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On December 19, 1961, on the thirteenth anniversary of the day when Dutch paratroopers captured the revolutionary capital of the Republic of Indonesia, Jogjakarta, and took President Soekarno and members of his government into captivity, Indonesia started mobilizing her energies for a showdown with the Netherlands concerning Western New Guinea. A massive equipment program, supported by Soviet and to a lesser degree American credits, enabled the Armed Forces of Indonesia to be ready by mid-summer 1962 for an amphibian assault. The primitive and inhospitable territory of Western New Guinea, as large as France but inhabited only by some 700,000 Papuans, most of whom had not progressed beyond neolithic culture, was defended by about 5,000 Dutch troops supported by some air and naval power. These forces may have found it difficult to resist for any length of time repeated attacks by the numerically superior and logistically favored Indonesian troops. Neither the interests of the 10,000 civilian Dutch citizens present in the territory, nor the economic value of Western New Guinea seemed

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to justify a costly military effort for any reason except perhaps national pride.

Legitimate concern that the outbreak of hostilities would push Indonesia into the Soviet camp, on which it would have become totally dependent logistically as well as politically, mobilized American diplomacy. In March secret Indonesian-Dutch negotiations started outside Washington, assisted by former U.S. Ambassador to India Ellsworth Bunker.

On August 15, 1962, an agreement was signed at United Nations Headquarters in New York. It provided for a United Nations Temporary Executive Authority (U.N.T.E.A.) to replace Dutch colonial administration on October 1, 1962, with the mandate to transfer administration of the territory to Indonesia not later than May 1, 1963. The agreement was ratified by the General Assembly of the United Nations in September and an Iranian administrator was appointed by the Secretary General, while Pakistan provided security forces flown in by the U.S. Air Force on behalf of the U.N., to safeguard stability during the transition period of seven months.

President Soekarno obtained the additional satisfaction of having U.N.T.E.A. accept and utilize in the territory the Indonesian military who had been infiltrated before the settlement in order to wage guerrilla warfare against the Dutch. Furthermore, the agreement provided that the Indonesian national flag would be hoisted on December 31, 1962, beside the flag of the United Nations because President Soekarno had committed himself to have "the red-and-white in Irian Barat before the cock crows in 1963."

The only concession to the Dutch point of view was a provision that by 1969 the population of Western New Guinea would be given a chance to exert the right of

self-determination. Two days after the agreement had been signed in New York, in his annual Independence Day address on August 17, 1962, President Soekarno stated that he interpreted the commitment to give the population of Western New Guinea an opportunity to exercise the right of self-determination as meaning "only internal not external self-determination."

By mid-November demands of campaign proportions were building up in Indonesia requesting both a briefer period of transition from U.N. to Indonesian administration than had been agreed upon in New York and to rescind the commitment to a plebiscite by 1969.

The Indonesian government may, understandably, want to minimize the expenses of the U.N.T.E.A., which it shares with the Netherlands, in Western New Guinea and may indeed respond to the expressed wishes of the small articulate minority of Papuans who can now manifest freely their allegiance to the Republic of Indonesia.

Whether it is not detrimental to the orderly functioning of the community of nations, in which Indonesia should have a considerable vested interest, to challenge a unanimously approved resolution of the General Assembly, is another question.

For over twelve years Indonesia was the victim of the Netherlands' refusal to negotiate a Western New Guinea settlement, contrary to the 1949 Round Table Conference agreements. Now that Indonesia has received satisfaction, she has little to gain by challenging in turn the principle pacta sunt servanda, on which the international legal order rests. Success is heady wine for a young nation.

As a potentially very important member of the community of nations, ranking fifth in the world in population,

strategically located between two oceans and two continents, richly endowed with natural resources, of which not the least is the charm of her people and culture, Indonesia is now politically at a crossroads. She may add to the chaos and turbulence of our times, or she may emerge as an example to smaller and less fortunate nations, if she is successful in building the "just and prosperous society" to which she committed herself in 1945.

Already, Indonesian experimentation with political forms suiting her national characteristics commands attention in the rest of the world. However controversial some of the features of her "guided democracy" may appear to Western observers, it cannot be denied that Indonesia may be engaged in a genuinely creative effort to find forms of political organization adapted to the needs of a society in transition.

On December 19, 1962, President Soekarno decreed the abolition, before May 1, 1963, of the state of emergency established in March 1957 when the country was engulfed in major social and political convulsions and when her internal security was threatened by a variety of rebellious movements. The decree states that the state of emergency will be lifted so that

> revolutionary people's forces be given a part in the consummation of efforts to achieve the objectives of the Indonesian revolution.

For practical purposes this means that political parties will be again permitted to campaign without having to face Army-imposed restrictions. While all parties will welcome this, the best organized ones will, of course,

benefit most from the changed political climate and therefore the measure will favor particularly the Communist Party of Indonesia, which is already requesting with increasing forcefulness a NASAKOM cabinet. In President Soekarno's political vocabulary this means a cabinet including nationalist, religious and Communist political forces.

