with previous acts or agreements or were in good diplomatic taste.

The internal and external economic status of Indonesia has degenerated to a hopeless state because of lack of attention by the government to internal economic problems. As further supported in the power analysis of Indonesia in chapter 3, this problem is deep, serious, and complex.

Sukarno is a difficult person to understand. He is not a formal member of any political party and, therefore, is not obligated to the charter or platform of any party. His actions have borne this out. Also, he does not maintain any political power through a political party; he must draw his strength from his position as "father of the country" and from the support of the major factions in the Indonesian political scene.

CHAPTER 3

STRATEGIC VALUE OF INDONESIA

The strategic value of Indonesia is best developed through a power analysis of that country in conjunction with implications of that power toward the world scene. This power analysis is concentrated on those elements which have a bearing on the strategic importance of Indonesia. Therefore, in considering the social, economic, geographic, military, and political aspects of the country, only factors which can contribute to the strategic value are included.

SOCIAL ASPECTS

The following quotation provides a quick picture of the people: "I saw more teeth in Indonesia in any one month than in a year in Europe and the United States; Indonesians smile often."¹ The society consists of a combination of nine ethnic groups each taking its identity from its common language or combination of languages and in a cultural tradition which sets it apart from other Indonesians. Three major groups, the Javanese, Sundanese, and Madurese, make up four-fifths of the total population of over 100 million. The largest ethnic group in Sumatra and Borneo is the coastal Malays. Hundreds of dialects are spoken throughout the

¹Louis Fischer, The Story of Indonesia, p. 143.

islands.² However, Indonesian, a standard form of Malay, is the official language.

The base of the society is the mass of peasants, small tradesmen and laborers. This base is characterized by poverty, lack of skills and a rural orientation. Eighty-five percent of the population lives in rural areas mainly because of the slow development of urban life.³

This ethnically complex agricultural society held together by family ties and traditions plus the lack of urban or regional growth provided a fertile ground for Sukarno's growth as a major power element in Indonesia. As "father of his country" he became synonymous with "free" Indonesia. It is from this element that he gained and maintained his strength. With this support, which was continually rejuvenated through emotional speechmaking, he gained a position in his country which withstood all challenges until September 1965.

ECONOMIC ASPECTS

The economic situation in Indonesia is sickening and disheartening at best. The government has allowed the economy to fall into a pattern of inflation and low productivity which cannot be relieved without a major reorientation of the whole program.⁴ Since its

²Reba Lewis, Indonesia, Troubled Paradise, p. 64.

³Special Operations Research Office, US Army Area Handbook for Indonesia, American University, p. 119.

⁴Ibid., p. 581.

beginning in 1947 the leaders of the nation have allowed political matters to take precedence over economic matters. The leaders have deliberately ignored the possibility of gaining influence through growth of economic power. They have been striving instead to gain their ends through shortcuts. Such a concept presents short ranged results with disregard for the long pull objectives.

The inflation of the rupiah is a good measuring stick of the state today. The present inflationary trend is generally the third in Indonesian history. The first was during the period 1942-1949 due to World War II, the second during the period 1949-1957 due to large exports for the Korean War, and the third started in 1957 and is continuing.⁵

In 1961 the official exchange rate for the rupiah was 45 to the US dollar. The black market rate was 9-15,000 to the dollar.⁶ In December 1965 the rupiah official exchange rate was 17,000 to the dollar. The price of rice, the staple of the country, quadrupled in 1965.⁷ The country is apparently helpless against inflationary pressures. In 1964 the government abandoned efforts to formulate a budget for 1965.⁸ In August 1965 Indonesia withdrew from the World Bank with \$117 million outstanding in loans. It is

⁵Ruth T. McVey, Indonesia, pp. 203-204.

⁶Frank N. Trager, "The US and Indonesia--A Tragedy in Diplomacy," New York Times Magazine, 29 Aug. 1965, p. 76.

⁷"The World in a Mess," US News & World Report, Vol. 59, No. 23, 6 Dec. 1965, p. 42.

