INDONESIA 1979: THE RECORD OF THREE DECADES

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Coerced by young radical nationalists, Soekarno and Hatta proclaimed Indonesian independence on August 17, 1945, a date which is being celebrated ever since as Indonesia's National Day. But legally Indonesia became a sovereign state only on December 27, 1949, the usually ignored date when the Netherlands relinquished officially their claim to the territories which they had occupied and exploited for about 350 years.

During the 52 months between those two dates, a period of armed and diplomatic struggle for independence and recognition, the emerging Indonesian political elites established their credentials as national leaders and became the principal beneficiaries of their country's newly-won freedom. Today the world's fifth most populous nation is still governed by members of the "Generation of 1945," although younger persons are beginning to occupy senior positions in all sectors of national life, political, economic, military, and cultural.

When, thirty years ago, the people of Indonesia became, under international law, masters of their own house, free to shape their own destiny, their numbers amounted to some 83 million. Now the same country has to provide a livelihood to some 148 million persons.¹ How did Indonesia's political elites cope with this formidable task of absorbing 65 million additional people into the national community? How well has the "Generation of 1945" carried out its nation-building mission? What heritage and what burdens are they leaving to their successors, the younger, post-colonial generation that will be completely in charge by the end of the century?

Indonesia receives more than its fair share of criticism from Western journalists and academic writers. The failures of its elites

¹ This article will appear in the February 1980 issue of Asian Survey.
are discussed extensively; whereas their achievements are ignored. The turbulent first decades of Indonesia's existence as an independent nation are not judged by comparison with other nations at similar stages in their development, but against abstract standards of perfection, which have also not been achieved elsewhere.

Critical investigative journalism is, of course, the fashion of the moment, raising difficult questions about whether there should be limits to the social control function of the mass media. Undoubtedly, governments that are not monitored by a free press and by free speech degenerate and end up doing great harm to the people they are supposed to serve. But purely negative reporting, without concomitant recognition of achievements, has a corrosive effect on governmental institutions. It is far from clear how a proper balance can be achieved. If public opinion is not kept informed through a free press and free speech, governments will abuse their power, lose touch with reality and make decisions with disastrous effects on their people.

But the boundaries within which this vital social control function should be exercised are extremely difficult to delineate, especially in the case of new nations which are still lacking well-rooted political systems. If a government is criticized relentlessly, while its achievements are ignored, it loses the authority without which it cannot carry out its duties. Worse yet, the people cease to have confidence in their governmental institutions, drift toward anarchy and nihilism, or become the prey of demagogues.

Foreign reporting on Indonesia is, in my opinion, excessively biased against the Soeharto regime. Its failures are magnified, while its achievements are ignored, except in such official surveys as those conducted periodically by the World Bank and the International Monetary Fund.

Some of the criticism reflects the ideological prejudices of academic writers in whose views any government controlled by the military is evil. Other critics, especially journalists, report selectively on instances of mismanagement, corruption or brutality, discussing them in the abstract setting of ideal standards of government, rather than by comparison with the past and present performance of other nations.2
I do not wish to be an apologist for the present government of Indonesia or for the "Generation of 1945." I am quite familiar with their weaknesses and failures as well as with their strengths and achievements, having followed closely developments in their country throughout all of the first thirty years of its independent existence. It had been my hope that by getting to know one developing country well, I will learn to unravel the mysterious political and economic dynamics of new nations.

Retrospectively, I doubt that valid generalizations can be made. The complexity of human affairs is too great to be reduced to simple paradigms. The role of fortuitous events is such that causal explanations fail to account for the full interplay of the forces at work. They lack, in any event, predictive power.

In judging the achievements of the "Generation of 1945" and especially those of the Soeharto regime, I assume—within the mainstream of American political tradition—that human nature is neither good nor evil, and that therefore people who have power must be kept under control by governmental institutions and by the rule of law. These safeguards can only be established by a long evolutionary process. In the early stages of its existence a new nation is at the mercy of its elites, who are free to act outside the framework of institutional constraints.

