

**GUIDED DEMOCRACY AND PANCASILA DEMORACY  
A COMPARATIVAE STUDY**

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by

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20 JULY, 1998

### **CERTIFICATE**

Certified that the Dissertation entitled "**GUIDED DEMOCRACY AND PANCASILA DEMOCRACY : A COMPARATIVE STUDY**" submitted by Mr. **SYAHRIN NAIHASY** in partial fulfilment for the award of the Degree of **MASTER OF PHILOSOPHY**, has not been previously submitted for any other degree of this or any other university. This is his original work.

We recommend that this dissertation be placed before the examiners for evaluation.

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***Dedicated to my  
Family in Indonesia  
New Delhi, 8th May 1998.***

## TABLE OF CONTENTS

	PREFACE	iv- v
	GLOSSARY	vi -ix
CHAPTER I	INTRODUCTION AND BACKGROUND	1
	A. Introduction	1
	B. Background	1- 8
CHAPTER II	THE COMPARISON OF GUIDED DEMOCRACY AND PANCASILA DEMOCRACY	9
	A.The Body of the 1945 Constitution	9 - 19
	B.The Implementation of Guided Democracy and Pancasila Democracy	19-20
	1.The Implementation of Guided Democracy	20-33
	2.The Implementation of Pancasila Democracy	33-50
CHAPTER III	IMPLEMENTATION OF THE TWO POLITICAL SYSTEM	51
	A. Guided Democracy	51
	1.Internal Politics and Foreign Policy	51-56
	a. Internal politics	56-70
	b. Economic activities	70-75
	2.Foreign policy	75-79
	B. Pancasila Democracy	79-82
	1.Internal Politics and Foreign Policy	82
	a. Internal Politics	82-102
	b.The new movement of ICMI Organisation	102-104
	c. System of deliberation, voting and Law making process	104-106
	d. Economic Activities	106-112
	e. Relation between State and Society	112-117
	2.Foreign Policy	117-126
CHAPTER IV	CONCLUSION BIBLIOGRAPHY	127-132 133-143

## PREFACE

Prior to President Soekarno's issuance of the "*Manifesto Politik*" on August 17, 1959, he issued a Presidential Decree on July 5, 1959, for the reinstatement of Indonesia's 1945 Constitution adopted on August 18, 1945. It was suspended in 1951 when the constitutional or parliamentary system of democracy was adopted. By this Decree the parliament was dissolved for its failure to reach a consensus in writing for a new constitution. New members of parliament were appointed by the President himself, selected from three main groups, namely, the nationalist (*nasional-PNI*), the religious (*Agama-NU*) and the Communist (*Komunis-PKI*). These three groups were then called as NASAKOM – *Nasionalis, Agama dan Komunis*. Whose consensus was to retain 1945 constitution. Thus the Presidential Decree was declared which suggested three alternatives:

- (1) to dissolve the parliament
- (2) to return to the 1945 Constitution as originally formulated
- (3) to form Provisional People's Consultative Assembly and Supreme Advisory Council as stipulated in the 1945 Constitution.

After the Presidential Decree was announced by then President Soekarno delivered his well-known speech which represented a "*Manifesto Politik*" (Political Manifesto) of the Republic of Indonesia abbreviated as "MANIPOL -Manifesto Politik".

The Political Manifesto then became Soekarno's political doctrine, which then became a blueprint of Indonesia Guided Democracy from 1959 up to the end of Soekarno's regime in 1966. The 1959 was an important turning point that of parliamentary system of democracy to that of Guided Democracy. From that point PKI was involved in engineering the introduction of the Political Manifesto that led to creation of the Guided democracy. At the same time, PKI was also directly responsible for the ending of Old Order era and the Guided Democracy. The end meant that it was a deathblow to Indonesian socialism on which the country's overall political policy and economic planning orientation were based. The end of the Guided democracy signified the beginning of the New Order era with the introduction of Pancasila Democracy under President Soeharto.

Based on the "*Super Semar - Surat Perintah Sebelas Maret*" (The Order of March 11), General Soeharto moved out to put an end to the deviation from the 1945 Constitution by the Old Order under President Soekarno backed the PKI. By the Special Session of the MPRS on March 7 – 12, 1967, General Soeharto was appointed Acting President, and finally, at the 5<sup>th</sup> General Session of the MPPRS, which was again a next step in the efforts to establish the New Order. General Soeharto was appointed until the formation of an elected MPR.

General election was successfully held on July 3, 1971, and on March 24, 1973, the General Session of the First Elected MPR in Indonesian history, was held. And hereby the transition period from the Old Order towards the New Order came to an end and the real period of National Development has begun.

This study undertakes to analyse the basic differences and similarities between the Guided Democracy and the Pancasila Democracy. The implementation and operation of Guided Democracy was not based on the 1945 Constitution and in fact it contradicted various articles of the constitution. The Pancasila Democracy on the other hand tried to implement the constitution in its original forms and contents as exactly stipulated in the 1945 Constitution.

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## GLOSSARY

<b>ABRI</b>	Angkatan Bersenjata Republik Indonesia (Armed Forces of Republic of Indonesia) In Indonesia ABRI consists of Army, Navy, Air Forces and State Police
<b>Abangan or Islam Abangan Angkatan V</b>	Literally, the brown or red ones means Nominal Muslim Fifth Forces
<b>APRA</b>	Angkatan Perang Ratu Adil (The Army of the Just King)
<b>ASPRI</b>	Asisten Pribadi Presiden Republik Indonesia (Personal Assistants of the President of Republic Indonesia)
<b>Azas Tunggal</b>	Sole Foundation
<b>BPS</b>	Badan Pendukung Soekarnoisme (The Board of Supporters of Soekarnoism)
<b>BAKIN</b>	Badan Koordinasi Intelijens Negara (State of Intelligence Coordinating Agency).
<b>BAPPENAS</b>	Badan Perancang Pembangunan Nasional (National Planning Council)
<b>Bapak Revolusi</b>	The Father of Revolution/Great Leader of the Revolution
<b>BADESA</b>	Bintara Pembina Desa (Village Development Non-Commissioned Officers)
<b>BPK</b>	Badan Pemeriksa Keuangan (The Supreme Audit Board)
<b>Berdikari</b>	Berdiri Diatas Kaki Sendiri (Self Reliance)
<b>BPPT</b>	Badan Pengkajian dan Penerapan Teknologi (Agency for Examination and Application of Technology)
<b>BPI</b>	Badan Pusat Intelijens (Central Intelligence Board)
<b>BULOG</b>	Badan Urusan Logistik Nasional (National Logistic Board Affairs)
<b>BFO</b>	Bijeenkomst Voor Federal Overleg (The State Created the Dutch for Abroad)
<b>CONEFO</b>	Conference of the New Emerging Forces
<b>CGI</b>	Consultative Group on Indonesia
<b>DPR</b>	Dewan Perwakilan Rakyat (The House of People's Representative)
<b>DPR.GR</b>	Dewan Perwakilan Rakyat Gotong Royong (Mutual Cooperation People's Representative)
<b>DPRD I</b>	Dewan Perwakilan Rakyat Propinsi Tingkat I (The First Level regional Representative Council)
<b>DPRD II</b>	Dewan Perwakilan Rakyat Tingkat II (The Second Level Regional Representative Council)
<b>DPA</b>	Dewan Pertimbangan Agung (The Supreme Advisory Council)
<b>Demokrasi Terpimpin</b>	Guided Democracy
<b>Demokrasi Pancasila</b>	Pancasila Democracy
<b>Dana Revolusi</b>	Revolution Fund.
<b>Dewan Revolusi</b>	Revolutionary Council.
<b>DPN</b>	Dewan Perancang Nasional ( National Planning Council).

Dukun	the Holy Man
Dwi Fungsi	Dual Function.
Ekonomi Terpimpin	Guided Economy
GBHN	Garis-Garis Besar Haluan Negara (Guideline of the State's Development)
Ganyang Malaysia	Crush Malaysia
GATT	General Agreement on Tariff and Trade
Gestok	Gerakan Satu Oktober (First of October Movement)
GANEF0	Game of the New Emerging Forces
Golkar	Golongan Karya (Functional Groups)
GESTAPU	Gerakan September Tiga puluh (Thirtieth of September Movement)
GNP	Gross National Product
Gerwani	Gerakan Wanita Indonesia (Indonesian Women's Movement, PKI Applied)
Hankam	Pertahanan dan Keamanan (Defence and Security)
IPKI	Ikatan Pendukung Kemerdekaan Indonesia (League of Upholders of Indonesia Freedom)
ICMI	Ikatan Cendekiawan Muslim Indonesia (The association of Indonesian Muslim Intellectual)
ICHI	Ikatan Cendekiawan Hindu Indonesia (The Association of Indonesia Hindu Intellectual)
IGGI	Inter-Governmental Group on Indonesia
Ilmu Kesunyataan	Highest Wisdom
IMF	International Monetary fund
Irian Barat	West Irian
KAMI	Kesatuan Aksi Mahasiswa Indonesia (Indonesian University Student Action Front)
KAPPI	Kesatuan Aksi Pemuda Pelajar Indonesia (Indonesian Graduates' Student and Youth Action Front)
KOSTRAD	Komando Cadangan Strategi Angkatan Darat (Army Strategic Command)
KORPRI	Korps Pegawai Republik Indonesia (Civil Service Corps of the Republic of Indonesia)
KOPASSUS	Komando Pasukan Khusus (Command of Special Armed Forces)
KOLAGA	Komando Mandala Siaga (Mandala Vigilance Command)
KOKARMENDAGRI	Korps Karyawan Pemerintahan/Departemen Dalam Negeri (Departement of Internal affairs Employees Corps)
KNPI	Komite Nasional Pemuda Indonesia (Indonesian National Youth Committee)
KNIP	Komite Nasional Indonesia Pusat (The Central National Committee of Indonesia)
Kabinet Kerja	Working Cabinet
KOTI	Komando Operasi Tertinggi (Supreme Operations Command)
KOTOE	Koamando Operasi Ekonomi Tertinggi (The Supreme Economic Operation Command)
KOPKAMTIB	Komando Operasi Pemulihan Keamanan dan Ketertiban (Operations Command for the Restoration of Order and Security)
KODAM	Komando Daerah Militer (Regional Military Commands)



KOREM	Komando Resort Militer ( Resort Military Commands)
KODIM	Komando Distrik Militer ( District Military Commands)
KORAMIL	Komando Rayon Militer (Small military Commands)
KNIL	Koninklijke Nderlande Indische Leger (Royal Netherlands Indies Army)
Komersialisasi Jabatan	Commercialising of Government Post
Liga Demokrasi	League Democracy
Laksus	Pelaksana Khusus (Special Implementor)
MA	Mahkamah Agung (The Supreme Court)
Manipol	Manifesot Politik (Political Manifesto)
Marhaen	The Indonesian 'littke man' (proletariat qualified for use by
Soekarno.	
Masyumi	Majelis Suro Muslimin Indonesia (Indonesian Islamic Council Reformist Muslim Indonesia)
Musyawaharah	Deliberation
Mufakat	Consensus
MAPHLINDO	Malaysia, Philippines and Indonesia
OPSUS	Operasi Khusus (Special Operation Committee)
OLDEFOS	The Old Established Forces
NEFOS	The New Emerging Forces
NASPIKA	Union of Three Tipes Parties : Nationalist, Spiritual and Functional groups in Parliament aimed simplifying the party system
NASAKOM	Nasionalis, Agama dan Komunis (Nationalism, religion and Communism)
NU	Nahdhatul Ulama (The Moslem Scholars Party)
Pancasila	Five Principles or Five Pillars of State of Philosophy 1. Belief in One God Almighty 2. Just and Civilized Humanity 3. The Unity of Indonesia 4. Democracy Wisely Led by Wisdom of Deliberation Among Representatives 5. Social Justice for the Whole of the People of Indonesia
PERMEN	Peraturan Menteri ( Ministerial Regulation)
PKI	Partai Komunis Indonesia (Indonesian Communist Party)
PNI	Partai Nasional Indonesia (Indonesian Nationalist Party)
PERTI	Persatuan Tarbiyah Indonesia ( Islamic Education Movement).
PERTAMINA	Perusahaan Pertambangan Minyak dan Gas Bumi Negara ( State Oil Natural Gas Mining Enterprises)
Parkindo	Partai Kristen Indonesia (Indonesian Christian Party-Protestant)
Panglima	Commander /Regional Commander
PSI	Partai Sosialis Indonesia (Indonesia Socialist Party)
PRRI	Pemerintah Revolusiner Republik Indonesia (Revolutionary Government of the Republic of Indonesia)
PERMESTA	Perjuangan Semesta (Universal Struggle Charter)
Persatuan Islam	Islamic Unity
Perserikatan Nasional Indonesia	Indonesian Nationalist Association
PETA	Pembela Tanah Air (Volunteer army of defenders of the Fatherland)

Petisi 50	Petition of Fifty
PPP	Partai Persatuan Pembangunan (The United Development Party)
PDI	Partai Demokrasi Indonesia (The Indonesian Development Party)
Parmusi	Partai Muslimin Indonesia ( Indonesian Muslim Party)
PSII	Partai Syarikat Islam Indonesia (The Islamic Confederation Party)
PCPP	Persatuan Cendekiawan Pembangunan Pancasila (Association of Pancasila Development Intellectual)
Partai Murba	The People's Party
PJP	Pembangunan Jangka Panjang ( Long Term Development Plan)
PSCMI	Perhimpun Sarjana dan Cendekiawan Muda Indonesia (Association of Scholar and Young Indonesian Intellectual)
P 4	Pedoman Penghayatan dan Pengamalan Pancasila (The Guide to the Full Comprehension and Practice of Pancasila)
Pungli	Pungutan Liar ( Illegal Exactations)
RMS	Republik Maluku Selatan ( The Republic of the South Moluccas)
RPKAD	Resimen Para Komando Angkatan Darat (Army-Para Commando Regiment)
REPELITA	Rencana Pembangunan Lima Tahun (Five Year Development Plan)
Sandang Pangan	Food and Clothing
Sekber Golkar	Sekretariat Bersama Golongan Karya ( Joint Secretariat of Functional Groups)
Soko Guru	Pillars
Super Semar	Surat Perintah Sebelas Maret ( 11 March Letter Command)
SPRI	Stap Presiden Republik Indonesia ( Personal Staff of President of Republic of Indonesia) -
Trikora	Tiga Komando Rakyat ( Triple Commands)
	1. The Disbandment of the PKI
	2. The Purge of the Cabinet from Communist Elements
	3. The Reduction of Prices (Rehabilitation of Economy)
UNCTAC	United Nations Conference of Trade and Development

## CHAPTER I

### INTRODUCTION AND BACKGROUND

#### A. Introduction

The Republic of Indonesia first saw the light of freedom on August 17, 1945, when its independence was proclaimed just after the Japanese surrender to the Allies. According to the 1945 constitution the President is the Mandatory of the *Majelis Permusyawaratan Rakyat- MPR* (the People's Consultative Assembly) and is, therefore, accountable to the conduct of the different bodies of government. In doing so the President is assisted by the Vice- President.