Surprisingly, on December 17, 1962, two days before the Presidential decree, D. N. Aidit, General Chairman of the Communist Party of Indonesia, stated in a public speech at Tjiandur, West Java:

> Rejection of NASAKOM would mean a denunciation of the peaceful way to socialism and lead to dissension inside the nation, and the peak of this dissension would be an internecine war.

Thus at the very moment when President Soekarno promises increased freedom of action to those political parties which have been loyal to his regime, Chairman Aidit seems to yield to the pressures of the Communist Party of Indonesia's "Chinese faction" which denies the possibility of the "peaceful transition to socialism."

This could mean that Indonesia is heading toward new internal convulsions a few months after security was re-established in 1962 with a minimum of bloodshed, earning the Indonesian Army well-deserved appreciation for the humane and civilized way in which it conducted these operations. While demonstrating its military capability and competence, the Army has also shown its understanding for the moral and spiritual aspects of the problem of coping with insurgencies. Thousands of armed rebels are being reintegrated into the national community.

In the same spirit the Army initiated in 1962 civic action projects for the benefit of the civilian population and plans to devote eventually one third of its forces to activities that would contribute to Indonesia's economic growth.

As control of the government and administration of Indonesia will revert from military to civilian hands in the next few months, we will be witnessing an interesting and in some ways unique experiment in the shaping of new patterns of civil-military relations.

The Indonesian officer corps has played in recent years a major and sometimes controversial role in all sectors of public life. It is unlikely that the abolition of the state of emergency will eliminate its influence completely. But a new balance of forces is bound to be established from the cabinet down to village government, in the economic sector and in the social organization of the country.

Throughout 1962 efforts were made, in the context of drafting a new electoral law, to develop principles of representation which would reconcile and harmonize the conflicting interests of the leadership principle embodied by President Soekarno, of the democratic principle espoused by political parties increasingly impatient with the restrictions imposed since 1959, following the collapse of the parliamentary system, and of the corporative principle through which functional and regional interests are seeking suitable forms of expression.

The problem is a complicated one, in a country in which regional interests and emotions still evidence centrifugal tendencies, where functional group interests lack the civic discipline of more mature societies, where the powerful personality of a national leader like Soekarno sharply polarizes followers and opponents and in which the system

of political parties has been unbalanced by the developments which took place since the country's only general elections, those of 1955.

Of the four major parties which emerged at that time, the Moslem Masjumi Party, which obtained in 1955 7,903,886 votes or 20.9 per cent of the total, was suppressed on August 17, 1960, together with the small but intellectually influential Socialist Party of Indonesia (PSI).

The Nationalist Party (PNI) which obtained in 1955 8,434,653 votes or 22.3 per cent of the total, has probably lost adherents, following restrictions on the political activities of civil servants, from which it drew a considerable part of its authority, and the secession of some radicals who have since formed the Partindo Party.

The Moslem Nahdatul Ulama Party, which was in 1955 the third largest, with 6,955,141 votes or 18.4 per cent of the total, may have gained adherents as the suppression of the Masjumi left the Moslem electorate with no alternative choices. But the NU has always been organizationally weak, politically wavering and opportunistic, as well as plagued by a greater than average measure of corruption.

Whether the PNI and the NU have been able to preserve in recent years a genuine basis of political authority or have merely survived by the grace of President Soekarno has to be left unanswered until tested in the next general elections which may be held late in 1963.

But the decision to allow Indonesia's one hundred million inhabitants to go to the polls will probably be determined by very complex pressures and counterpressures, with domestic and international ramifications. These pressures will be generated by the fact that in the last

few years the Communist Party of Indonesia (PKI), which obtained in 1955 6,176,914 votes or 16.4 per cent of the total, has become the largest Communist Party outside the Communist Bloc.

At its Seventh (Extraordinary) Congress held in April 1962 in Djakarta, the PKI claimed over two million members. Its front organizations include the Peasants' Front (BTI) with 5.7 million members, the Federation of Trade Unions (SOBSI) with 2 million members, the Women's Organization (GERWANI) with 1.5 million members, the Youth Organization (Pemuda Rakjat) with 1.2 million members, and other groups, thus totaling not less than ten million fellow travelers.

Elections in Indonesia could well turn out to be the first historical test of the thesis espoused by the General Chairman of the PKI, D. N. Aidit, and reiterated by Premier Khrushchev at the 20th Party Congress of the C.P.S.U. in 1956, that Communism can achieve power by parliamentary means.

This proposition, which is one of the major sources of doctrinal conflict between Moscow and Peking, is also apparently causing internal dissensions within the leadership of the PKI. If representative processes are given relatively free play in the foreseeable future, this would strengthen the position of the Moscow-oriented Aidit faction against the faction of the PKI's Vice Chairman, M. H. Lukman, who advocates the activist, revolutionary line favored by Peking.