But although corruption is widespread in Indonesia as a means of supplementing excessively low governmental salaries, the resources of the nation are not being used primarily for the accumulation of vast private fortunes, but for economic development, and to some extent for welfare. Furthermore, the masses, even though they were neglected for a long time, despite populist rhetoric, were not excessively exploited or coerced by the elites.

In particular, the rural population paid no taxes, was not used for forced labor, and was not mobilized in pursuit of the elites' nationalist or ideological dreams of glory. The only exactions suffered by the masses were the petty graft of minor officials, seeking to increase their meager income.
The nationalist elites, civilian and military alike, lived not off the laboring masses but from the proceeds of the export sector. But part of the growing financial resources of the nation have been used for development and the results begin to show after a decade of planned economic growth.

During a number of visits to various parts of Indonesia, in 1977 and 1978, I was impressed by the striking progress visible in cities and small towns which I remembered from visits some twenty years earlier. Other observers confirmed my impressions. For instance, an anonymous correspondent, writing for an Australian weekly, stated in August 1979:

In four months visiting 35 villages scattered the length (992 kilometres) and breadth (never more than 200) of Java, your correspondent found a few pockets of poverty - wherever there is too much water (flood plains) or too little (dry upland plateaus or brakish coastal flats). With these very few exceptions, village Java has prospered dramatically in the past five years. When asked, 'Are you richer or poorer than you were 20 years ago?' every villager replied that he was better off.3

Looking back over the events of 1979, a year distinguished by the absence of either political or economic crises, I am inclined to assert that Indonesia may be entering a phase of steady economic growth if its political stability is not upset by unpredictable acts of disruption, such as a coup by junior officers; or by foolish moves on the part of the authorities, such as excessively harsh repression of student protests.

1979 was a relatively quiet year in Indonesia, following the political tensions of 1977-1978 resulting from the elections held in order to legitimize President's Soeharto's third five-year term, and the maneuvers preceding the appointment of his third "Development Cabinet." It was also a satisfactory year in economic terms, after the upheaval of November 15, 1978--when the rupiah was devalued from a rate of 415 to 625 against the U.S. dollar--had been absorbed by the economic system, while the balance of payments was strengthened by new increases in the export prices of oil and other commodities.
Before reviewing in greater detail some of the salient events of 1979, I wish to discuss further the achievements of the "Generation of 1945" at the end of three decades of independent national existence. This is a hard task because there are no generally accepted standards by which to judge the performance of governments. The interests of the collective entity are never identical with the human needs of the persons who constitute that community. How to balance these conflicting claims is the most difficult task of the art of governance.

In the case of Indonesia, I am inclined to argue that the elites have not inflicted excessive hardship on the masses in pursuit of collective national goals, unlike the suffering caused by Soviet collectivization, China's Cultural Revolution, the partition of India on religious grounds, or the tribal massacres in some new African nations.

6,200 inhabited islands in an archipelago of more than 13,000 islands stretching for 3,200 miles along the equator, speaking several hundred languages and dialects, and including members of most major world religions, have become parts of a true nation which experiences at present little communal strife, or centrifugal tendencies. This is a remarkable achievement, especially in an age of resurgence of sub-national ethnicity even in some of the Western nations which achieved their national unity several generations ago, at the dawn of the age of nationalism.

Bahasa Indonesia, adopted as the national language by a small group of intellectuals in 1928 and still far from fully developed as a modern medium of communication, is accepted and increasingly understood throughout the country. While communal-ethnic allegiances are still strong, separatist tendencies manifest themselves overtly only in the latest accretions to the Indonesian nation, West Irian and East Timor.

In most of the country, the natural tension between regional interests and pride of national identity seems to be surprisingly well balanced. Although Indonesia did experience a substantial measure of ethnic strife and religious conflict, especially during its first decade of independent existence, its survival as a unitary nation does not face significant challenges at this time.
The achievement of this major collective goal by the "Generation of 1945" is its greatest contribution to the future of the Indonesian nation and the most obvious legacy it will be leaving to the next generation. Although the process was not entirely peaceful, the ratio of coercion to persuasion has been low, especially if one takes into account the enormity of the task involved in making a nation out of some 150 million people without a long historical tradition of common governance.