Indonesia is a democratic country which is founded on Pancasila Democracy (i.e. democracy based on deliberations and consensus) Pancasila became the ideological and philosophical basis of the Republic, and on August 18, 1945, the Constitution was adopted as the basic law of the country.

The sovereignty of the people rests with the People's Consultative Assembly (MPR). Hence, the President is accountable to the MPR. The legislative power is vested in the *Dewan Perwakilan Rakyat- DPR* (the House of People's Representatives).

Other institutions of the state are the *Mahkamah Agung- MA* (the Supreme Court), *Dewan Pertimbangan Agung-DPA* (the Supreme Advisory Council), and the *Badan Pemeriksa Keuangan- BPK* (the Supreme Audit Board)<sup>1</sup>

Since the birth of the *Orde Baru* (New Order) in 1966, six general election have been held in 1971, 1977, 1982, 1988, 1992 and 1997. On the contrary in the "*Orde Lama* (Old Order) era one general election have been held in 1955. Every citizen has the right to cast his /her vote in the election of members of the *Dewan Perwakilan Rakyat* and *Dewan Perwakilan Rakyat Tingkat I* ( the first level regional Representatives Council) and *Dewan Perwakilan Rakyat Tingkat II-DPRD II* (the second level regional Representatives Council).<sup>2</sup>

#### B. Background

Democracy is interpreted as according to Lincoln "government of the people, by the people, and for the people"<sup>3</sup> The original meaning of the term " democracy', coined in the political theory of Ancient Greece, was government by the people (*demos - people, and kratein+ govern*).<sup>4</sup>

<sup>1</sup> The 1945 Constitution of the Republic of Indonesia(UUD 1945)

<sup>2</sup> Act. No.1/1985.On Amendments to Act No.15/1979.Members of the People's Consultative/Concerning General Elections for Representative Bodies as Amended by Act No.4/1975 and Act No.2/1980.

<sup>3</sup> Eddy Asirvatham / Revised by Misra KK). *Political Theory* ( New Delhi:S Chand & Company. Ltd.,1997)p.447

<sup>4</sup> W.J. Stankiewicz. *Political Thought since World War II* (Canada: the Free Press of Clencoc.

The essence of the political phenomenon denoted by the term was the participation of the governed in the government, the principle of the government in the sense of political self-determination, and this was the meaning with which the term has been taken over by the political theory of Western civilization.

The word 'democracy' is in use ever since the time of Herodotus to denote that form of government in which the ruling power of a state is legally vested, not in any particular classes, but in the members of the community as a whole. This means the communities which act by voting, that rule belongs to the majority, as no other method has been found for determining peaceable and legally what is to be deemed the will of a community which is not unanimous. Usage has made this the accepted sense of the term, and usage is the safest guide in the employment of words.

According to James Bryce:

"democracy is the rule of the many, which was opposed by the Greece, is the rule of one: and oligarchy, is the rule of the few, i.e. of a class privileged either by birth or by property."<sup>5</sup>

Thus, it came to be taken as denoting in practice that form of government in which the poor class, always more numerous, did in fact rule, and the term 'demos' was often used to describe not the whole people that particular class as distinguished from the wealthier and much smaller class.

The concept of democracy is one of the most capacious in Marxist theory. In reality, it covers classes, big social groups, and entire societies with their political, economic interest, ideas, ideal strivings, and corresponding establishments. In spite of its very complex social base, democracy in a class society is always a class, political phenomenon. Jane Sayer, pointed out the term of "democracy" stated:

"The term of 'democracy' is encountered in the vocabulary of a professional, political or journalist, theoretician or worker. Marxist science sees democracy first and foremost as a means for organizing state democracy is very closely linked with the forms and the exercise of state power. The political position of classes and their use of power constitute the main content of democracy"<sup>6</sup>

Yet, being a very broad concept, democracy includes, in addition the form of the state, the principles governing the activities of the representative bodies, the principles for the construction of all the parts of the state machinery, the method and the principles of the state management of society, the position of the individual and social organizations, and the political regime. Jane Sayer pointed out:

"By passing all the numerous specifics of democracy and kicking out its initial essence, we find it in the people's rule."

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1964), P. 65

<sup>5</sup> James Bryce, Modern Democracies, (Calcutta: The world Press Private. Ltd., 1962). P. 23

<sup>6</sup> Jane Sayer, Theory of State and Law, ( Moscow: Progress Publisher, 1987),P.111

<sup>7</sup> W.J. Stankiewicz, Op.Cit,P.67

To be sure, the modern concept of democracy prevailing in Western civilization is not quite identical with the original, the antique, concept. So far as the latter has been modified by political liberalism, the tendency of which is to restrict the power of the government in the interest of freedom of the individual. And under this influence guaranties for certain intellectual freedom, especially freedom of conscience, have been included in the concept of the democracy, so that a social order does not contain such a guarantee, would be considered democratic, even the procedure for its creation and application guarantees the participation of the governed in the government." However, the liberal or modern democracy is only special type of democracy. It is important to be aware that the principles of democracy and liberalism are not identical, that there exists even a certain antagonism between them".<sup>8</sup>

For according to the principles of democracy the power of the people is unrestricted or as the French declaration of the right of the Men and Citizens formulates it. " The principles of all sovereignty resides essentially in the nation". This is the idea of the sovereignty of the people. Liberalism, however, means restriction of the governmental power. Whatever power government may assume"<sup>9</sup>. It means also restriction of democratic power. Hence, democracy essentially is a government by the people. The procedural element remains in the foreground, the liberal element as a particular content of social order is of secondary importance. Even the liberal democracy is in the first place a specific procedure.

Beside James Bryce stated:

"Modernist sometimes also use it thus to describe what we call ' the masses' in contradiction to 'the class'. But it is better to imply as meaning neither more nor less than the Rule of the Majority. the 'classes and masses' of the whole people being taken together"<sup>10</sup>

Democracy is a pattern of the government in which an authority and power to govern derives from the people to govern the people. Conceptionally all members of the society are expected to participate in governing a state. The participation of the people is done by the general election to elect the head of the government, and elect their representative in the legislative bodies (parliament) in the Lower House of the representatives and in the upper house of the senate or Assembly. In case of Indonesia according to the 1945 Constitution the lower house is known as" People's Representative Council' or DPR (*Dewan Perwakilan Rakyat*). On the contrary according to Eddy Asiravatham describe about democracy stated:

"Democracy is not mere a form of government: it is not primarily a form of government. A democratic government implies a democratic government... all that a democratic State means is that the community ultimate control over affairs. Democracy as a form of the State is merely a mode of appointing, controlling, and dismissing of governemnt"<sup>11</sup>

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<sup>8</sup> Ibid.P.67  
<sup>9</sup> W.J.Stankiewicz,Op. Cit,P.23  
<sup>10</sup> Jame Brice,Op.Cit,P.23  
<sup>11</sup> Eddy Asrvatham, loc.Cit

In a democratic nation formation of a government represents aspiration and will of the people which elect the state's highest institution (legislative and executive bodies) and to control them. The process of electing those in the state's bodies is expected to be direct, free, confidential, open, transparent, based upon rules and regulations (laws) with no intimidation. If the process is generally acceptable by law and the public, it may be called that the process is democratic in accordance with not only what the government wants but also what the public wants too.

The way of implementing the concept of democracy is open to debate as the interpretation of democracy varies in accordance with:

1. The way the government of the country should and wish to govern the state.
2. The system the government has adopted.
3. The country's or the state's formal philosophy adopted and practiced.
4. The historical values, tradition, religious, and cultural background of the country.

To discuss about the characteristics in implementing the concept or the notion of democracy, David Beetham and Kelvin Boyle state;

"In yet others, countries will have a diversity of practices, none of which are more obviously democratic than others, for example, in relation to their electoral system, their head of the government (President or Prime Minister), their legal system, and so on. Understanding democracy is about understanding the legitimate diversity of democratic practice as well as what is essential to it"<sup>12</sup>

The historical approach to the question of the essence of democracy must not be forgotten. History has experienced various forms of democracy, slave owning, feudal, bourgeois, and socialist." These are not just different names for one and the same thing. All these types of democracies differ in essence"<sup>13</sup>

Whatever the notion and concept of democracy might be interpreted and implemented, there are basically four types of democracies as generally practiced in the world, which are as follows:

### **1. Parliamentary Democracy**

This type of democracy is generally practices in commonwealth countries such as in India, United Kingdom, Australia, Malaysia, New Zealand, Spain, and Norwegian and many more. This system provides direct election of the people for members of parliament, and those who are in majority in parliament form the government. " The

<sup>12</sup> David Beetham and Kelvin Boyle, Democracy: 80 Questions and Answers, (India: National Book Trust 1995), P.xx.

<sup>13</sup> Jane Sayer, Op. Cit.P.111

members of the government are in continuous scrutiny by the parliament and their fate is therefore depending on the trust or confidence of the parliament"<sup>14</sup>

Eddy Asirvatham describes the Cabinet, Parliament and responsible executive may be defined as a system of government in which the real executive, i.e. the ministry or the Cabinet is legally and directly answerable to the legislature for all its acts of omission and commission and through it to the electorate, while the nominal executive occupies a position of complete irresponsibility"<sup>15</sup>

## 2. Democracy with Presidential System

This is generally practiced in many countries with varying degree of democratic concept. Head of the government who is also the head of the State is called president. Generally the United States of America is often referred to as being the symbol of this type of democracy. The system itself can be seen in many countries with different depth of democratic content. According to Eddy Asirvatham "the Presidential system of the government is that in which the executive is constitutionally independent of the legislature in respect of the duration of its tenure and irresponsible to it for its policies"<sup>16</sup>

## 3. People's Democracy

This system of democracy is generally practiced in Socialist and in Communist countries although their Head of government is called president such as in China and Cuba. The difference is that the power is in the hands of small group of people and government does not generally function freely as it should be.

Geraint Perry and Michael Mason says:

"A system in which the rule of the people with equal opportunities for all to participate in making decision not only over what are conventionally termed government issues, but over matters affecting the workplace and leisure activities"<sup>17</sup>

The Paris commune of 1871 and subsequently Russian Soviets, were constructed on the basis of this version of directly counter posed to that of bourgeois, liberal, or parliamentary democracy.<sup>18</sup>

## 4. Pancasila Democracy.

<sup>14</sup> Bp.7 Pusat -Badan Pembinaan, Pendidikan dan Pelaksanaan Pedoman Penghayatan dan Pengamalan Pancasila Pusat ( Center of the Board of Organizer Education dan Implemmentation of the Guide to the Full Comprehension and Practice of Pancasila), 1995. P.118

<sup>15</sup> Eddy Asirvatham, Op.Cit, p.338.

<sup>16</sup> Geraint Perry and Miceal Mason, Ed. Democracy and Democratization, (London: Routledge, 1994)P.4.

<sup>17</sup> Neil Harding, The Marxist Leninist de tour, In democracy: the Unfinished Journey 508 BC to AD 1993- ed John Dunn, (London: Oxford university Press, 1920. P.165.

<sup>18</sup> Departemen of Information,.; "Indonesia in Brief", ( New Delhi: Embassy of the republic of Indoneisa.1996),P.4

This system of democracy is unique as it is only practiced in Indonesia, means five principles or five pillars of the state philosophy as:<sup>19</sup>

### **1. Belief in one Almighty God**

This principle of Pancasila reaffirms the Indonesian people's belief that God does exist. It also implies that Indonesian people believe in life after death. It emphasizes that the pursuit of sacred values will lead the people to a better life in the hereafter. This principle is embodied in article 29, section-1 of the 1945 Constitution and read: "the state shall be based upon the belief in One God and only God".