⁸Guy J. Paukner, Indonesia in 1964, p. 14.

difficult to understand how this condition can continue in its present trend without a complete collapse of the Indonesian monetary system. It is more difficult to understand how the leaders of this country can continue to ignore the problem. The combination of severe inflation and the lack of attention to the growing economic difficulties has resulted in an ever increasing deterioration of Indonesian balance of payments since 1960. This has led to near depletion of Indonesia's foreign exchange reserves. The situation is aggravated by the country's debt servicing obligation of close to \$200 million per year or approximately 40 percent of its estimated export receipts for 1964 and 1965.⁹

Agriculture is by far the most important sector of the Indonesian economy. As a result, the majority of the Indonesian people are self-sufficient in food and shelter. However, rice shortages have existed in recent years even though there are large areas of fertile land not yet agriculturally exploited. Rice is the main food crop and serves as the basis for all agricultural activity in planning for distribution and use of the land. Other food crops are sago, corn, casava, sweet potatoes, peanuts and soybeans. About 35 percent of the arable land area is devoted to the cultivation of export crops. Rubber is the country's major export commodity. Rubber provides 40 to 45 percent of the foreign trade receipt of the country. Copra, sugar, coffee, tea, tobacco and spices are other export crops. There is,

⁹US Dept of State, Background Notes, Indonesia, 1965, p. 4.

however, a major problem developing in the agricultural area. The total production has remained relatively constant since 1952. Between 1920 and 1964 the population of Indonesia doubled and the population continues to increase at a rate of 2.3 percent per year.¹⁰ The per capita food production has decreased each year since 1954. Therefore, unless improvements are made in the agricultural productivity of the country, at least to the same degree as the population growth, the problem will become profound.

Indonesia has extensive mineral resources of petroleum, tin, bauxite, iron, nickel and manganese. It is a potentially rich source of these raw materials. Except for tin, petroleum and bauxite, however, there has been little exploitation of these minerals. Indonesia is ranked ninth among oil-producing countries and annually accounts for two percent of the world output. The United States did have interests in Indonesia's oil through the investments of Caltex, Stanvac and Shell Oil Companies. However, in March 1965, Indonesia completed its take-over of major foreign interests in the country by taking these oil plants.

The manufacturing sector of Indonesia contributes less than ten percent of the Gross National Product. This is limited primarily to consumer goods and small size factories. Industrial development has been hampered by the shortage of skilled technicians

¹⁰Handbook for Indonesia, op. cit., p. 583.

and managerial personnel, poor transport facilities, inadequate marketing and foreign exchange shortages.

The whole economic situation in Indonesia is in serious trouble with no real indication of improvement. Everywhere there are mementos of a vanished prosperity. Warehouses are empty, port facilities are barren, transportation facilities inadequate and run-down and inflation spiraling faster and faster.¹¹ The situation has clearly played into the Communist hands by promoting individual unrest and poverty. To survive, the emerging government from the 30 September 1965 coup attempt must turn its interest to internal affairs and improve the situation. However, the problems are deep-seated and will affect the national power of Indonesia for a long time.

GEOGRAPHIC ASPECTS

"In Communist hands this area would pose a most serious threat to the security of the US and to the family of free world nations to which we belong."¹²

This quotation from an ex-Deputy Assistant Secretary for Far Eastern Affairs sums up the geographical importance of Indonesia to the United States national strategy. Its location has great strategic

¹¹Basic Data on the Economy of Indonesia, Overseas Business Reports, p. 9.

¹²Leonard Unger, Present Objectives and Future Possibilities in Southeast Asia, Dept of State Bulletin, Vol. 52, No. 1350, 10 May 1965, p. 712.

significance to the United States. Indonesia's nearness to Australia, New Zealand, the Philippines, and the Federation of Malaysia makes it a key area in the fight to stop the expansion of communism. United States efforts to assist in the containment of communism in Southeast Asia have involved that country in a very active and important limited war in Vietnam. Indonesia becoming a Communist State would align that country with the Communist objectives in South Vietnam and therefore provide additional resistance to the United States efforts in Southeast Asia. Additionally, the confrontation toward Malaysia would assume the traditional conflict of communism vs free government in addition to the initial issues involved in the expansion of Indonesia.