Whereas unity is not a national issue in Indonesia, the creation of viable political institutions causes concern. The intense, constructive nationalism of the "Generation of 1945" was not sustained by an equal amount of political experience and wisdom. Instead of building a healthy political tradition, the first half of Indonesia's independent existence left memories which now complicate the task of institutionalizing the country's political system.

During the first decade, from 1949 to 1959, Indonesia's inexperienced political elites practiced a simulation of parliamentary government, based on a superficial understanding of Dutch politics. During those years, political parties and representative institutions were discredited, political instability became endemic, popular participation resulted in excessive ideological polarization, and the armed forces were politicized.

As a reaction to the ensuing chaos, the people of Indonesia accepted President Soekarno's dictatorship, in the false hope that his formidable talents as creator of a sense of national identity would be translated into efficient government. Instead, Indonesia was taken through a period of international adventure and economic mismanagement which magnified the prevailing political tensions beyond manageable limits.

The process culminated in 1965-1966 in large scale violence with great losses of human lives, the destruction of the country's political parties and the take-over of the government by the military. Yet, contrary to expectations derived from the Western political tradition, the government that evolved after General Soeharto took charge in March 1966 is probably as a whole as good as Indonesia could be
expected to have at its present stage of political, economic and social development.

The "Generation of 1945" did learn from its mistakes. After the strident discord of the 1950s and early 1960s, military and civilian leaders subordinated their selfish group interests to a surprising degree to those of the nation in order to maintain political stability, rehabilitate the economy and initiate planned growth, regain the international community's confidence in their country, and begin to satisfy the people's basic human needs.

This amazing transformation of the elites was due probably to a complex set of circumstances. The massacre of several hundred thousand Communists and their families in 1965-1966 may have made as deep an impression on the minds of the Indonesian elites as defeat in World War II made on those of Germany and Japan.

After witnessing the results of excessive political confrontation, Indonesia's elites seem to have developed an unusual degree of political circumspection and self-restraint, which has created a relatively benign political environment. This fact could be observed during the general elections of 1977, which despite political manipulations by the government and fairly loud rhetorical protests by the opposition parties, were neither excessively repressive by Third World standards nor a blatant distortion of expressed popular choices, which gave the government-supported GOLKAR candidates less votes than President Soeharto expected.

It is even more convincingly demonstrated by the noticeable self-restraint of Indonesia's militant Moslems. Although they are not happy with certain policies and tendencies of the government, they refrain from mobilizing their formidable latent political power and avoid consciously actions that could create a situation similar to that prevailing in Iran.

In turn, the catastrophic economic crisis of the mid-sixties, which generated hyper-inflation of over 600 percent annually, paralyzed production and destroyed much of the economic infrastructure inherited from the colonial period, was a useful shock treatment for the elites.
To overcome economic conditions from which all social groups suffered, the military leaders turned to non-political, Indonesian and foreign, professional economists, accepted their advice, gave political support to their policies, and abstained from using the resources of the country for the expansion of the armed forces rather than for economic development.

Consequently, Indonesia is a unique example of a country which disarmed and demilitarized itself during fourteen years of military rule. As Army Chief of Staff General Widodo pointed out in July 1979, the Indonesian Armed Forces (ABRI) number only 350,000 servicemen, with equipment just enough for domestic defense and security purposes. This is particularly remarkable in view of the fact that export earnings have increased from less than $500 million (in current prices) in 1966 when the military took over to about $12 billion in 1979, as the result of both the development of Indonesia's natural resources and of price increases for oil and other commodities.

The military have not been carried away by the example of other OPEC countries and have abstained from purchasing large amounts of sophisticated modern weapons. General Mohammad Jusuf, the present Commander of the Armed Forces and Minister of Defense and National Security, appointed by President Soeharto in March 1978, is using his considerable influence and popularity to curb the excesses of the officer corps, bring the military closer to the people, stamp out corruption, and improve the lot of the common soldier.

The senior military officers are also concerned with the problem of how to secure an orderly transition of power from the "Generation of 1945" to the younger officers.