### **2. Just and Civilized Humanity:**

This principle requires that human beings be treated with due regard to their dignity as God's creation. It emphasizes that the Indonesian people do not tolerate physical or spiritual oppression of human beings by their own people or by another nation.

### **3. The Unity of Indonesia:**

This principle emphasizes the concept of nationalism, of love for one's nation and motherland. It envisages the need to always foster national unity and integrity. Pancasila nationalism demands that Indonesians avoid superiority feelings on ethnical grounds, for reasons of ancestry and color of the skin. In 1928 Indonesia pledged to have one country, one nation and one language, while the Indonesian coat of arms enshrines the symbol of "*Bhinneka Tunggal Ika*", which means "Unity in diversity". Social differences in daily life should never affect national unity and integrity. Referring to this question, President Soeharto once remarked: "what we should do is to have these differences blend us together in perfect harmony like the beautiful spectrum of rainbow"<sup>20</sup>

### **4. Democracy Wisely Led by Wisdom of Deliberation Among Representatives.**

To this type of democracy, President Soeharto said "the democracy we practice is Pancasila democracy of which the basic principles are laid down in the 1945 constitution".<sup>21</sup> Pancasila democracy calls for decision-making through deliberations (*Musyawaharah*) to reach a consensus (*mufakat*). It is democracy that lives up to the principles of Pancasila. This implies that democracy must be exercised always with a deep sense of responsibility to God almighty according to one's conviction and integrity, and with a view to preserving and strengthening the national unity.

### **5. Social Justice for Whole of the People of Indonesia.**

<sup>19</sup> Ibid, P.5

<sup>20</sup> Department of Information of Republic of Indonesia, "Indonesia 1997"(Jakarta: An official Handbook, 1997),P.40.

<sup>21</sup> Loc.Cit.



This principle calls for the equitable spread of welfare to the entire population, not in static but in a dynamic and progressive way. This means that all the country's natural resources and the national potential should be utilized for the greatest possible good and happiness of the people. Social justice implies protection and work should not be denied to anyone. On the contrary, they should work according to their abilities and fields of activity. Protection should prevent willful treatment by the strong and ensure the rule of justice. There are the sacred values of Pancasila, which, as a cultural principle, should always be respected by every Indonesian because it is now the ideology of the state and the life, the Indonesian people.

'Pancasila democracy' adopted a presidential system of government with Pancasila democracy as its foundation and guideline. The Pancasila democracy came out after the fall of the president Soekarno who adopted a system of Guided democracy; along with its " Guided Economy"

According to Nawas. B. Mody that " the fall of Soekarno led to a change of Indonesian democracy system from that of guided democracy and guided economy to that of Pancasila democracy system' led by President Soeharto' <sup>22</sup>

Since the establishment of Indonesian Republic, Indonesia adopted four different types of democracy system, namely:

- |    |                         |                            |               |
|----|-------------------------|----------------------------|---------------|
| 1. | Presidential democracy  | (1945-1949)                |               |
| 2. | Parliamentary Democracy | (1950-1959)                |               |
| 3. | Guided democracy        | (1960-1965)                | <sup>23</sup> |
| 4. | Pancasila Democracy     | (1966-to the present time) | <sup>24</sup> |

In recent Indonesian contemporary political history, Soekarno's Guided democracy in 1960s has often been referred as being a failed democratic system, (and so its Parliamentary democratic system in 1950s), ever adopted by Indonesian government that led to: collapse of Indonesian economy with 650% inflation, massive poverty, political instability. <sup>25</sup>

A combination of these three factors paved the way for the Indonesian Communist Party-PKI (*Partai Komunis Indonesia*) to stage a coup d'etate a beginning of the end of the President Soekarno's era, ever since this era is Known as 'Old Order era' and in turn it represented a beginning of the President Soeharto's era, known as a 'New Order era'.<sup>26</sup>

In the present Indonesian political context the president Soekarno's regime has been called as '*orde lama*' (Old Order) government with its "Guided democracy system'. The Guided democracy was also popular for its term as 'era of 100 ministers' which

<sup>22</sup> Nawas. M. Mody, Indonesia Under Soeharto, (India: Sterling publisher Private. Ltd., 1987), P. vii

<sup>23</sup> Baladas Ghoshal, Indonesian Politics 1955-1959: The Emergence of Guided Democracy, (Calcutta and New Delhi, India: KP. Bagchi & Company, 1982), P. 286.

<sup>24</sup> BP. 7 Pusat, Op. cit, P. 119

<sup>25</sup> GATRA, No. 21 Tahun III, 12 April 1997, Jakarta. P. 25.

<sup>26</sup> Nawas B Mody, Op. cit, P. 123

referred to an era during which president Soekarno appointed 100 ministers in his government'.<sup>27</sup>

Meanwhile, the current President Soeharto's administration is known as " New Order" government with its' Pancasila democracy system'.<sup>28</sup>

The current Indonesian government led by Soeharto has successfully distinguished itself in philosophy and economic policies adopted, which the Soeharto government claims, have led to national political stability. This political stability has successfully produced national economic prosperity as reflected in healthy economic growth, development of the infrastructure, and provision of social facilities, housing development, and so on. Hans Toolans describes about the economic growth in Soeharto era stated:

"In order to improve the Indonesian economy the New Order government started framing five year development plans based on the three principles of development. Stability, aiming at a healthy and dynamic national stability; growth, aiming at a reasonable high overall growth rate directed to wards the creation of employment and technologies needed for future growth, and equity, aiming at a more even distribution of benefits of development in order to achieve social justice".<sup>29</sup>

The current New order Government in Indonesia always contrasts itself from that old Order government particularly with respect to its national political setting or order as set out in Pancasila Democracy. The current Indonesian government always argues that economic development and Indonesian government always argue that economic development and political stability in Indonesia have been made possible because of Pancasila democracy.

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<sup>27</sup> GATRA, Op. Cit.,P.32.

<sup>28</sup> Baladas Ghoshal, Op. Cit, P. 286

<sup>29</sup> Hans Thoolan, Op.cit.P.9.

## CHAPTER II

### THE COMPARISON OF GUIDED DEMOCRACY AND PANCASILA DEMOCRACY

#### A. Body of the 1945 Constitution

The Constitution of the Republic of Indonesia is usually referred to as '1945 Constitution'. This is partly because the Constitution was drafted and adopted in 1945 when the Republic was stabilized, and partly to distinguish it from two other constitutions which were introduced in free Indonesia. Furthermore, the articles of the 1945 Constitution spell out the ideal and the goals for which independence was proclaimed on August 17, 1945 and defended thereafter. It reflects the spirit and vigor of the time when the constitution was shaped. It was inspired by the urge for unity and the common goals and democracy built upon the age old Indonesian concepts of "*Gotong Royong*" (mutual assistance). Preceded by a preamble, the constitution comprises 37 articles, with 4 transitional clauses and 2 additional provisions.

The preamble is composed of four paragraphs and includes a condemnation all form of colonialism in the world, a reference to Indonesia's struggle for independence, a declaration of independence and a statement of fundamental goals and principles. It further states, inter alia, that Indonesia's national independence shall be established in the unitary state of the Republic of Indonesia with sovereignty vested in the people. The state shall be based upon the following philosophical principles:

1. Belief in one and only God
2. Just and Civilized Humanity
3. The Unity of Indonesia
4. Democracy Guided by the Inner wisdom of deliberations of representatives
5. Social Justice for all Indonesian people

Guided by these fundamental principles the basic aims of the state are to establish an Indonesian Government which shall protect all the Indonesian people and their entire motherland, advance the public welfare, develop the intellectual life of the nation, and contribute towards the establishment of a world order based on freedom, peace and social justice.<sup>30</sup>

What is unique in Indonesian political history is that both Guided Democracy and Pancasila Democracy claimed that both democracies used and adopted the Indonesian 1945 Constitution as formulated prior to the Indonesian independence in the year of 1945.

The 1945 Constitution consists of 37 articles with an addition of four chapters of transitional rules and two clauses of supplementary.

<sup>30</sup> The 1945 Constitution of the Republic of Indonesia.

It can be categorized in three divisions:

1. The articles containing the materials of organizing the systems of state administration, of the legal positions, duties, rights, and international relationship.
2. The articles are containing the materials of administering the relationship between the state and the citizens and the inhabitants being emphasized in the Preamble of the 1945 Constitution.
3. And others (for example the President's prerogative as a head of the state).<sup>31</sup>

According to the 1945 Constitution in Indonesia has the seven features of the Indonesian State Administration system, as follows:

**1. The state of is based upon law (*Rechtstaat*);**

It is not based upon more power (*Machtstaat*), and with these features: recognition of the basic of the human right, the execution of legality principles, the execution of freedom of rights to a fair trial.

**2. The Constitutional system**

The system prevents absolutism. A legal and constitutional system would create the mechanism of inter institutional legal relationship to keep the system themselves in good order and secure the attainment of the national goals.

**3. The People's Consultative Assembly (*Majelis Permusyawaratan Rakyat-MPR*)**

It has the supreme authority (*die gesamte staatsgewalt liegt allein bei der Majelis*). Composed of members of the House People's representatives of various corporate groups. This Assembly is responsible of the constitution of the administration of the Broad Lines of National policy and responsible to the Assembly as he the mandattiry of the Assembly *Majelis*.

**4. The President is the Highest Executive of the Government of the state below the Assembly (*Majelis*). The concentration of power an responsibility rest upon the President.**

**5. The President is not to be responsible to the House of People's Representatives (*Dewan Perwakilan Rakyat-DPR*).**

Beside the President there is the DPR. The President must obtain the agreement of the DPR in order to fix the estimates of the revenues and expenditures of the State (*Staatsbegrooting*).

Because of this, the President must work together with the DPR, but the President is not responsible to the DPR, which means that the President's position is not dependent upon the DPR.

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<sup>31</sup> BP.7 Pusat, P. 99.

6. The state Minister who assist the President are not to be responsible to the House but to the President. The President has the power to appoint and dismiss the Ministers. They are the assistants of the President.
7. The authority of the Head of State has no unlimited. The head of state is to be responsible to the Assembly instead of the house but is to be considerate of the house. The mechanism is to be practiced as the preventive means of the constitution system degenerating to absolutism.

According to Baladas Ghoshal that

"the history of Indonesian politics, can be divided mainly into three periods : the period of Parliamentary Democracy, the period of Guided Democracy and the present period under General *Soeharto* which is called by the present rulers as the period of Pancasila Democracy <sup>32</sup>"

But in this thesis to concentrate of the choice of both the Guided Democracy and Pancasila Democracy of Indonesia stems from the above discussed dominate presence of the same state philosophy of Pancasila Democracy and the 1945 Constitution in both Indonesian political system presence which produce completely different results of Indonesian political stability and economic development.

The period of Parliamentary Democracy, the Guided Democracy and Pancasila Democracy including in the Indonesian political system. A political system is a system of the management and arrangement how to gain power in a state, to maintain the position of the power in a state, to arrange relationship of the government and people or vice-versa and between countries or briefly, a political system is the management of state affairs.

Thus the Indonesian political system is the arrangement or methods of managing the Indonesian state which is based upon principle of Pancasila and the 1945 Constitution in order to realized the existence and continuance of the Indonesian Nation in accordance with the spirit of the 17th of August Proclamation.

The relationship of each component within a system is reciprocally influential, inserted, but distinguishable. The function of these components or subsystem would determine the working process of system.

The Indonesian political system however, is like wise affected by the systems of social national and international economy, national and international culture, national and international defense and security, and others which are inter-related with the management of our state. These systems may be summarized as systems of philosophy, constitution, inhabitant, and environment.

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<sup>32</sup> Baladas Ghoshal, Op. Cit. P. 286.

The unfavorable condition mentioned system would cause some social disturbance and eventually political one. It could like wise happen in developing countries and commitment bloc ones which caused some change in their state management, political system, philosophical as well as constitutional system.

Like Baladas Ghoshal stated above that Indonesian political system has been altered three times since independence from :

1. Democratic Liberal Parliamentary
2. Guided Democracy
3. Pancasila Democracy

Although the thesis concentration to comparative study between the Guided democracy and the Pancasila democracy but we describe also the political system of parliamentary liberal democracy system in brief.

According to R. William Liddle, the situation around the Parliamentary democracy are faced two participation systems:

1. The major characteristics, which lasted from the end of 1949 until mid 1953 were the centrality of Parliament in the political process, the weakness of organizational links between the national party leaders and Parliamentary delegations on the one hand and the masses they claimed to represent on the other, and the dominance of conservative factions within each of the major parliamentary parties.

R. William Liddle pointed out,

"Parliamentary government as the choice of the national leadership that had emerged victorious in 1949 over both the Dutch and its domestic competitors. The first Parliament was very mixed assemblage, containing representatives of states created by the Dutch during the independence struggle, members of the revolutionary Central national committee, and members appointed by President *Soekarno* on the basis of estimated party strength"<sup>33</sup>

2. The second participation system, 1953-1956, was marked by serious conflict, extensive party penetration of the village, and the declining legitimacy of parliamentary Government.

"The central event shaving the period was the passage of an election law in April 1953, which in turn had as its immediate cause the atmosphere of parliamentary and political instability resulting from the army attempt to pressure President *Soekarno* to dissolve Parliament known as the October 17th 1945"<sup>34</sup> Besides dissatisfaction with the unrepresentativeness of the temporary Parliament, believed by many to be the source of such political ills as cabinet instability, slowness of decision-making and avoidance of important issues, had existed almost since inauguration of parliament.