MILITARY AND POLITICAL ASPECTS

The military and political aspects of Indonesian power are best addressed together in developing the factors in these areas which contribute to the strategic importance of that nation. The Army has played such an important part in the political history of Indonesia since its independence that it would be difficult to discuss it separately. Emerging from Indonesia's political vacillations in the 50's were three factions which exercised pressures for or against each other to provide a balance of government control. This "triangle" exemplified Sukarno's philosophy of revolution involving conflicting forces. The triangle, consisting of the Army, the Communist Party (PKI), and Sukarno maintained a neutral balance in supporting

Indonesia's isolationist foreign policy until late 1963. After the forming of the Federation of Malaysia in September 1963, Sukarno's leanings toward Communist China strengthened the PKI until the coup of 30 September 1965.¹³ The military state established as a result of the coup has destroyed the Communist party's influence in the government and reduced Sukarno to a figurehead. The results of the coup failure have shaking effects upon the nation of Indonesia and the settling out process is not yet complete. However, Sukarno is regarded as the father of his country and will be a power element in the country until his death. Communism has always been present in modern Indonesia whether as a recognized party or underground. The military as the national security force and the present controlling body in Indonesia will play the major part in the new government. Each of these elements are subsequently discussed for the benefit of their present and future influence as the major political elements of Indonesia.

The Military

Among the Asian nations, Indonesia is second only to Red China in military strength.¹⁴ The Armed Forces of Indonesia in 1964 consisted of approximately 250,000 men with 150,000 reservists. Replacements are normally provided by voluntary recruiting. During

¹³Herbert Feith, "President Sukarno, the Army and the Communists: The Triangle Changes Shape," Asian Survey, Vol. IV, No. 8, Aug. 1964, p. 969.

¹⁴"End of the Road for US in Indonesia," US News and World Report, 15 Mar. 1965, p. 49.

the war with the Dutch the Armed Forces strength reached approximately 900,000 men. The Army's strength was about 200,000 men consisting of 130 Infantry Battalions loosely grouped into Regiments. The Army had 4,000 armored vehicles and 350 tanks of both US and Russian make. The officer corps is well trained and keen and their status is attractive among the people. Over 2,000 officers have received specialist training in the United States.. The men make good soldiers but lack technical training. The Air Force in 1964 had 320 aircraft and consisted of 20,000 men. These aircraft were of assorted American, Canadian, Japanese and Russian manufacture. Indonesia is a long way from having an aircraft industry, so lack of parts and trained technicians is a real problem. The Navy consists of 250 ships and 1,700 men which is very small for an island country.¹⁵ The lack of transport capability and the fact that Indonesia is an island country reflect a limited offensive capability of the nation beyond its shores. However, a good defensive capability is indicated.

Another major importance of the military other than its battle winning capability is its strength in the political sector as the major anti-communistic faction in Indonesia. Defense Minister General Abdul Harris Nasution has been in Indonesia's political scene for many years--first as the Army Chief, then as Defense

¹⁵Edgar O'Ballance, "The Military Capability of Indonesia," Eastern World, Vol. 18, Apr. 1964, pp. 12-14.

Minister, and at this writing, Deputy Commander of the Supreme Operational Command. Since 1957 the Armed Forces have played an important role in the conduct of government affairs. Members of the Armed Forces have held positions in the cabinet, the Parliament and the government advisory bodies. In 1957 a state of emergency was declared which allowed military officials to place themselves in key regional positions throughout the country. Their influence remained. When Sukarno declared his "Guided Democracy" in 1959, the influence of government factions fell away from the head of the state leaving the Armed Forces and the Communist Party (PKI) as the major influencing factions.