In May 1979 Army Chief of Staff General Widodo announced that the next five years are the last stage of the "Generation of 1945"'s active service. The statement was made while transferring command of the Hasanudin Division (KODAM XIV), in Sulawesi to 43-year old Brigadier General Soegiarto, of the first class of graduates of the National Military Academy. That officer was only nine years old at the time of the Proclamation of Independence.
Senior military officers are also concerned about an orderly transition of power at the top, when the time will come for President Soeharto to step down, possibly at the end of his third term in 1983. In May 1979 General Soemitro, the retired formerly very powerful Deputy Commander of the Armed Forces and Chief of the Internal Security Agency KOPKAMTIB published a newspaper article which created a sensation in Indonesian political circles. After stating that the political situation is "relatively calm" although "there also is still restlessness," he attributed the calm in part to the government's willingness to allow "constructive criticism and correction" and in part to "the attitude of the public itself which is apparently aware that the way of force . . . will not reach goals or solve problems."

General Soemitro then raised the crucial question of presidential succession:

If in the pre-New Order era, talk about the succession was said to be "taboo", in this New Order the matter or succession is a necessity for a sound democratic life . . . It is clear that the succession must be prepared and conducted in accordance with the existing rules of the game . . . In fact, the election process must be begun as early as possible. Exposing the candidates earlier is a necessity, to get them known nationwide.7

A month later, another senior retired officer, General A. H. Nasution praised General Soemitro in an open letter for

his initiative to publicly and responsibly discuss matters which have been regarded as "taboo" so far, like the matter of "succession", which should have been an ordinary matter in constitutional life and which, in fact, is the right and duty of every citizen to discuss.8

General Nasution added that the issue General Soemitro had raised "has been discussed quite frequently by TNI (Army) circles when they met outside the official forms." He added, critically, that when the Army was founded "it was implanted that the Constitution is the basis and policy of the Army. Only we have not always been consistent."
He then reminded his fellow officers that "the Constitution is the most basic rule of the game."

Another statement which created a stir in Indonesian political circles came at the end of a week of celebrations commemorating National Awakening Day. Vice President Adam Malik, one of the authentic youth leaders of the "Generation of 1945," said on June 1:

We all have sinned. We all have pledged to be loyal, to be imbued with and practice pancasila and the 1945 Constitution. But often the utterances are only on the lips without being followed by concrete action. This is our sin. This is the fundamental issue today. This is the main cause of stagnation, so that the government machinery does not run properly.

To thunderous applause, Vice President Adam Malik added:

No matter how wrong the present situation is, no matter what the wrongs of the New Order are, there is still a way to make corrections. Not by being angry, not by vituperation or demonstrations, but by properly formulated ideas to calm the situation.

Warning about misguided ideas or suspicions about the people, Mr. Malik concluded with a statement which the press quoted and discussed extensively: "Our people are not fond of coups. Our people are not that stupid. There are no coups in the history of Indonesia."

The Indonesian government is obviously trying to strike a proper balance between allowing freedom of expression and containing activities which it views as undermining its authority. How wisely it will be able to carry out this policy is likely to have a major impact on the country's political stability and on the future of the present regime.

In this respect, the trial of student leaders in several Indonesian cities during 1979 may be doing more harm than good. Prominent student leaders from major institutions of higher learning have received prison sentences during 1979, after being detained for one year or more pending trial.
One of the most widely publicized cases was that of Herry Akhmadi, who like most other defendants is 25 years old. General Chairman of the Student Council at the prestigious Bandung Institute of Technology in 1977-1978, he was sentenced on September 10, 1979, to two years in prison, less time spent in custody. The public prosecutor had earlier demanded a nine-year jail term! Herry Akhmadi was found guilty of "deliberately insulting the President of the Republic of Indonesia, Soeharto, and the MPR/DPR" (Parliament and the People's Consultative Assembly).

Several of the Bandung student leaders had printed their defense pleas in book form. The distribution of Akhmadi's 200-page volume, entitled, "Breaking the Shackles of the Oppression of the Indonesian People," was banned on July 3, 1979 by the West Java High Prosecutor's office, after being read before the Bandung District Court.10

The student leaders were defended by teams of distinguished lawyers. The trials do not seem to have created further campus disturbances, although they are closely followed by thousands of students. Frequently, the sentences were greeted by the students with derisive cheers and laughter. I think that these trials are establishing the credentials of a new generation of national leaders, as the struggle of the 1945-1949 period produced Indonesia's present political elites.