<sup>33</sup> R. William Liddle, Participation and Political Parties, "Political Power and Communication in Indonesia", Ed. By Karl D. Jackson and Lucian W. Pye, Berkeley, Los Angeles London : University of California Press, 1978, p. 172.

<sup>34</sup> Ibid. P. 173.

The political system of Parliamentary Liberal Democracy was applied when the UUDS 1950 Constitution (*Undang-Undang Dasar Sementara* or the Provisional Constitution 1950) was formally practiced. According to this constitution that the legislative power was under the President, Cabinet, and Parliament.<sup>35</sup>

Here are the characteristics feature of the system of Parliamentary liberal Democracy.

### 1. The delegation of authority

- A. The legislature authority is hold and executed by the house o people's representative, the executive authority by the Prime Minister and the cabinet Members, and judicial authority by the Supreme Court.
- B. The President, who is head of the State, does not hold legislation executive or judicial authority but hold a prerogative right.
- C. The ministers who hold the responsibility to the Parliament.
- D. The parliament is able to perform a social control effectively by means of untrusting motion (*mosi tidak percaya*) which may be exercise of necessary. Due to great number of political parties had no majority grow in the cabinet has become unstable and failed to accomplish the cabinet successfully.

### 2. Constitutional Government

#### The 1950 Constitution

- A. The state philosophy of Pancasila (in the opening clause of the UUDS).
- B. The structure of the State Management, Parliament Cabinet, Supreme Court, Presidency Monetary Supervising Council and Constituent Assembly.
- C. Chapter alters the constitution
- D. The human fundamental right

As the UUDS had allowed the people to change the characteristic feature of the nation, there was an attempt to change the state philosophy of Pancasila. The Human fundamental rights imply the rights to live, to pursue happiness, freedom of speech, freedom of religion, which are stated distinctly in the UUDS.

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<sup>35</sup> Kementerian Penerangan Republic Indonesia Daerah Istimewa Jogjakarta (The Special District of Jogjakarta of the Republic of Indonesia), Ministry of Information, (Jakarta, 1953), P.326-327

The provisional constitution of 1950(UUDS1950) had no power to regulate all the citizens because of the overwhelming influence of the western liberal democracy as being expressed by the slogan: *Egality, Liberte and Freternite*.

It became difficult to control the individual rights and thus the motion liberty of responsibility is neglected. Eventually, due to the instability of the government Indonesia was changing to a country with multi political parties applying proportional general election system. Political disturbance arose as the constituent Assembly failed to enact a permanent Constituent (UUD)

### **3. Government of Rule of Law**

The rule of law oriented government has three principles

- A. The Supremacy of Law
- b. The Equality before the Law
- c. The Protection of the Human Rights

#### **Supremacy of Law**

At the time the supremacy of Law is the Provisional Constitution of 1950 (UUDS 1950) and other laws enacted at the time. As there were various ideologies practiced in the society, such as Islamic, Christianity, Socialist, Marxist, the people were therefore secluded into various groups of different ideologies which gradually created political social, economical, cultural, religions and defense sectors.

#### **The principle of Equality before the Law**

Under the UUDS 1950 constitution, this principle was firmly well realized but it was not in the true spirit of the state philosophy Pancasila and UUDS Constitution. Each political group found its own way freely to develop its ideology. In this atmosphere the Indonesian commitment party, whose ideology was in contradiction with the state philosophy of Pancasila, found it a good opportunity to consolidate itself to become one of the biggest parties in Indonesia.

#### **The Protection of the Human Rights**

The Protection of the Human Rights was well stated in the UUDS 1950. Most of people interpreted the individual freedom as without restriction to those having no political as well as educational awareness on the national integrity, this unpredictable conditions might cause political disturbances which led to rebellion.

### **4. The Open Management**

The fourth feature of this political system is its open management, which consists of:

- a. Social Participation (referring to people's participation in the state affairs.



- b. Social responsibility (government's responsibility to the people).
- c. Social support (community support to the government)
- d. Social control (community control to the states affairs)

The people's participation in the affair of state was the 1955 general election, in which the people indirectly elected their representation. Their objective were not oriented t the people's general aspirations but to the ideological or political elite.

The government could not successfully execute the responsibility of the people's welfare, security, justice, etc. The community support to political organization of which their representatives formed the majority groups in the House could not be stabilized. The social control to the parliament or the House and the political parties and organization had two fold goals:

- 1. Naming the government to be oriented to the constitution.
- 2. Having the opening parties obtain their position and carried out by organizing demonstrations or newspapers.

### **5.The Political Parties.**

At that time there were many political parties:

- |                   |   |
|-------------------|---|
| 1. PNI            | Indonesian National Party (Nationalism group)                           |
| 2. UN             | Muslim Teacher's Party (Based upon religion)                            |
| 3. Masyumi        | Indonesian Islamic Council Reformist Muslim Party (based upon religion) |
| 4. Perti          | Islamic Educational Movement, Minor Islamic Political Party (Idem)      |
| 5. Parkindo       | Indonesia Christian (Protestant) Party (based on Christianity).         |
| 6. PKI            | Indonesian Communist Party (communist)                                  |
| 7. Partai Katolic | Catholic Party (Catholic)   |
| 8. PSI            | Indonesia socialist Party (Socialist)                                   |
| 9. IPKI           | League of Upholders of Indonesian Freedom (Pancasila Principle)         |
| 10. PRN           | Partai Rakyat Nasional (National People's Party)                        |
| 11. Partai Buruh  | Labor Party   |
| 12. GPPS          | Movement to defend Pancasila  |
| 13. PRI           | Partai Rakyat Indonesia (Indonesian People's Party                      |
| 14. PPPRI         | Police Employees Association of the Republic of Indonesia.              |
| 15. Partai Murba  | (Marxist Nationalist)   |
| 16. Baperki       | Consultative Council on Indonesian Citizenship.                         |
| 17. PIR           | Wongsonegoro  |
| 18. Gerinda       | Indonesian Movement.  |
| 19. Permai        | Persatuan Masyarakat Indonesia (Indonesian Socialist Party)             |
| 20. PPD           | Dayak Unity Party.  |

21. PIR Hazairin. Individual Party.
22. PPTI Tharikhah Unity Party.
23. AKUI Islamic Victory Force.
24. PRD Village People's party.
25. PRIM Party of the People of Free of Indonesia.
26. ACOMA Younger Generation Communist.
27. R. Soejono Prawirosoedarso and Associates.
28. Others parties, organizations and Individual candidates <sup>36</sup>

They were classified in three categories:

1. Parties orientated to religion.
2. Parties orientated to nationalism.
3. Parties orientated to Marxism.

#### 6. General election applying proportional system.

The main characteristic of democratic liberal Parliamentary system which was administered in 1955 was the proportional system General Election and the multi party condition, such as:

- a. The general election outcome never resulted in a majority.
- b. Forming a government supported by the majority in the House needed a collection of parties having similar principles.
- c. The government failed to accomplish its program because of the short lifetime of the cabinet, and the development program in various fields failed.
- d. The government could not be stabilized due to disagreement and disputes among the political parties. Peace, justice and welfare could not be installed and such unfavorable condition caused separate ideological movement, like PRRI (*Pemerintah Revolusioner Republic Indonesia*) or Revolutionary Government of the Republic of Indonesia, PERMESTA (*Perjuangan Semesta*) or Universal struggle charter. DI (Darul Islam or the added of Islam) and TII (*Tentara Islam Indonesia* or Indonesian Islamic of Army).
- e. Failure of social control
- f. Human fundamental rights inappropriately protected.
- g. No freedom of press
- h. One day communication

<sup>36</sup> Herbert Feith, The Decline of Constitutional Democracy in Indonesia, (Ithaca and New York: Cornell University Press, 1962 ), P. 434-35.

Besides, the crisis of the parliamentary system came since the transition towards the guided democracy. We found on the that the cabinet's fall amid threatening chaos was Soekarno's opportunity to reassume leadership, but he moved cautiously. After he had been cast aside in the early days of independence, his political function was limited to choosing cabinet formatters.

According to Baladas Ghoshal:

"Soekarno's self-appointment as the formatter of the new cabinet met with severe criticism from the *masyumi* party. *Natsir*, the party chairman, called view point, said *Natsir*, the President section is extraordinary any constitutes a violation of the constitution.<sup>37</sup>

In this case, Brian May stated :

"While *Soekarno* influence gradually increased, his authority among politicians was so weak in 1951 that a government committee declared that he should not make a practice of intervening in the conduct of state affairs. *Soekarno* had found means of trying to rally a divided nation and increase his own importance on what could be called non-partisan Issues State"<sup>38</sup>

Besides, in history we found in the period of Liberal democracy that since the transformation of the United States of Indonesia into the reestablished Republic, Indonesia had 7 cabinets, an average of one cabinet each year. When the Hatta cabinet resigned as a result of the dissolution of the United States of Indonesia in 1950, the cabinet under the leadership of Moh. Natsir of the *Masyumi* (Moslem party) was formed. And in April 1951 the Natsir a cabinet under Sukiman also of the *Masyumi* replaced cabinet. In March 1952 the cabinet under Wilopo of the PNI (Indonesian National Party) succeeded it. This cabinet remained in power for a relatively longer time, but after a year it also fell and was succeeded by the cabinet under Ali Sastroamidjojo also of PNI in July 1953. So Indonesia had already had 5 cabinets within 5 years.<sup>39</sup>

In this case, Nugroho Notokusanto (Director Center for Armed Force History) pointed out:

"At that time the disappointment of the people with the system of Liberal Democracy sought its relief in the projected general elections. It was then thought that it was not the system, which was wrong, but that the composition of Parliament did not longer reflect the real balance of political force. By the general elections, the various political forces would be represented according to their real strength"<sup>40</sup>

In August 1955, the cabinet of Burhanuddin Harahap of *Masyumi* was formed which carried out the long-awaited general elections right away. The general elections were performed in an orderly and honest way and were widely acclaimed in the world. But, alas, the general elections too could not give the cherished political stability.

<sup>37</sup> Baladas Ghoshal, Op.Cit, P.121

<sup>38</sup> Brian May , The Indonesian Tragedy,( London ,Hamley and Boston : Rotledge and Kegan Pane Lmt, 1978), P.77.

<sup>39</sup> Nugroho Notokusanto, The National Struggle and the Armed Forces in Indonesia,(Jakarta : Departement of Defence & Security, Centre for Armed Forced History, 1975), P. 27.

<sup>40</sup> Loc. Cit.

In 1956 the second cabinet of Ali Sastroamidjojo was formed again. But only one year later, on March 1957 the second time Ali Sastroamidjojo fell again and was succeeded by the cabinet of Djuanda of non-party. According to Nugroho Notosusanto:

"It seemed that the system of Western Parliamentary Democracy did not quite fit the conditions in Indonesia, so that in the end it met with failure and ruin"<sup>41</sup>

Besides of President Soekarno announced the formation an emergency extra-parliamentary cabinet of experts or the *Karya Kabinet* headed by Djuanda Kartawidjaya.<sup>42</sup> Several religions came to disturb in the Parliamentary Democracy era, they are:

1. The movement of the Army of the Just King (APRA- *Angkatan Perang Ratu Adil*) lead by the Dutch Captain *Westerling*, supported by colonialist Dutch interests. The APRA had as its aim the maintenance of the federal structure in Indonesia with a separate army for each of its constituent states. In this way the colonialist hoped to continue its position of power.<sup>43</sup> The APRA first attacked Bangdung on January 23rd, 1950 to later on tried to invade Jakarta on January 26th 1950 to murder prominent members of the Government. But their attempt was thwarted by the Armed Forces.
2. The one revolution which exploded in *Makassar* movement on the *Sulawesi* island on April 13th, 1950, which was also supported by local Dutch troops was the rebellion of Andy Aziz, a former captain in the Dutch colonial Army who was recently accepted in the Indonesian army. "His was to reject the placement of federal troops from the TNI (*Tentara* National Indonesia or Indonesian National Army) in south *Sulawesi*. Although Andy Aziz was supported by Dutch troops still in *Makassar* awaiting repatriation, his attempt met with failure, and was quelled after five months".<sup>44</sup>
3. The revolution of Republic of the South *Moluccas* (RMS- Republic *Maluku Selatan*) like APRA and Andy Aziz rebellion, which wanted to separate itself from the Indonesia Federal Republic. "This rebellion too was suppressed. The political remnants of the insurgents have been sustained superficially by the same colonialist group in the Netherlands."<sup>45</sup>
4. More serious activities because of their duration and widespread occurrence were the extremist Moslem rebellions of DI/TII (*Darul Islam/Tentara Islam Indonesia* or Islamic Territory/ Indonesian Islamic Army) in West Java under a leader S.M. Kartosuworyo, in Central Java lead by Amir Fatah and Kyai Sumolangu, in Aceh lead by the *Daud Beureueh*, in south *Sulawesi* under Kahar

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<sup>41</sup> Ibid, P. 27

<sup>42</sup> Baladas Ghoshal. Op. Cit, P. 122

<sup>43</sup> Nugroho Notosusanto, Op. Cit. P.28

<sup>44</sup> Loc. Cit.