At this writing the Armed Forces are in fact running the nation. Between the anti-communistic feelings of the Armed Forces and those of the Moslems, the Communists are being purged. However, the military faces many problems. The senior officers are not young, puritan, ambitious, reforming officers such as Nasser may have been in Egypt. Nasution and his supporters have been part of a ruling clique for ten to fifteen years which has a share in the state of things in Indonesia. The Army is still suspected by the middle class with the reputation of being easily corrupted. Whether they can produce results quickly towards the economic recovery of Indonesia is a big question.¹⁶

¹⁶"The Red 'Paper Tiger'-Failure in Indonesia," US News and World Report, Vol. 59, No. 21, 22 Nov. 1965, p. 84.

The Communist Party (PKI)

The Indonesian Communist Party (Parti Komunis Indonesia--PKI) grew as a wing of the nationalist movement in Indonesia and often appeared more nationalist than Communist. It was the largest Communist Party outside the Sino-Soviet bloc.¹⁷ This nationalistic orientation of the party fit the basic binding force of the Indonesian nation and therefore served as a means for the party to gain and hold popular support. In 1951 D. N. Aidit became secretary-general of the party. He pressed for new policies and moved the party to support of Sukarno. Their support of Sukarno's guided democracy resulted in the party being awarded two cabinet posts without portfolio in 1962. The party's policy was to participate as much as possible in all organizations sponsored by the government, resist foreign economic interests, support government actions which agree with PKI interests, and accept with little comment those actions which do not.¹⁸

The basic PKI philosophy is Peking oriented orthodox Communist theory. The party constitution states ". . . At the present stage the PKI is struggling to create the system of a Peoples democracy in Indonesia, whereas its further aim is to realize a socialist society and a Communist society of Indonesia."¹⁹ The status has never really gone past the creation of a peoples democracy through

¹⁷Trager, op. cit., p. 26.

¹⁸Handbook for Indonesia, op. cit., p. 475.

¹⁹Ibid., p. 476.

a national front. Its foreign policy goals since 1954 have been supporting struggles against colonial regimes, terminating the Netherlands-Indonesian Union, terminating other agreements considered harmful to Indonesia, taking possession of West New Guinea, "crushing" Malaysia, and promoting peace. Its domestic policies were to extend PKI influence, increase political influence among the people, strengthen the national front, and appeal to the people through economic and nationalistic interests.

The PKI avoided coalition with other political parties and did not participate in establishing government policy. Therefore, it did not have to accept responsibility for government policy.²⁰ This provided the party with great flexibility since it could disassociate itself from any government policy it chose and could commit itself as desired. The PKI used this flexibility to emphasize the "confrontation" program in their "crush Malaysia" policy in 1963. The West New Guinea problem had been settled. The Communists could not allow Indonesia to turn to its internal problems because of the prospect of substantial US aid and influence.²¹ The PKI pronounced the country's economic problems to be relatively insignificant compared to the national objective of "crush Malaysia." The thought of US influence in Indonesia was not popular with Sukarno either, so Sukarno also turned his attention to the north. The PKI was gaining

²⁰Ibid., p. 477.

²¹Justus Maria Vander Kroef, "Indonesian Communism and the Changing Balance of Power," Pacific Affairs, Vol. 37, No. 4, Winter 1964-65, p. 363.

strength. The Communist estate workers union Sarbupri "nationalized" sixteen British rubber, coffee and tea plantations on 18 January 1964.²² These seizures were eventually supported by Sukarno. As Western relations deteriorated, the PKI became stronger and Sukarno became closer to Communist China. Their strength gained until the coup attempt of 30 September 1965 after which it lost all power and influence in Indonesia.

The Communist Party has been outlawed and has lost its popularity in Indonesia. One thought is that Communist strength in Indonesia was overrated and that the people were never behind the party.²³ However, the history of Indonesia shows that it has always had a Communist Party. The present economic chaos is a true breeding ground for communism, and the party platform appeals to the spirited nationalism of the country. Communism as an influencing factor of the political scene in Indonesia will probably return.