If the latter prevails, President Soekarno may face the problem of being deprived of the substantial political support which the PKI has given his regime in recent years. But, while the Army can block the PKI's road to power --

should the latter choose the road of open insurrection -- elections could create a new situation which the President might find difficult to control, namely a legitimate PKI claim to share power with him.

Furthermore, the political calculus of the Indonesian leadership is bound to be affected by compelling economic considerations. The Indonesian government initiated in January 1961 an eight-year economic development plan. Its implementation has been neglected during its first two years, as -- according to President Soekarno -- eighty per cent of national resources were devoted to the expenditures which the government considered necessary for the achievement of internal security and for the campaign for Western New Guinea.

In the 1960-1962 period Indonesia contracted additional debts of nearly $1 billion by purchasing from the Soviet Union and other Communist countries a formidable armory of modern weapons. This has drastically reduced Indonesia's capability to utilize its foreign exchange revenue for economic stabilization and development. It is also making it extremely difficult for the United States and other countries in the Free World to extend to Indonesia the massive financial aid which she urgently needs to overcome her deepening economic crisis.

The price index in 1962 was ten times higher than in 1953 and inflation is rampant, while production is lagging. Responsible Indonesian businessmen claim that production and exports for 1960-1962 are only one third of the level of 1940, if population increase is taken into account. The money supply increased by 37 per cent in 1960, 39 per cent in 1961 and probably even more in 1962, as in the latter

year deficit financing covered Rp. 39.6 billion of the regular budget of Rp. 116 billion, plus the cost of the New Guinea campaign.

In 1962 President Soekarno has added the title of Commander of the Supreme Economic Operations Command to his many other titles and, in this capacity, has appointed a military-type staff, consisting of a Planning Team, an Implementation Team, and a Supervisory Team; but this has not visibly influenced the situation.

In November, First Minister Djuanda announced that he was preparing a three-year financial and economic stabilization plan and stressed that loans were needed for the acquisition of raw materials and spare parts, the absence of which is causing the under-utilization of Indonesia's modest manufacturing capacity. Foreign Minister Subandrio added to this grim picture by telling the press in early November that Indonesia is currently suffering from run-away inflation, declining production, rising imports and huge expenditures for the Armed Forces. He added that Indonesia needs credits, but without strings attached. The dimension of the problem faced by the Indonesian government is indicated by the estimated foreign exchange deficit for 1963: it may reach $300 million. Since 1956 Indonesia has received economic credits of about $650 million from the countries of the Communist Bloc. Massive additional economic credits from that side are not likely, and would, at any rate, be of little immediate value since only a small fraction of credits already obtained has been actually utilized.

This means that Indonesia's economic and financial stabilization depends on credits from the Free World. In this context, the specter of Communist advances, especially if elections are forthcoming, is bound to compound the

difficulties created by the Soviet military aid program. Yet economic development can hardly be further delayed in a country which has already lost considerable time since independence and in which the population grows at the rate of 2.3 per cent annually.

In view of all these staggering difficulties, the year 1962, which President Soekarno labeled in his August 17 speech as "The Year of Triumph," should normally have marked the transition from a preoccupation with external affairs, in the context of the campaign for Western New Guinea, to domestic efforts focused on the stabilization of the economy and on the eventual creation of the "just and prosperous society" promised by President Soekarno to his people in the name of "Indonesian socialism."

It is therefore surprising that Indonesia is now embarking on a course of action which may further delay the achievement of her people's welfare. On December 8, 1962, a revolt broke out in the small sultanate of Brunei, a British protectorate with 84,000 inhabitants, mostly Malays.

Several thousand armed fighters attempted unsuccessfully to wrest control from the present government and to proclaim an independent state in order to prevent the creation of the Federation of Malaysia which is scheduled to incorporate later this year Malaya, Singapore and the territories of British Borneo in a new sovereign state.

President Soekarno and his government gave immediately full moral support to the Brunei movement and made it abundantly clear that Indonesia opposes the creation of the Federation of Malaysia. This introduces new tensions into Southeast Asia. Friendly relations between Indonesia and Malaya are in jeopardy. The Malayan Prime Minister,

Tunku Abdul Rahman, has publicly accused Indonesian groups of lending covert support to the Brunei movement.

Whatever the validity of such claims may be, this new episode adds a new and disturbing dimension to Indonesia's short but turbulent history, namely the possibility that her radical nationalism is turning into expansionism.

With a population greater than that of all other Southeast Asian countries together, Indonesia is able to wield a political influence that cannot be ignored.

Following the military build-up of 1961-1962, Indonesia's political moves can become a source of major concern to her neighbors, as she possesses now an Army of 350,000 men, a Navy which includes one or two heavy cruisers, several destroyers and at least twelve submarines, an Air Force equipped with Soviet medium and light jet bombers and supersonic jet fighters, as well as tactical missiles available to all three services.

If her future moves generate an atmosphere of suspicion and fear, Indonesia may find that her emergence as a military power without the demonstration of a commensurate degree of international responsibility is creating a situation which will make it impossible for her to satisfy the hopes of her long-suffering and patient people for a better life.

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