<sup>45</sup> Ibid, P. 29

Muzakkar and South Kalimantan lead by Ibnu Hajar. But these uprisings too were suppressed one after the other.<sup>46</sup>

5. The period of Liberal Democracy end with the advent of the problem of the regions., which culminated in the rebellion of the PRRI- PERMESTA in 1958. The problem was that several regions in Sumatra and Sulawesi was dissatisfied with the allocation for them form the development budget. Besides, they no longer had confidence in the central Government however they felt that they could not change it through the existing democratic institutions. Therefore they used Extra- Parliamentary means.<sup>47</sup>

Finally several regional commanders using their troops supported all these movements. After they passed the tolerable line by severing all relations with the Central Government, the situation could not longer be saved and the PRRI-PERMESTA rebellion broke out which could be suppressed within a year.

## **B. The Implementation of Guided Democracy and Pancasila Democracy**

The implementation of parliamentary democracy based on the 1950 Constitution or UUDS 1950, the implementation of guided democracy and *Pancasila* Democracy based on the 1945 constitution including the implementation of state of philosophy the five principles of *Pancasila*.

In Indonesia, the 1945 constitution, which consists of two Parts, is the expression of the basic values contained in the Preamble, which contain the *Pancasila* with its five principles. Therefore, the 1945 constitution makes the five principles the legal foundation of the state and they are in accordance with the constitution. So, *Pancasila* is the basic idea.

Let us look at the Preamble of the 1945 constitution:

"Whereas Independence is a natural right of every nation, colonialism must be abolished in this world because it is not in conformity with Humanity and Justice.. And the struggle for the movement for the independence of Indonesia has now reached the hour of rejoicing by leading the people of Indonesia safe and sound to the gateway of Independence of an Indonesian state which is free, united, sovereign, just and prosperous. Following this, in order to set up a government of the state of Indonesia which shall protect the whole of the Indonesian people and their entire native land of Indonesia, and in order to advance the general welfare, to develop the intellectual life of the nation and to contribute, in implementing an order in the world which is based upon independence shall be formulated in a constitution of the Indonesian state which shall have the structural form of a Republic of Indonesia with sovereignty of the people and which shall be based upon: belief in one, supreme God, just and civilized humanity the unity of Indonesia. And democracy that is guided by the Inner wisdom in the unanimity arising out of

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<sup>46</sup> Loc. Cit

<sup>47</sup> Loc. Cit.

deliberation amongst representatives, meanwhile creating a condition of Social Justice for the whole of the people of Indonesia."<sup>48</sup>

The above fundamental ideas provide the spiritual background of the constitution of state of Indonesia. These fundamental ideas give rise to those ideals of law (*Rechtsidee*) which dominate the fundamental law of the state, both written law (the constitution) and written law. The constitution gives form to these fundamental ideas in articles.

Although both the guided democracy and the *Pancasila* is based upon the 1945 constitution and the five principles of *Pancasila* but different implementation according to the government policy.

Furthermore, we describe the different of implementation between the Guided Democracy and the *Pancasila* Democracy as follows:

### 1. The implementation of the Guided Democracy

The concept of the Guided Democracy is essentially created during the President *Soekarno* regime since returned to the 1945 constitution through President's decree in July 5th. 1959 to 1965. In his Independence Day speech on August 17th 1959 President *Soekarno* said that:

"Guided Democracy is the Indonesian democracy of ancient time. Guided Democracy is democracy based on the family principle, without the anarchy of liberal and without the autocracy of dictatorship. Guided Democracy there must be retooling, re-ordering and coordination in all field".<sup>49</sup>

Besides, according to Baladas Ghoshal the roots of Guided Democracy:

"The roots of Guided Democracy can be traced much earlier than 21st. February 1957. The underlying idea behind this concept, i.e., democracy with leadership, was nothing new for *Soekarno*. One single motivating factor that inspired *Soekarno* throughout his political career was his urge for Indonesian unity. Unity of Indonesia the running theme in his entire political philosophy, and from time to time whenever that unity ran the risk of disintegration, *Soekarno* devised means to achieve the end, i.e., unity".<sup>50</sup>

Besides President *Soekarno's* conception to implementing the Guided Democracy consisted of two items. "First, a *gotong royong* cabinet and second, the formation of national council".<sup>51</sup>

The *Gotong Royong* (Mutual Assistance) cabinet is an authentic Indonesian term which gives the purest reflection of the Indonesian soul consisting of all political parties and groups represented in Parliament which had attained a certain electoral quotient.

<sup>48</sup> Department of Information, Republic of Indonesia, Special Issue, No. 001/1966, Jakarta, 1968, P.i.

<sup>49</sup> Department of Information Republic of Indonesia, "Political Manifesto Republic of Indonesia of 17th August 1959", Jakarta, 1959, P.19

<sup>50</sup> Baladas Ghoshal. Op. Cit, P.81.

<sup>51</sup> Ibid, P.80



Meanwhile, the formation of a National council consisting of representatives of functional groups, like labor, peasants, intellegentia, national entrepreneurs, Protestants, Catholics, women, youth, chiefs of staff of the Army, Navy, Air Forces, the chief of staff of police and several ministers headed by the President *Soekarno*. This Council would advise the cabinet whether such advice is required or not.

Under Soekarno's conception of Guided Democracy decision and policies were made, not by a majority vote, but rather by the traditional means of discussion, or *musyawrah* (deliberation) ending in the reaching of consensus.<sup>52</sup>

The concept was in a sense derived from the 1945 constitution. But historically President Soekarno introduced the Guided Democracy, President *Soekarno* formed a committee to design an Indonesian new constitution. Due to differences in opinion between major Muslim Parties, notably *Masyumi* Party and *Nahdhatul Ulama* (NU) Party in on the one hand, and the *Partai Nasional Indonesia* (Indonesian National Party) in Parliament on the other hand. The committee was deadlocked and did not reach an agreement on making the new constitution. The Moslem parties wanted that the Indonesian constitution should be based upon *Pancasila* as originally formulated. PNI itself was the biggest party in parliament at that time in 1956 to 59. Even PNI master on the mass and community field under marhaenism philosophy.

In this connection B.R. *Chatterji* and D. Litt. pointed out:

"The goal of *Marhaenism*, a socialist community for Indonesia, can be achieved only by mass action in which every section of society would cooperate. To make such mass action truly effective there must be an agrarian sector, youth sector, a labor sector and a woman's sector. Within each of these sectors there must be a cadre which can provide honest and effective leadership. Training courses for such cadres for work in different fields have to be arranged".<sup>53</sup>

In the field of the community also PNI has planning:

In order to create a *Marhaen* community all *Marhaen* workers must know the conditions of the *Marheans* in today's society. There are two feudal elements, foreign controlled big business and beginnings of native capitalism, all of which stand in the way of the creation of a *Marhaen* community.<sup>54</sup>

B.R. *Chatterji* and D.Litt, further pointed out:

"The PNI must work hard in rural and urban areas so as to win the recognition of the masses as the pioneer party of the *Marhainists*. There in lies the hope of a *Marhaenist* victory".<sup>55</sup>

The deadlock of committee had led President *Soekarno* on 22 April, 1959 to ask the Parliament to re- institute the 1945 constitution as originally formulated to become

<sup>52</sup> Nena Vreeland, Area Book for Indonesia, American University, Washington, DC, Foreign Area Studies (third Edition). (USA:1975), p.46.

<sup>53</sup> B.R. Chatterji and D. Litt, South East Asia In Transition, (Delhi: Mecnakshi Prakashan, 1965), P.118

<sup>54</sup> Ibid, P. 121

<sup>55</sup> Ibid, P.123

Indonesia's new constitution. The parliament was still deadlocked. Then on 5 July 1959, President Soekarno announced a presidential decree, which said that Indonesia, should adopt the 1945 constitution as originally formulated.

Prior to President *Soekarno's* issuance of the Manifesto politic, he issued a presidential decree on July 5th, 1959, for the re-instatement of Indonesia's 1945 constitution (adopted on August 18th, 1945). It was suspended in 1951 when the constitutional or parliamentary system of democracy was adopted. By this decree the parliament was dissolved for its failure to reach a consensus in writing for a new constitution. New members of parliament were appointed by the President himself, selected from three main groups, namely, the nationalist, the religious (*agama*), and the communist (*komunis*). These three groups were then called as NASAKOM an abbreviated form of those Indonesian words.

With regard to the concept of NASAKOM, Satyavati S. Jhaveri pointed out:

"NASAKOM- National religion communism. This was the pet concept of *Soekarno* in which he envisaged a unity among main political forces operating was doomed to fail because each party wanted sole power in its hand. After the September 30th incident the army and the youths publicly challenged this concept and insisted that communist had no place in the political life of Indonesia. The communists were accused of working against Pancasila, which was the basic political philosophy of the country. *Soekarno's* insistence on NASAKOM was one of the reasons leading to his downfall".<sup>56</sup>

Since then that the 1945 Constitution became Indonesia's formal constitution. The Presidential Decree basically consisted of three main points, namely:

- a. To dissolve the Parliament
- b. To return to the 1945 constitution as originally formulated.
- c. To form Provisional people's consultative Assembly and Supreme Advisory Council as stipulated in the 1945 constitution.<sup>57</sup>

With the return to the constitution of 1945 Soekarno was in a position to implement his concept of Guided Democracy freely. After President Soekarno announced the Presidential Decree, he delivered his well-known speech on Independence day August 17th, 1959. The speech represented a Manifesto Politic of the Republic of Indonesia, abbreviated as MANIPOL (Manifesto Politik). The Political manifesto then became Soekarno's political doctrine, which then became a "blue print" of Indonesia's Guided democracy from 1959 up to the end of Soekarno's regime in the Old order era. The 1959 was an important turning point of Indonesian political development process from that of parliamentary system of democracy to that of Guided Democracy.

In this case, Styavati S. Jhaveri pointed out:

<sup>56</sup> Satyavati S. Jhaveri, "The Presidency in Indonesia : Dilemmas of Democracy", (Mumbai : Popular Prakashan, 1975), P.274.

<sup>57</sup> Nugorocho Notosusanto, Op.Cit. P.30



"It came to be known as the political manifesto of the Republic of Indonesia. *Soekarno* expressed the hope that all layers of the society together with the states apparatus, both civil and military devote all their strength and thought to the implementation of this political manifesto"<sup>58</sup>

The Manifesto listed the basic objectives of the Indonesian Revolution and detailed the general program of that revolution. It was made clear in the preamble attached to the manifesto that the program of all political parties, all mass organizations, all citizens of the Republic of Indonesia. "It was soon apparent, that the political Manifesto was the blueprint of the new political line of action".<sup>59</sup>

In background of this turning point was far earlier prompted by what happened before the manifesto politic was announced, that is, where Indonesian had experienced very serious political instability coupled with economic difficulties.

Since the transfer of the Dutch in December 1949, "marked Indonesia as an economy still dominated by the Dutch colonial".<sup>60</sup> It also paved the way for the creation of Federal constitution, based on the parliamentary system of government, with a cabinet responsible to parliament. This system of government functioned with a number of parties vying for power. Each individual party aimed at toppling the ruling party to lead the country, and the result was frequent change of cabinet, and this led to unstable political conditions through the fifties.<sup>61</sup>

With the economic condition still recovering from the war damage, the impact of political instability was obvious. "The rate of economic growth at times fell well below that of population growth of about 2.7 percent per annum".<sup>62</sup> Besides, "the inflation rate was higher during this period than during the Dutch rule in 1942, lack of foreign exchange had forced a restriction of import".<sup>63</sup> Furthermore, "toward the end of 1957 political tensions further exacerbated the deteriorating economic conditions"<sup>64</sup>

When the mounting political instability ended in an open rebellion at the beginning of 1958, the rate of inflation leaped to over 50 per cent in the same year. And continued to soar during the next two years, 1959 and 1960. Higgins characterized it as "the inflation, which had long been endemic, became epidemic in 1958".<sup>65</sup>

<sup>58</sup> Satyavati S. Jhaveri, Op. Cit. P.263

<sup>59</sup> Loc. Cit.

<sup>60</sup> Benjamin Higgins, Indonesia's economic Stabilization and Development, (New York : Institute of Pacific Relations, 1957), P.3

<sup>61</sup> A.K. Pringgodigdo, The office of President in Indonesia as defined in the three constitutions in theory and Practice, (Ithaca and New York: Cornell Modern Indonesia Project (Translation Series), 1957), P. 20.

<sup>62</sup> Donald W. Fryer and Jackson James G. Indonesia ( London /Ernest Benn Ltd. Boulder/West View Press, 1977), P. 291

<sup>63</sup> Benjamin Higgins, Op. Cit. P. xiii

<sup>64</sup> Hans O. Schmitt, Foreign Capital and Special Conflict in Indonesia 1950-1958, in Imperialism and Under Development (A Reader), Robert L. Rhoders (Ed.), Monthly review Press, New York, 1970, P.27.