President Sukarno

President Aekmed Sukarno was born in Surabaya, East Java on 6 January 1901. Cindy Adams, news correspondent, stated after an interview with Sukarno in 1961, "Sijarno is a great lover. He loves his country. He loves music and art. He loves women. And he loves

²²Ibid., p. 371.

²³"The Red 'Paper Tiger'--Failure in Indonesia," op. cit. p. 82.

himself."²⁴ Quoting Sukarno, "I am Gemini, twins. Because I'm two halves. I can exhibit all shades and lead all people. I am all embracing."²⁵ This is the father of Indonesia. A man who dominated the control of Indonesia from 1945 to 1965. He is complex, emotional, flamboyant, shrewd, sensitive and charming. President Sukarno, more than any other leader, slogan, or ideology is the symbol of national consciousness to the Indonesian people. He is gifted with a charisma which captivates his audience and he completely understands the nature, thinking and customs of his people.²⁶

After he completed undergraduate school at the Technical Faculty of Bandung he turned toward groups and associations which resisted the colonial rule of the Dutch. His political philosophy evolved as NASAKOM which is the mutual support of the state through nationalism, religion and communism.

Sukarno's power was attributable to his ability to influence and control his people, his status as father of his country, and the skill he used as a political balancer. He balanced the Army with the Communists in internal political affairs, balanced the Western countries with communism and, to a degree, balanced Red China with Russia.²⁷ The reduction of Sukarno's power subsequent

²⁴"People," Time Magazine, Vol. 78, No. 23, 8 Dec. 1961, p. 40.

²⁵Ibid.

²⁶Handbook for Indonesia, op. cit., p. 359.

²⁷Herbert Feith, "President Sukarno, the Army and the Communists: The Triangle Changes Shape," Asian Survey, Vol. IV, No. 8, Aug. 1964, p. 977.

to the 30 September coup was due primarily to his growing affiliation with Red China. The result is that Sukarno will not wield his former power in any new government structure and will have little influence on the power position of Indonesia.²⁸

Summary

Indonesia has a formidable military capability. However, the facts that Indonesia is an island state, lacks technical backup, and it has a small army support the conclusion that it is capable of internal defense of the country with only limited aggressive capability.

Politically, Indonesia is in a state of change. The old power of Sukarno has been reduced. The Communists have, for the present, lost all of their political influence. The Armed Forces, which are strong anti-Communists, are in control of the government at this writing. Therefore, the danger of a Communist take-over in Indonesia has been eliminated for the present.

POWER ELEMENTS AFFECTING US STRATEGY

The economy of Indonesia is on the verge of complete collapse. Food shortages are growing, industry is not progressing, the money is practically worthless and trade has slowed to a virtual standstill. The problem is well beyond a solution by the country alone.

²⁸"The Red 'Paper Tiger'--Failure in Indonesia," op. cit., p. 82.

A great input of foreign aid and the decision by the country to help itself on an urgent basis is necessary to even begin to improve the Indonesian economy.

Geographically, Indonesia is in a key position in Asia. It provides an ideal foothold beyond the continental borders of Asia to threaten the nearby island countries with the spread of Chinese communism. If Indonesia were to become a Communist state it would increase resistance to the US effort in Vietnam, increase the ideological aspects of the "confrontation" of Malaysia, and enhance the status of Chinese communism.

The present political situation in Indonesia which resulted from the coup attempt of 30 September 1965 is more favorable to the United States than the pro-Communist atmosphere which existed before that time. The Army is in almost complete control. However, the change from what was close to a Communist state is too recent to allow much speculation on changes of Indonesian foreign policy at this time. As a fighting force, the Armed Services of Indonesia do not pose a military threat of a major nature. However, the nation is capable of maintaining its internal security and it is capable of backing up its "confrontation" threats toward Malaysia.