Until now the conflict between generations manifested by these trials also does not seem to have reached explosive proportions. Apparently the campuses are quiet. But the failure of the "Generation of 1945" to secure the respect of the best and brightest of their children may be the Achilles' heel of the present regime. Fortunately, so far the clashes between students and authorities have not resulted in violence.

As to the relations between the elites and the masses, governmental policies funnel some of the proceeds of exports to the consumers, by selling them rice, oil and fertilizer below cost. In 1979/80 budgeted subsidies amounted to Rp. 82 billion for rice, Rp. 350 billion for kerosene and diesel fuel and Rp. 82.6 billion for fertilizers. This represents 14.9 percent of non-developmental budgetary expenditures and 1.9 percent of GDP.11
At the new November 15, 1978 exchange rate of Rp. 625 for $1.00 the subsidies total $823 million. These welfare expenditures amount to 7.3 percent of the 1979/1980 State Budget of $11.2 billion. They transfer only $5.56 per capita, on the average, to the population. But they cause agonizing debates among the managers of Indonesia's national economy. First of all, the results of these subsidies in terms of income distribution are controversial. They seem to benefit only in part the poorest segments of the population. They also divert consumption resources that could be utilized for investments in the Third Five-Year Development Plan. But the military leaders in particular believe that the subsidies are important for internal security.

In the period before 1966, under the late President Soekarno, the country's political elites seemed oblivious to the urgency of economic development, although in the most densely settled islands, Java and Bali, the race between population and economic growth was assuming Malthusian characteristics. Indonesia lost twenty years of managed growth until the First Five Year Plan was initiated in 1969, with primary emphasis on rehabilitation of the severely ailing economy.

The Third Five Year Plan, which started on April 1, 1979 is being implemented under vastly different circumstances. The political elites have become development-conscious. President Soeharto plays a major role in making the Indonesian nation aware of the crucial importance of economic development as the foundation of a "just and prosperous society," which—according to him—can only be achieved after five or six Five-Year Plans. In his 1979 Independence Day Address, President Soeharto stated:

After 1966, we did indeed reach the decision that, in the context of giving substance to independence, we should put economic development in the first place in the scale of our national priorities. We came to that decision because the neglect of economic development in previous periods had resulted in deterioration of the life of our nation in almost all fields.12
I believe that the commitment of the Indonesian elites to economic development is irreversible and will be the determining factor in shaping Indonesia's domestic and foreign policies in the coming decade.

A major innovation of the Third Five Year Plan is its explicit emphasis on equity. This should create over time a new climate of opinion in Indonesia, even though policies to achieve these objectives are not yet fully spelled out. The Plan stipulates that all development policies must be based on three main principles:

1. a more even distribution of the benefits of development in order to achieve social justice for the entire population;
2. a reasonably high overall growth rate;
3. healthy and dynamic national stability.13

Although economic analysts have expressed doubts concerning the realism of specific plans made for the implementation of the "development trilogy," the Third Five Year Plan is a major step forward. It shows that at the beginning of the fourth decade of their country's independent existence, Indonesia's national elites are beginning to take seriously the notion that they should govern for the benefit of the people.

Financial resources available to Indonesia are increasing dramatically, due to favorable world market conditions and to frugal management by President Soeharto and his economic aides. At the end of June 1979 the country's foreign reserves had risen to $3.2 billion, and it was estimated that they could rise to $5 billion by the end of the year.14

Of course, Indonesia still faces extremely serious problems, of which the most difficult is how to create employment for the underemployed poor and new jobs for the more than six million people who will enter the labor force during the Third Five Year Plan. Optimism may still be premature, but seen in the perspective of the last thirty years, 1979 may well have been the best year, politically and economically, in contemporary Indonesian history.