<sup>65</sup> Benjamin Higgins, Op. Cit. P.26

The steady deterioration of the economy, the chaos and instability in the political sphere had prompted President Soekarno to issue his manifesto politic on August 17, 1959. The program of the first cabinet of the Guided Democracy period was put forward by Soekarno on 17th August 1959. In his Independence Day message, the Rediscovery of Our Revolution which was later adopted as the political manifesto (*Manipol Usdek*) of Guided Democracy, he reiterated the themes he had been stressing over the past two years.<sup>66</sup> Furthermore, President Soekarno sought to hold together the competing forces of Guided Democracy by fostering an overriding sense of national purpose. According to Harold Crouch when Soekarno describing himself as the "Mouthpiece of the Indonesian people and then Soekarno created to give allegiance. Harold Crouch pointed out:

"The Pancasila (five principles), which he had 'dug Up' in 1945, where followed by a series of doctrines, each one complementing but also to a certain extent superseding the others such a *Manipol-USDEK*, *Nasakom*, and other formulations that were joined together in the five magic charms of the revolution"<sup>67</sup>

Manipol, however stood for Political Manifesto a program based on Soekarno's Independence Day speech in August 17th, 1959. Its main provisions are represented in USDEK:

U	<i>Undang Undang Dasar 1945</i>	(the 1945 constitution)
S	<i>Sosialisme Ala Indonesia</i>	(Indonesian Socialism)
D	<i>Demokrasi Terpimpin</i>	(Guided Democracy)
E	<i>Ekonomi Terpimpin</i>	(Guided Economy)
K	<i>Kepribadian Indonesia</i>	(Indonesian Personality)

The declaration of this manifesto produced a new approach to the Indonesian social-political and economic system in the early 1960s. President Soekarno called this approach are Guided Democracy and Economic Democracy. This new approach was a significant departure from the previous economic liberalism and parliamentary democratic systems, which highlighted the period 1949-1958. President Soekarno stated the difficulties of this period in the following words:

"I need not tell you that our state is in distress. The experience of these eleven years have convinced one that parliamentary democracy is not in harmony with the soul of the Indonesian nation. It is clear that opposition is interpreted as the endeavor to overturn the existing government, whenever possible, and to replace it with a government of the opposition itself."<sup>68</sup>

An analysis made by Allen Siever later in 1974, in relation to the leadership of President Soekarno noted by saying that the history of the regime of constitutional democracy is essentially a story of instability, of inability to govern".<sup>69</sup>

<sup>66</sup> Ulf Sudhalissen, *The Road to Power, Indonesia Military Politics 1945-1967*, (Oxford, New York and Melbourne :Oxford University Press, 1982.), P. 146

<sup>67</sup> Harold Crouch, *The Army and Politics in Indonesia*, (Ithaca and London: Cornell University Press a1978), P. 43

<sup>68</sup> D.I. Robson, "Indonesia a Brief Survey". Landfall Press, Perth, Australia, 1996, P. 25

<sup>69</sup> Allen M. Seiver, *The Mystical World of Indonesia* (Culture and Economic Development in Indonesia)", (Baltimore, USA: the John Hopkins University Press, 1974), P. 172.

Although the idea of Guided Democracy was probably good but in the process of implementation it changed. The changed was largely due to public criticism of the 1<sup>st</sup> way President Soekarno managed the country. Then political direction of the government was not those clear, which then led to political chaos. Chaotic political situation changed to become a national instability within the country and this resulted in uncertainty in both social and economic development. Vishal Singh noted by saying that:

"The economic situation in Indonesia continues to deteriorate, but neither the leadership of the country nor the people seem to be finding a way out. With Malaysia as his target, Soekarno has been diverting the attention of his people from internal economic problems".<sup>70</sup>

Even on 1, December 1956, Vice-President Mohammad Hatta had resigned from his office. The resignation by Hatta, only aggravated the regional discontent of Java island especially Sumatra island. These developments, however, indicated that a political pattern, which had lasted for seven years, was cracking. In this connection, Vishal Singh says:

"In March, 1957, the country was divided into various levels, the gulf between the PNI and *Masyumi* (*Majelis syuro muslim* Indonesia or Indonesian Islamic council reformist Muslim party), between Soekarno and Hatta, the center and the regions was becoming wider and wider. The old system was substituted by Soekarno with Guided Democracy, but it led considerable political and military outbursts".<sup>71</sup>

As the country had no Vice-President since 1st December 1956, President Soekarno with his political Manifesto of Guided Democracy became more and more the only political figure to be reckoned with. He had no strong challenge from oppositions. "Soekarno became a totalitarian and dictator President of Indonesia as President Soekarno acted to replace members of parliament and new parliament was appointed by the President, the powers of which were purely advisory".<sup>72</sup>

The political situation in the Guided Democracy environment was identified with its functioning of parliament, which was in contradictory to the spirit of democracy in general, and the ideal of the 1945 constitution. Most political parties were not given opportunities in political activities as they enjoyed during parliamentary system of democracy in the 1950s. Moreover, on 5 March 1960, President Soekarno dissolved parliament because of parliament's rejection of the President Soekarno's government budget. Vishal Singh describes the political situation by noted, as follows:

"Between February 1958 and July 1959, when Soekarno by a decree promulgated the old 1945 constitution of Indonesia and dissolved the constituent Assembly, a new balance of power emerged in Indonesia's politics. The power of

<sup>70</sup> Vishal Singh, "Guided Democracy in Indonesia", Seminar on Recent Development in South East Asia, Press Institute of India, Indian school of International Studies, India International Centre, 8 to 13 March, 1965, New Delhi, P.9

<sup>71</sup> Ibid, 6.

<sup>72</sup> Richard Robinson, Capitalism and the Bureaucrat State in Indonesia 1965-1975 (Ph.D. Thesis) Faculty of Arts, University of Sydney (Microfilm), Sydney, 1977, p. 77.

President Soekarno grew tremendously, closely followed by the army leadership's power. The use of the Army as an instrument of his policies gives it an increased political stature. Soekarno dissolved the elected Parliament on 5th March 1960, and the last symbols of the parliamentary system were abolished. A new *Gotong Royong* Parliament was sworn in 25 June 1960. About half of its members were from political parties, the *Masyumi* keeping out. The rest were from functional groups including the Armed Forces. The *Masyumi* and PSI (Indonesian Socialist Party) were banned on 17th August 1960".<sup>73</sup>

The President Soekarno's action to dissolve parliament gained protests and criticism from political parties at that time. As a follow up of those protest and criticism, major political parties such as *masyumi*, *Nahdhatul Ulama*, *Parkindo*, *Partai Katolik*, *Liga Muslim*, *Partai Sosialis Indonesia*, and IPKI (*Ikatan Pendukung Kemerdekaan Indonesia* or League of Upholders of Indonesian Freedom) established "Democracy League" organization chaired by Mr. Imron Rasyidi from *Nahdhatul Ulama*.

In this case, Rex Mortimer pointed out by saying that the democratic league formed in March 1960, to protest Soekarno's dissolution of the elected parliament and fight communist influence, also enjoyed the active support of some army leaders and the tolerance of a wider circle, including Nasution. Initially formed by some Masyumi and PSI leaders in cooperation with IPKI (*Ikatan Pendukung Kemerdekaan Indonesia*, League Upholders of Indonesian Independence, an Army connected party) and two Christian Parties (Roman Catholic and Protestant), the League was strong during Soekarno's absence abroad in the second quarter of 1960 and with the support of the army's intelligence, colonel Sukendro, attracted the involvement of several PNI and NU officials<sup>74</sup>

When the President returned, however, according to Rex Mortimer that "he insisted that the army withdraw the support it had lent the organization and thereafter it rapidly declined, until a year later Soekarno was able to ban it with hardly any reaction".<sup>75</sup>

In fact, the Democratic League was the forerunner of several attempts by army and political groups to sink their differences in a common front against the PKI, the last and most concerted of which was the formation in August 1964 of the Body for Promoting Soekarnoism. On the contrary, according to Ulf Sundhalissen, after Soekarno had come back from Yugoslavia a staunch enemy of communism, and he was determined that the PKI was going to have little change in his area jurisdiction, regardless of Soekarno's policies on this matter.

" With the *Liga Demokrasi out manoeuvred*, the *Masyumi* and the PSI banned, the PKI saved from extinction at the hands of army radicals, and *Nasution's* position in

<sup>73</sup> Vishal Singh, OP. Cit. P. 8

<sup>74</sup> Rex Mortimer, *Indonesian Communism Under Soekarno : Ideology and Politics, 1959-1965*, (Ithaca and London: Cornell University Press, 1974), P. 112.

<sup>75</sup> Loc. Cit.

the Army weakened, Soekarno had won some significant victories. Moreover, the legislature was effectively emasculated".<sup>76</sup>

The Democracy League criticized President Soekarno and it said that:

- A The action of the President to dissolve the Parliament is not right and unconstitutional.
- B The parliament would only strengthen the position of Indonesian communist party, PKI.

To respond to those protests and criticism from the democracy league, President took a decisive action of dissolving the organization of democracy league without due law process. From a critical point of view that the action of President Soekarno was really due to strong influence of the Indonesian communist party. Because at that time the communist party was the only closed to the President. According to Donald W. Fryer and James C. Jackson noted :

"On the political party front the PKI now was without a rival, and although the President was probably sincere in his belief in the virtues of Nasadom and saw the communists as a genuine indigenous national force, to very many Indonesian, and to the world at large, he increasingly appeared in thrall to the party".<sup>77</sup>

According to Baladas Ghoshal there are two reasons why did President Soekarno co-operate with the communist. Soekarno's strategy was of two folds: on the one hand, he would cooperate with PKI in order to build up a sufficient opposition to the Masyumi. On the other hand, afraid of the growing strength of the PKI, he saw to it that a sufficient opposition to the PKI did exist, mainly in the army. What was more, by accommodating the PKI within the establishment and giving the communist some responsibilities and power, Soekarno attended to forestall the change of any challenge or coup by the communists. Secondly, according to an expert on Indonesia, it was the general anti-western feelings of the Indonesian population that compelled Soekarno to co-operate with the Communist.<sup>78</sup>

Besides that the communist activities in the field of ideology and journalist. In the field of ideology, steps were taken to transform the state philosophy Pancasila in to "Marxism explode in Indonesia".<sup>79</sup> That was a sign of the increasing influence of the communist party. The influence of the PKI was increasingly felt by their systematic tactic of repression of prominent persons and groups considered hostile to them. "The room for movement of the militantly non-communist press was restricted more and more, especially through the Union of Indonesian Journalists and the *Antara* Press *Bureau*, both already under PKI control"<sup>80</sup>

<sup>76</sup> Ulf Sundhalissen, The Road to Power, Indonesian Military Politics, 1945-1967, (Oxford, New York and Melbourne: Oxford University Press, 1962), P. 151.

<sup>77</sup> Donald W. Fryer and James C. Jackson, Op. Cit. P. 96

<sup>78</sup> Baladas Ghosai, Op. Cit. P. 101

<sup>79</sup> Nugroho Notosusanto, Op. Cit. P. 31

<sup>80</sup> Loc. Cit.

Many political leaders were arrested on PKI instigation by the *Soekarno* administration and imprisoned without any formal indictment. Finally the publication permit of newspapers without any ties with a politically legated group by the PKI or with group which could not be terrorized by the PKI (fir instance the Army), was with drawn. President Soekarno, at last liquidated a movement called the Board of Supporters of Soekarnoism (*BPS-Badan Pendukung Soekarnoisme*) with the aim of depending the nationalist teachings of President Soekarno against misrepresentations by the PKI, himself, obviously on the suggestion of PKI.

Confrontation with Malaysia provided the PKI, with ready made weapon for anti- western propaganda, enabling it to Prersent itself as a patriotic national group to increase its effectiveness.

Besides, according to B.D. Arora who stated:

"As far as the PKI is concerned, it was a militant opponent of the federation of Malaysia. In fact, the PKI was the first to have vehemently denounced it as a Neo-colonialist venture as early as August 1961. The PKI opposed it for various reasons".<sup>81</sup>

Indonesia's withdrawal from the United Nations was followed in August 1965 with the announcement of a Jakarta -Peking-Hanoi- Phnompenh and Pyongyang exit. All these capital are the communists' basis. Army leaders were alarmed not only because the Americans and Soviets were its Principle sources of equipment but also because of fear of Chinese and PKI influence. In this connection, Nawaz B. Mody stated that "Not surprisingly, the army never played a paramount role in the execution of the Crush Malaysia campaign. The principal military role was assigned to the air Force which was more susceptible to Soekarno and the PKI influence."<sup>82</sup>

Furthermore, we find Soekarno's relation with the PKI in the field of security. According to J. Eliseo Rocamora :

"The most audacions effort at developing a countervailing force to the army's military power was the PKI proposal for the creation of the fifth Force which gained the tacit support of President Soekarno in early 1965. This proposal called for the training and provision of arms to peasant, worker and youth elements"<sup>83</sup>

Because of the PKI's influence on the Soekarno' administration, the foreign policy followed the line of the people's Republic of China. "The enemies of the people's Republic of china became the enemies of the Republic of Indonesia and the friends of the People's Republic of China became the friends of the Republic of Indonesia"<sup>84</sup> As a realization of the Two camp Doctrine, President Soekarno proposed

<sup>81</sup> - B. D. Arora "Indian- Indonesian Relation 1942-1975 Seminar on South East Asian Politics and Foreign Relations : Restropects. & Prospects. on- 10 March, 1975, p. 39.

<sup>82</sup> Nawaz B. Modi, Op. Cit. P. 2

<sup>83</sup> J. Eliseo Rocamora, *Nationalism is Search of Ideology : The Indonesian Nationalst Party*, Philippines Center for Advanced Studies, University of the Philippines, Quezon City, 1975, p.320.