CHAPTER 4

US FOREIGN POLICY

BASIC OBJECTIVES

"The foreign policy of the United States may refer to the total program designed to protect its interests and attain its objectives, with particular aspects being identified as 'foreign policies.'"¹

Alexander Hamilton stated in his "Pacificus" that self-preservation is the first duty of a nation.² Therefore, it is necessary to look into the "inside" of United States policies to identify basic purposes and objectives from which our present area-oriented foreign policies have developed.

This nation was originally a colony of one of the strongest colonial powers in the world. This nation was born from revolution with a firm and strong desire for freedom of the individual under God and the defense of the country. This basic purpose under the guidance of such Presidents as Washington, Adams, Jefferson, Madison and Monroe developed the strong fibers of the United States democratic character. These men were always concerned about the security of the nation and its principles. During the early years

¹Edgar S. Furniss, Jr., and Richard C. Synder, An Introduction to American Foreign Policy, p. 28.

²Hans J. Morgenthau, Principles and Problems of International Politics, p. 38.

of United States history certain basic objectives developed which were to form the nation's early broad foreign policy objectives.

These were:

- a. To secure and maintain independence with satisfactory boundaries.
- b. To extend these boundaries in the interest of security, trade, population, and the spread of democracy.
- c. To promote and protect the rights and interests of American citizens abroad.
- d. To preserve peace within the bounds of preserving American security and vital interests.
- e. To spread Christianity and democracy.³

These basic objectives are not static. They change in scope and perspective as they are influenced by events in time. Therefore, as psychosocial, political, economic, and military aspects of the United States influence these basic objectives, the related national policy changes in scope and perspective. There are a number of things which influence the changing shape of a nation's foreign policy. Chief among them are: its judgment of its relationship to changes brought about by the basic forces shaping the world, its aspirations and beliefs, and its goal and objectives leading to that goal.⁴ Foreign policy must be recognized as dynamic rather than static.

³Julius William Pratt, A History of the United States Foreign Policy, p. 3.

⁴Temple Wanamaker, American Foreign Policy Today, p. 5.

Events in time have modified the basic objectives listed above. The growth of the United States into a major world power, the end of colonization, the introduction of communism, and the control of nuclear energy created influences which generated continual modernization of these basic objectives to fit the existing situation.

The present updating of these objectives can be identified in assertions by both President Johnson and Secretary Dean Rusk. In brief form they are as follows:

- a. To deter or defeat aggression at any level, whether of nuclear attack or limited war or subversion and guerrilla tactics.
- b. To bring about a closer association of the more industrialized democracies of Western Europe, North America, and Asia in promoting the prosperity and security of the entire free world.
- c. To help the less developed areas of the world carry through their revolution of modernization without sacrificing their independence or right of self-determination.
- d. To assist in the gradual emergence of a genuine world community based upon cooperation and law.
- e. To strive to reduce the risks of war, to narrow the areas of conflict with the Communist bloc, and to promote peace.⁵

⁵"Our Foreign Policy," US Dept of State Pamphlet, pp. 1-11, 1963; and Lyndon B. Johnson, "Our World Policy," Vital Speeches of the Day, Vol. 30, No. 14, 1 May 1964, pp. 418-419.

TOWARD INDONESIA

Basic changes have taken place in the strength of the United States and its position relative to other nations as a result of two world wars. Foreign relations have developed some inherited attitudes and relationships from the history of the United States prior to World War II which affected American policy after World War II.⁶ These inheritances are reflected in the fact that there was a period of lethargy and preoccupation with continental security and European relations after World War II which delayed the development of a positive foreign policy. This is attributed in part to the old philosophy of domestic affairs taking priority over foreign affairs.⁷ However, shortly after World War II the fact became evident that national freedom depends upon the freedom of others and that strength is drawn from the strength of others.⁸ In the words of Dean Rusk, ". . . we seek a peaceful world of independent nations each free to choose its own institutions as long as it does not threaten the freedom of others and all are free to cooperate in their common interests and in the welfare of mankind."⁹ The early thoughts of promoting democracy for democracy's sake are outmoded. Nations and states should develop governments

⁶Furniss and Snyder, op. cit., p. 203.