It also brought to an end one of the most tragic episodes of Indonesian political life, the prolonged detention of tens of thousands
of former members of the Communist Party of Indonesia, whom the authorities were afraid to release but against whom no legal case could be made. By Christmas, all these political prisoners, including the famous novelist Pramoedya Ananta Toer, had been released, after 14 years of detention.\textsuperscript{15}

While concentrating its efforts primarily on internal development, the Indonesian government has also played, in low key, a constructive role in the international community. Together with the four other governments of the ASEAN group of nations, it has focused its diplomatic efforts in 1979, at the United Nations as well as through diplomatic channels, on strengthening one of the basic principles on which global order depends, namely that established governments should not be overthrown by unilateral foreign military intervention.

At issue, in Southeast Asia, was of course the massive invasion of Cambodia, at the end of 1978, by Vietnamese troops with the full logistic and political support of the Soviet Union. It is regrettable that the necessity to assert firm opposition to the installation of a Vietnamese-controlled puppet regime in Phnom Pehn has prompted Indonesia and the other ASEAN governments to sustain the claims of legitimacy of the repulsive, genocidal, Khmer Rouge, whom Beijing supports for strategic reasons.

There is no doubt that the Soeharto regime has no political affinities with or sympathies for the murderous Communist extremists led by Pol Pot. Nor does it wish to abet China's geopolitical interests in Southeast Asia which are on a collision course with the growing military assertiveness of the Soviet Union in the region. But at present Vietnam appears to the ASEAN leaders as the more immediate threat, due to its military superiority over the combined forces of all ASEAN nations,\textsuperscript{16} its hegemonial ambitions, and the sobering experience that the peaceful intentions asserted by Vietnamese premier Pham Van Dong and other emissaries of Hanoi in 1978 were deceptive.

Whether 1980 will allow the Indonesian government and its ASEAN partners to resolve the unpleasant dilemma posed by the competing claims of two equally despicable Cambodian factions remains to be seen. While the situation allows no easy solution, it has provided
a significant test of the capacity of the ASEAN group to close ranks and act in the international arena as a well-coordinated regional entity.

The growing solidarity of ASEAN was also manifested in the July 1979 consultations conducted by the group's foreign ministers in Bali with their American, Japanese, Australian and other counterparts. During a year which could have disrupted ASEAN due to the extremely difficult problems created by the flow of "boat people" from Vietnam into all neighboring countries and of Cambodian and Laotian refugees on land into Thailand, the ASEAN governments played a constructive role at the conference on refugees held in late July in Geneva under United Nations' auspices. They made significant contributions, under very difficult circumstances, toward the solution of the major human tragedy caused by the ruthless policies of the Hanoi authorities. Indonesia's major contribution to the resettlement of "boat people" has been the establishment in the summer of 1979 of the Pulau Galang Camp for the United Nations High Commissioner for refugees. 17

Indonesia has also played a moderating role in its capacity as a member of OPEC. Although the export price of its oil is increasing in line with global trends, it does not side with the more radical trendsetters in that group of thirteen nations and views oil strictly as a commodity, not as a potential political weapon. The same moderation has been manifested in 1979 by Indonesian representatives in various gatherings--such as UNCTAD V, held in Manila in May 1979--at which the grievances of developing nations are slowly translated into the operative principles of a future New International Economics Order.

Looking beyond the major international issue of the moment, namely whether Vietnam can be integrated into the peaceful regional development of Southeast Asia, Indonesia and the other members of ASEAN face a number of international problems at the beginning of the 1980s: they must avoid involvement in the second cold war, that between China and the Soviet Union; and in the resurgence of the old Soviet-American confrontation; they must secure from the advanced countries of the OECD group economic concessions that would allow them to achieve sustained economic growth; they must protect their share of foreign
economic aid and investments as China becomes a major claimant to the same pool of available capital; they must provide for their internal and external security without diverting an excessive amount of their scarce resources to defense expenditures. Judging from the record of the past year, these difficult challenges are being handled skillfully.
FOOTNOTES


2. A recent example of such reporting is Brian May's The Indonesian Tragedy, Boston: Routledge & Kegan, 1978. It is a highly tendentious but well-written book by an Australian journalist who was the correspondent of Agence France-Press in Jakarta.


12. Address of State by President Soeharto before the House of the People's Representatives delivered in Jakarta on August 16, 1979.