<sup>84</sup> Nugroho Notosusanto, Op. Cit. P.33

the idea of the existence of two camps in the world, namely the New Emerging Forces (NEFO) concept, Indonesia was trying to obtain NEFO solidarity. On the logical formulation of NEFO vs. OLDEFO the Malaysia issue became the nucleus of a broad national consensus in Indonesia"<sup>85</sup>

In this case, Harold Crouch quoted the domestic impact of foreign policy developments in 1964 and 1965 had reinforced the trends already set in motion by the PKI new militancy. Harold Crouch pointed out:

" The PKI had exploited the atmosphere created by the conformation campaign to rally support by spearheading the takeover British and American property and leading the anti Western campaign in general. Although it had met with serious resistance in the rural areas, its Aksi Sepihak (unilateral action) movement had served to mobilize support among the rural poor, which could be expected to expand in the future. Further, the party had won the President's support against its critics in Jakarta. As China became Indonesia's main foreign friend, the PKI became established as Soekarno's chief domestic ally"<sup>86</sup>

Furthermore, by 1965, the trend of events seemed to be very much in the PKI's direction as the President denounced Communist-phobia at home and the Nekolim abroad. This was why that the Indonesian Communist Party staged an aborted coup d'etat in September 30, 1965, as it was so convinced that President Soekarno would support all the way to PKI. From the economic stand point the results of implementing economic development program in the Guided Democracy era were not that good. The reason were, as pointed out by Prof. Suhadi Mangdusuwondo, as follows:

"That it was because the government did not feel entirely committed to the economic plans and never adopted them as its overall program. Another part, it was due to political instability in the country. The instability was really a failure of managing the country as a whole"<sup>87</sup>

The failure of the Old Order government in managing the country led to the economy's deteriorated, unemployment increased, and inflation rate was continued to increase. According to Y. Panglaykim that "galloping in present government took over from the former regime in October 1966..

The failure in economic sphere and instability mad direction of political development unclear. As the national economy continued to deteriorate President Soekarno established the so-called Revolution Fund (*Dana Revolusi*) in which it could only be drawn and controlled solely by the President. In this case, Nugrohotosusanto pointed out:

" As a result of extravagant policies, the period witnessed an increasing economic decline. On orders of President Soekarno a Revolution Fund had been formed in 1964 and the money used for various presidential projects. Collecting

<sup>85</sup> B.D.Arora, Op.Cit, P.39

<sup>86</sup> Harold Crouch, Op.Cit, P.68

<sup>87</sup> Suhadi Mangkusuwondo, "Indonesia in the Economic Development of East and South East Asia,(Kyoto,Japan :Shimichi Inchimura (ed),East West Center Book,1975),P.75

contributions from businessmen who had received import permits with a special deferred payment raised the funds. The goods imported using this special deferred payment system were not goods needed by people or by the industries, but mostly goods useful for speculation by the importers".<sup>88</sup>

Such establishment was not regarded appropriate considering the stage of the economy. However, despite of failure of President Soekarno's Guided Democracy and economy, it was successful in promoting what Prop. Muhammaad Yamin termed as Soekarno's Socialism in Indonesia. This brand of socialism, according to Prof. Yamin (December 1960) is different in concept from that in the West and in the East. He said:

" Indonesian socialism is not socialism as understood by the West, not as understood by the communist country. It is socialism which contains a well balanced amalgamation of social justice with factors of pure Indonesian origin such as are described by the principle of Mutual Help and family system which constitute the main characteristics of Indonesian identity"<sup>89</sup>

From this, we are led to understand that Guided Democracy with socialist doctrine is an alternative to liberal democracy as practiced during the fifties in Indonesia. Economic liberalism was not suitable to Indonesian and the alternative of Guided Economy with its mutual help and Family System socialism, as President Soekarno instead was the ideal one for Indonesia. This placed the Indonesian economy within the concepts and framework of the *Sosialisme a'la Indonesia* (socialism a'la Indonesia).

In view of the above analysis that before the introduction of Guided Democracy, the political system of Indonesia was considered a variant of liberal democracy under constitutional system of government. Its economic system was then often referred to as a liberal system, in favor of free enterprise, though not fully practicing the philosophy of liberalism as understood in the west. That liberal democracy system was, as argued above; not suitable to Indonesia. Instead the system was regarded most suitable, as pointed out by Yamin in 1960 and Soekarno's Manifesto Politic was socialism a'la Indonesia. With that understanding, it was perhaps significant that discussion of the Indonesian political and economic system in the Old Order era, in one term or another, couched in broadly socialist term, or had at least paid to Guided Democracy in the early 1960s, Socialist regime led by President Soekarno, this led to the condemnation of free for all liberation, liberalism was vilified both in words and in action.

According to J.A.C. Mackie described the economic situation and social system pointed out:

"For all its talk about socialism a'la Indonesian and need for Blue-print or a planned economy. Soekarno's regime achieved the reverse of economic planning. It was, in fact, living from hand to

<sup>88</sup> Nugroho NotoSusanto, Op. Cit P.32

<sup>89</sup> Muhammd Yamin, Pembangunan Semesta, (Overall Development), Pelaksanaan 335 Proyek A dan Proyek B, Pembangunan Semesta Nasional Berencana, Depernas, N.V.Percetakan dan Penerbitan Nusantara, Jakarta, 1960,p.15



mouth in term of foreign exchange, the resource which was crucial to it. Its eight year overall development plan of 1960 was sheer fantasy from outset. Only if the inflation had been checked could economic development have been stimulated. This was well known, but it could be achieved. Meanwhile Indonesians were becoming accustomed to the problems of living with inflation and by 1964 Soekarno was openly boasting that they could go on doing indefinitely or, at least until Malaysia had been crushed. The disastrous consequence became apparent in the course of 1965"<sup>90</sup>

The starting point for a debate on the nature of Indonesia's socialism in general or socialist economy in particular is in the 1945 constitution, specially article 33 of the 1945 constitution, which stated:

1. The economy should be organized as a common endeavor, based upon the principle of a family system.
2. Branches of production which are important to the state and which affect the life of most people shall be controlled by the state.
3. Land, water and natural riches shall be controlled by the state and shall be made use of for the people"<sup>91</sup>

This article 33 was subject to open discussion especially for interpretation of term like common endeavor (*usaha bersama*). Article 33 of the 1945 constitution neither stated explicitly whether the state should adopt a socialist system, nor it make clear whether the state should reject the liberal democracy principle. It did not formulate any specific principle or model, which would constitute a definite line of action for the state to follow. Interpretation varied with regard to the ideas expressed in the constitution. Political parties differed vastly in interpreting the article in the period to 1957 (the liberal period). Differences in the interpretation had in some degree contributed to misunderstanding and misconception of what kind of democracy system and economic system that the government and the state should adopt.

Brigadier General Soenarso describe the economic and political situation stated in the following words:

"Generally, there was mismanagement in the economic field. Various economic principles were not heeded and carried out. For instance the principle of balance between income and expenditure, between import and export, between the flow of goods and the flow of money, between the opening of labor, opportunities and the increase in labor, age of citizens. Also the principle of efficiency in the use of economic sources, the principle of the necessity of investment for economic growth and finally the principle of justice in the distribution of rights and obligations"<sup>92</sup>

In a final analysis of the system that the liberal system and parliamentary system that had been adopted by Indonesia could not provided stability in the Indonesian politic

<sup>90</sup> J.A.C. Mackie, *Konfrontasi The Indonesia -Malaysia Dispute 1963-1966*,(London and New York: Oxford University Press, 1974), P.90.

<sup>91</sup> Department of Information, Op. Cit. P.33

<sup>92</sup> Nugroho Notosusanto, Op. Cit. P.33

and economy. And these should be replaced by the Soekarno's Manifesto Politic that led to the birth of Guided Democracy which was really a socialism a' la Indonesia. Then it was seen that Guided Democracy (described in further pages).

The essence of the Guided Democracy initiatives was to embrace the idea of solving deadlock in parliament that led to political instability, to revive the national economic activities and to increase people's prosperity. The initiatives covered almost all aspects of the Indonesian social, political and economic activities. But its implementation was disaster to the social development process of the country. With that in mind, it became clear the concept of Guided Democracy as seen from its implementation was therefore different from the general concept of the true democracy as understood from the presidential, liberal or parliamentary democracy system.

The political manifesto in the Old Order era was supposed to play an important role in making Guided Democracy worked. In fact the Soekarno's political manifesto did not deliver it intended concepts. The political manifesto, however, listed the basic objectives of the Indonesian Revolution and detailed the general programme of that revolution. "The program of the Revolution must become the program of the Government, the program of the National Front, the program of all political parties, all mass organization and all citizens of the Republic of Indonesia".<sup>93</sup>

From political parties point of view the manifesto was used, as a tool to ban activities of political parties, especially those parties were not in favor of leadership of President Soekarno. It was soon apparent, that political manifesto was the "blue-print" of the new political line of action. The President's effort to discipline the political parties and to reduce them to size had full support of Nasution. The only two parties that took advantages of the manifesto were PNI and PKI. "Paradoxically, however, the diminished importance of the party system, proved to be a boon for the PKI. The Masymi and the PSI went virtually out of field"<sup>94</sup>

The PNI, however, enjoyed President Soekarno's trust. The party itself was created by him. In November 1964, the PNI has pro-active on her activities after they declared the Marhaenist Declaration in 1964, at the BPK meeting at Lembang, Bandung. The statement said:

"There is no revolutionary movement which is not based on revolutionary theory. Marhaenism is a revolutionary theory based on mass action. As such, the conditions of the Marhaenist struggle must be revolutionary and grounded on a two-phase conception of the revolution. The first is the national democratic phase and the second, the socialist phase. Because of this, the peasantry and labor must lead the struggle. The PNI front Marhaenist is an instrument of the revolution, based on workers and peasants, and led by the victory of masses (*Kaum Marhaen*) they must be organized in a Marhaenist front which is dynamic, militant, radical, disciplined and totally dedicated to the cause of the masses. The PNI Marhaenist front must teach, guide and prepare the masses for the daily struggle. It must become the vanguard leadership of the masses. In short, the PNI/

<sup>93</sup> Satyavati S. Jhaveri, *Op. Cit.* P.263

<sup>94</sup> Satyavati S. Jhaveri, *Op. Cit.* P. 264

front Marhaenist is the "concretization" of the Marhaenist ideology formulated by Bung Karno as the avant-garde of the struggle of the Marhaenist masses.

We believe that without revolutionary mass action by the *Marhaen* masses there will never be a social transformation that will reach the upper levels of society."<sup>95</sup>

Beside, taking that into consideration, in a final analysis it was PKI (Indonesian Communist Party) that gained the most advantage from the introduction of the political manifesto. According to Rex Mortimer that the political manifesto was to prove very useful as a weapon of ideological struggle for the PKI. Rex Mortimer said:

"In the first place, the ideals it expressed could be used as sticks to beat the government, individual ministers, and the bureaucracy for their acts of commission admission. In this way Manipol not only kept open an avenue for legitimate PKI criticism of the power-holder but also enabled the party to represent itself as the only force thoroughly and consistently behind Manipol, and consequently the force that ought to be entrusted with greater responsibility for its implementation. Secondly, indoctrination of official and others in the themes of Manipol helped to incline more people toward a revolutionary socialist outlook, further, the close similarity between Manipol and the Party program was calculated to the orient those who responded to the indoctrination more benevolently to ward the party"<sup>96</sup>

In other words PKI had successfully gained President Soekarno's trust and therefore PKI had played important position in influencing President Soekarno's strategic decisions. However, PKI misused President Soekarno's trust and miscalculated the general feeling of the public including ABRI (*Angkatan Bersenjata Republik Indonesia* - Indonesian Armed Forces) and students. The miscalculation resulted in failed coupe d 'etat on September 30, 1965. Seen from that point, PKI in some degree involved in engineering the introduction of the political manifesto that led to creation of the Guided Democracy. At the same time, PKI was also directly involved and responsible for the ending of Old Order era and the Guided Democracy. The ending meant that it was a deathblow Indonesian socialism on which the country 's overall political policy and economic planning orientation were based. The end of the Guided Democracy signified the beginning of the New Order era with the introduction of Pancasila Democracy.

## 2. The implementation of the Pancasila Democracy

The last stage of the Guided Democracy was an abortive coup by the Indonesian Communist Party (PKI) in September 30, 1965. The coup was started with the murder of the Commander of the Army Lieutenant General Ahmad Yani together with five other generals, all his closest assistants, at the General Staff and the "aide-de-camp" of the Coordinating Minister of defense and Security/ chief of staff of the Armed Forces, as well as with efforts of the rebel troops to occupy the center of the capital, Jakarta.