⁷Ibid., p. 204.

⁸Johnson, op. cit., p. 418.

⁹Dean Rusk, Foreign Policy and the American Citizen, Address, 10 Dec. 1963, State Dept Office of Media Services, Series S-No. 16, p. 4.

which satisfy the control requirement of that nation or state based upon the unique and individualistic factors in those nations or states.

This general philosophy when applied to the previously developed national objectives provides a logical means of expanding these objectives into general policies. In focusing these general objectives and policies on Indonesia the factors influencing Indonesian policy outlined in chapter 2 are considered. As stated before, these factors must be compatible with US general objectives if US foreign policies are to meet with an acceptable degree of success. Generally, the recent decomposing of US-Indonesia relations indicates that the two countries are at cross purposes. Failure has been followed by failure until the relationship between these countries is joined by nothing but a fine diplomatic thread--a threat which could have been broken many times since 1964.¹⁰ Specifically, the last three factors listed in chapter 2 are suspect of barring good US-Indonesian relations. These factors are: lack of political or diplomatic ethics, lack of government interest in its economy, and Sukarno himself. These factors are so broad and strong that attempting to bypass or compromise them in their affect upon US policy would be foolhardy, and yet it is impractical to develop an acceptable US policy which can cope with them.

¹⁰Denis A. Warner, "What We Got for Pampering Indonesia," Reporter, Vol. 31, 8 Oct. 1964, p. 30.

First, consider the point of political or diplomatic ethics. The credibility of a nation is important before a real base of diplomatic relations can be established. Some type of mutual understanding or trust must exist with Indonesia before the United States can "do business" with it.

Second, the lack of attention of a government to its own economic problems and internal affairs indicates no interest in economic growth and, therefore, national growth. However, revolts may erupt, guerrillas may fill the jungles, the state treasury reserves may be almost gone; but President Sukarno remains his relaxed, smiling self and behaves as though he had not a care in the world.¹¹ The economic recession of Indonesia provides a continuing breeding ground for Sukarno's philosophy of revolution and communism. Before any real economic assistance can be provided this country, the country must want to assist itself by at least recognizing the problem.

Third, Sukarno, as the head of state with no party affiliation or obligation, has been able to interpose his whims with no obligation to a firm platform or party rules. When he announced his "guided democracy" he admitted that his cabinets were weak and, therefore, he paid little attention to them. His latitude of control plus his swing toward communism provided the biggest stumbling block toward good US relations with Indonesia.

¹¹Louis Fischer, The Story of Indonesia, p. 147.

THE COUP ATTEMPT OF 30 SEPTEMBER 1965

The coup attempt of 30 September 1965 which has been attributed to the Communists may have some effect upon United States-Indonesia relations. However, it is difficult at this time to appreciate what influence it may have on US foreign policy toward Indonesia. H. Kent Goodspeed, Officer-in-Charge of Indonesian Affairs, Department of State, stated that the political situation in Indonesia is still fluid at this writing and the events of the past months are not entirely clear in their influence on US relations. Also, these events have as yet had no impact on the bilateral relations between the US and Indonesia.¹² However, it is clear that the loss of power by both Sukarno and the Communist party to the strong anti-Communist faction of the military does open the door of hope of at least stopping the Communist take-over of that country. Yet being overoptimistic must be avoided since there are several very important influencing factors which are danger signs to a clear understanding of Indonesia's future.

First, General Nasution and his military compatriots have been instrumental in the Indonesian political arena for a long time. They have either supported or condoned the functioning of Sukarno's government for many years. There is little to indicate any change in the political or diplomatic ethics of Indonesia. Next, the new

¹²H. Kent Goodspeed, Letter to the Author, 29 Nov. 1965.

leaders of Indonesia must turn their efforts toward the economic problems of the country immediately if they are to remain in control for any length of time. It is impractical to believe that the present situation can continue for any considerable length of time without some sort of major economic and social crisis. However, even in the event of such a crisis, it is questionable that the general Communist trend of the pre-30 September 1965 days could return in the near future. The Communist purge has been so violent and far reaching that for the present and the near future, communism as a power in Indonesia is dead. Last, the power of Sukarno as an influence over the people may have been reduced but has not been completely destroyed. He, as the "Lincoln" of Indonesia, will remain influential until his death or retirement from active policies. Sukarno's relationship to the 30 September coup attempt is still unclear. There are contentions that he had full knowledge of the planned slaughter of the military leaders of the country.¹³ His commitments to Red China in 1965 were such that he would appear to be obligated to the Communist Camp in any political activity.¹⁴

SUMMARY

The foreign policy of the United States toward Indonesia is based upon the general philosophy that a country or nation should

¹³Tarzie Vittachi, "Sukarno Still Champion, With Tarnished Crown," The Washington Post, 24 Oct. 1965, p. A18.

¹⁴Seymour Topping, "Sukarno Acts With China to Outflank West in Asia," New York Times, 25 Aug. 1965, p. 1.

exercise the right of the people in self-determination of its government. Also, Indonesia, as a new emerging country, needs assistance in its development toward a stable, progressive and modern power. There are specific factors influencing Indonesian foreign policy which run "cross grain" to US general objectives and which prevent the successful pursuit of US policies toward Indonesia. The attempted coup of 30 September 1965 may effect these factors to allow assistance by the US and other anti-Communist countries and the improvement of relations between Indonesia and the west. However, there are serious problems remaining which cloud a prediction of the success of US foreign policies in Indonesia. But, as Roger Hilsman stated, ". . . Now we probably have one more chance."¹⁵

¹⁵Roger Hilsman, Letter to the Author, 24 Nov. 1965.

CHAPTER 5

CONCLUSIONS AND RECOMMENDATIONS

CONCLUSIONS

The strategic value of Indonesia to the United States is mainly vested in the resulting effect upon the world scene if Indonesia were to go Communist. In this case, the US effort in Vietnam would be influenced and the "confrontation" toward Malaysia would be changed to include more emphasis on the ideological conflict between communism and the free world, and Chinese communism would receive a psychological boost.

Present US foreign policies toward Indonesia do support the US national objectives. Modification of these policies through compromise or deletion will degrade the US policies toward Indonesia from those dictated by the US general philosophy in its relationship with foreign countries. Therefore, there are no profound alternatives for modification of the existing US foreign policy toward Indonesia.

There are factors in Indonesian foreign policies which prevent the success of US foreign policy toward that country. The coup failure of 30 September 1965 should have some impact on these elements. However, the affect of this impact on the future success of US foreign policy in Indonesia is unknown at this writing. Whatever changes occur will be the result of the anti-Communist

trend in Indonesia and, therefore, should improve US-Indonesian relations. However, the unclear political situation and the nationalistic influence in Indonesia against foreign intervention (particularly western) dictate that the United States allow the political atmosphere to stabilize before it makes overtures toward improved relations.

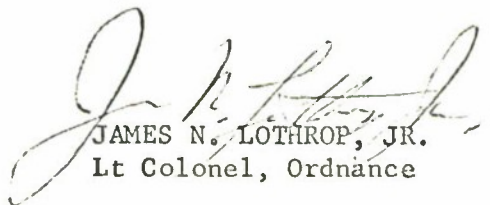
RECOMMENDATIONS

That US strategic planning take cognizance of the influences on the US strategic position in the Far East which will come to bear if Indonesia becomes a Communist state.

That present US foreign policies toward Indonesia be continued without modification.

That the US remain silent on its position toward or relationship with Indonesia until the political picture in Indonesia becomes more clear.

That the US be prepared to reconstitute its aid programs to Indonesia and support the assistance of other non-Communist countries to Indonesia when it is apparent that such aid and assistance will be accepted with an honest understanding by Indonesia of its intended use and purpose.


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