<sup>95</sup> I. Eliseo Rocamora, Op. Cit. P. 96

<sup>96</sup> Rex Mortimer, Op. Cit. P. 96

The coup, however, was followed by an announcement on the intention of the coup group who declared that they had launched internal corrective measures within the body of the army against the generals who said to the members "council generals" who intended to launch a coup d' etat against the government of President Soekarno. "This was followed by the dismissal of the incumbent cabinet and the formation of revolutionary council to become the Supreme Authority within the State."<sup>97</sup>

124As Nawaz B. Mody, pointed out about the situation:

" The period prior to 30 September 1965 was a highly volatile three-communist military leaders, and the PKI. This period of progressive polarization not only was confrontation evident between the PKI and the Army leadership, it was increasingly obvious between Soekarno and the Army leadership."<sup>98</sup>

When the situation could no longer be controlled, President Soekarno decided to give full authority to General Soeharto to take all steps he considered necessary to guarantee security, tranquility and stability of the process of Government and revolution and to assure the personal safety and the authority of the leadership of the President / Commander-in- Chief/ Great Leaders of the revolution and Mandatory of the Provisional people's consultative Assembly, in the interest of the integrity of the Indonesian Nation and Republic, and carry out definitely all the teachings of the Great Leader of the Revolution. That decision was brought out in the form of an order, which was issued on March 11, 1966. The next day General Soeharto, on the basis of this order, disbanded the PKI and its subordinate organizations, like *Pemuda Rakyat* (People's Youth), *Barisan Tani* Indonesia (Indonesian Peasant Front), and others.

However, on the March 11, 1966 Order of the President aimed at restoring the atmosphere of calm and stability. General Soeharto was ordered on behalf of Soekarno as President, to take all the necessary steps to guarantee security, calm and stability in the running of the government and the course of the revolution. "The latter March 11, acquired the acronym Supersemar from *Surat Perintah Sebelas Maret* referring to the clown God Semar who is endowed with magical powers."<sup>99</sup>

During the first months of 1966 President Soekarno' authority declined steadily. This was caused by his attitude of constantly protecting both the rebels and the PKI as their prime movers by saying, the violent happenings of October 1, 1965 were only like ripple on the surface of ocean, While the people's sense of justice wanted him to take adequate measure against the PKI, namely its disbandment according to Presidential decree no. 7/1963, concerning parties involved in a revolt.

Furthermore, in the capital of Jakarta the demonstrations now known as the Three People's Demands (*Tiga Tuntutan Rakyat*) namely:

1. The disbandment of the PKI
2. The purge of the Cabinet from communist elements

<sup>97</sup> Nograho Notosusanto, Op. Cit. P.37

<sup>98</sup> Nawaz B. Mody, Op. Cit. P.5

<sup>99</sup> Nawaz B. Mody. Op. Cit. 65

3. The reduction of prices (rehabilitation of the economy).<sup>100</sup>

The important order of March 11, 1966 proved to be turning point of the whole situation. The order which gave unrestricted power to General Soeharto to take any steps he deemed necessary to safe guard the State and the Government was immediately used to disband the Communist Party and to arrest the cabinets suspected of having something to do with the coup attempt.

The steps taken by General Soeharto were received with great enthusiasm by the action fronts and political parties. They even pressed the General Soeharto to use the Order of Super Semar to remove Soekarno from his position because they suspected his complicity to the coup attempt. "But Soeharto would not budge to the pressure. He has not used the order since"<sup>101</sup>

General Soeharto, however, chose to follow the strategy of constitutionalism and gradualism stipulated by the ideal of foundation for the struggle of the Indonesian National army to end the misrule of President Soekarno. First we have the 4th. General Session of the MPRS (Provisional People Congress) which among other things confirmed the order of March 11, 1966. Then in the month of March 1967, we had a Special Session of the Provisional People's Congress which voted out Dr. Soekarno out of power on the basis that he is no longer able to fulfill his constitutional duties towards Provisional People's Congress appointed General Soeharto as acting President of the Indonesia.<sup>102</sup>

The 5th. General Session of the MPRS in 1968 deposed Soekarno as President of the Republic of Indonesia and elected General Soeharto instead until the next Presidential election by new MPRS congress. The present political system in Indonesian after launch of Supersemar is called the New Order (*Orde Baru*). "and the present period under General Soeharto which is called by the present rulers as the period of Pancasila Democracy."<sup>103</sup>

The Pancasila Democracy, however, was born since the issuance of President Soekarno's instruction letter dated March 11, 1966. This letter was popularly abbreviated in Indonesian language as Supersemar (*Surat Perintah 11, Maret*). The Supersemar basically contained an instruction of President Soekarno to General Soeharto at the time when he was the Army Chief of Staff to reestablish stability in the country. And General Soeharto was authorized to take measures in his efforts to establish law and order which was "stability " in the country.

Among decisions made by General Soeharto at that time were:

1. To ban and dissolve PKI. The Communist Party was declared a forbidden party to exist in Indonesia,

<sup>100</sup> Ibid, P.3

<sup>101</sup> Ibid, P.126

<sup>102</sup> Nugorocho Notosusanto, Loc. Cit.

<sup>103</sup> Baladas Ghoshal, Op. Cit. P.286

2. To arrest those ministers under President Soeharto's administration suspected to be involved in the failed coup d'etat, corruption, and had a bad moral,
3. To replace some Parliament members from various political parties suspected to be involved in the PKI's activities and replace their leaders.<sup>104</sup>

When all important measures were taken and implemented then General Soeharto initiated to President Soekarno to call the country's high legislative body, the Provisional People's Consultative Assembly - MPRS to have session which lasted from 20 June to 6 July 1966. This session of MPRS signified the conceptional foundation of the commencing of the new order era to replace the old order era. In its session from 7 to 12 March 1967, MPRS confirming General Soeharto as acting President of Indonesia until the next general election was held to form a permanent MPRS to elect a new President.<sup>105</sup>

The main task of President Soeharto as President of the country was an effort to create national stability. The effort of President Soeharto to create stability was not easy but at the end the effort was successful. This stability was used by President Soeharto to devise his development plan in stages. The first stage was called the Five Year Development Plan.

"The new Indonesian First Five Year Plan 1969-1973 (referred to as Replita I (*Rencana Pembangunan Lima Tahun Pertama*) aimed at stabilization and rehabilitation, with emphasis on agriculture as well as the supporting industries".<sup>106</sup>

Besides, the results of *Repelita* I in 1969-1973, Y.Panglaykin stated was an indication of achievements, which were as follows:

1. Its success in coping with inflation, as mentioned earlier (inflation about 650% annually before the present government earlier 1966 and was brought down to 112% in 1967, reduced to 85% in 1963, and below 10% since 1969 up to present time in 1990).
2. The increase in the government development budget by an average of 15% annually.
3. The increase in export of products (except for some traditional export products like rubber, copra, etc.), by an average of 15% annually.
4. Increment in domestic savings through various types of deposits and savings.
5. Stable prices of the basic commodities needed by the people (rice, etc.), who in turn have created a better economic climate compared to that of 5 or 6 years ago.
6. Further improvement in Indonesia's infrastructure, including roads, communications, power, etc.

<sup>104</sup> Richard Robinson, Op. Cit. P.77

<sup>105</sup> Nugroho Notokusanto, Op. Cit. P. 126

<sup>106</sup> Y. Panglaykim. Op. Cit. P 38

7. Increase in industrial and agricultural production, in particular, rice production which amounted to around 12.7 million tons in 1971-1972.
8. The continuous improvement of the government apparatus, as proved by the issuance of the Presidential Instruction to simplify the application procedures for Foreign and domestic investment.<sup>107</sup>

However, up to now Indonesian has had her Six Five-Year Development Plans from the first Five Year Development Plans (*Rencana Pembangunan Lima Tahun Pertama- Repelita I*) in 1969-1970. The present plan is Indonesia's Sixth Five Year Development Plan from 1994-1995, which ends in April 1998-1999. The May 29, 1997 General Election will be followed by the Presidential election by the country's high legislative body, the People's Consultative Assembly (*MPR-Majelis Permusyawaratan Rakyat*) from 1 to 11 March, 1997. Other than the elected President and Vice President, the Assembly (MPR) will formulate the country's broad Guideline of the State's Development (*Garis-Garis Besar Haluan Negara-GBHN*) as the basis for devising the Seventh five-year Development Plan. All of these development plans are designed within the framework of Pancasila<sup>108</sup> The framework that has successfully replaced Soekarno's democracy in 1968 is stipulated in the People's Consultative Assembly decision.

The basic differences between the Guided Democracy and the Pancasila Democracy are the implementation and operationalization of the Guided Democracy were not based on the 1945 constitution and the Guided Democracy was not based on the 1945 Constitution in fact contradicted various articles of the constitution. In this case, Yoga Soegomo, former Chief of State Intelligence Coordinating Agency (*Badan Koordinasi Intelligens Negara-BAKIN*) pointed out:

"The Pancasila Democracy was not born by the decree of the 1945 Constitution on August 18, 1945 by the founding fathers of the Republic. Nor did the Pancasila Democracy become the way of life and the philosophy of life of the Indonesian people as the result of the revolution was against the Dutch colonialism during the years of 1945 to 1949. But it could not be denied that the name Pancasila as referring to the centuries old tradition was created during that period of time, namely on August 18, 1945. It will continue to develop and grow as long as the Indonesian people and the Indonesian republic exist. It is evident from its history that the Pancasila Democracy is a dynamic tradition, it has never become ineffective nor run into a dead-end street in its journey through history"<sup>109</sup>

The Pancasila Democracy, however, is in contrary to the Guided Democracy. It wanted to implement the constitution in its original form and contents as exactly stipulated in the 1945 Constitution. Furthermore, in the Guided Democracy solely the

<sup>107</sup> Ibid. P.39

<sup>108</sup> Gatra, Volume I/No. 009 August 1995. Economic Growth should Prompt the Nation to be Ready to Face the Future, P. 3.

<sup>109</sup> Yoga Soegomo, "The comparison of the European Democracies and the Pancasila Democracy in Indonesia as a Subject of Democracy Research" (Inaugural Address Presented to the Faculty Senate of the Chinese Culture University of Taipeh, on the Occasion of Receiving Doctor Honoris Causa I Political Science, March 1, 1986, P. 19

President without regard to the due process of Parliament making made all decisions. Therefore, Parliament in the Old Order era did not function as it should have. In this situation, Satyavati S. Jhaveri has pointed out:

During the period 1959 -1965, the President enjoyed at least formally all powers of the State and the Government. Both the cabinet and the DPRGR were appointed by him and continued in office during his period. A number of Government institutions were created with the President as the head. Differences among the three wings of the armed forces provided a further opportunity to the President to concentrate still more powers in his hands. As Supreme Commander of the Armed Forces he assumed the position of the Central Military Administrator, previously held jointly by the Chiefs of Staff of the three Armed Forces. On 16, December 1960 the President extended for an indefinite period, the State of Emergency proclaimed in 1957. He thus became a virtual dictator of Indonesia.<sup>110</sup>

According to Nawaz B. Mody, President Soeharto had criticized the Guided Democracy in his Independence Day Speech on August 17, 1967, in this way "the Guided Democracy was a system in which social justice receded further and further because the wealth of the state was used for personal enrichment"<sup>111</sup> Furthermore Soeharto said:"Guided Democracy degenerated into a system of licenses benefiting a handful of persons who were close to those in power."<sup>112</sup>

While in the Pancasila Democracy, Parliament is actively involved in making various decisions and laws for the state as initiated by the government. The main concept of Pancasila Democracy is that it was designed in accordance with various aspects of country's political culture that existed and developed in Indonesia. So both its contents and forms reflected the identity of Indonesia as a whole. In Pancasila Democracy, the people have the right to determine the form of government's functions to realize their ideals. " A government from the people must conform to the outlook of the people, which is Pancasila"<sup>113</sup>

Up to now, as argued by the Indonesian government, the Pancasila Democracy has shown its own characteristics as reflected in its decision-making process. A model of decision-making process in Indonesia is based upon Consensus to achieve Agreement, popularly known in Indonesia as *Konsensus untuk Mencapai Mufakat*. Even President Soekarno claimed that the origin of democracy system in Indonesia is democracy of *Musyawah* (deliberation) and *Mufakat* (Consensus). In a speech to the Islamic students of Indonesia (HMI) 1 May 1953, at the University of Indonesia, he said:

"I have never met the word democracy in Islamic terminology but "Musyawah". Moreover, I never met the term "voting" in the Islamic vocabulary. What Islam suggests is "*Musyawah*" discussion, negotiations. It does not suggest voting. So that one can say my party has the biggest number I should win. Democracy is Musyawah...we do not want autocracy

<sup>110</sup> Satyavati S. Jhaveri, Op. Cit. P.260-61.

<sup>111</sup> Nawaz B. Mody. Op. Cit. P. 202.

<sup>112</sup> Ibid. p. 203

<sup>113</sup> Nawaz B. Mody, Op. Cit. P. 178.



...Not the half plus is always winning, no, not at all ! Democracy is not an aim. Democracy is merely an instrument of wisdom, a method to achieve an objective in wise manner in social and state affairs. One manner, a manner we all agree with our democracy is, as I often say, a democracy with leadership. A democracy with wisdom and not mere voting ...Democracy does not mean majocracy or more clearly our democracy does not mean mjocracy, because we are obliged to hold "Musyawarah" and not mere voting"<sup>114</sup>

In practice then if a consensus is not reached it will be done by a majority voice (voting). In other word "decision making is to be reached through *musyawarh* rather than voting. The aim of Pancasila is to establish social justice throughout Indonesia".<sup>115</sup> This mechanism or model of decision making is popularized and is not only practiced in the formal government institution but also in the community at large. The assembly of MPR formally decided this mechanism or model in 1978. So this model has become a law in Indonesia.

Article 87 (2) of the 1978 assembly's decision of MPR-RI (*Majelis Permusyawaratan Rakyat Republik Indonesia*- People's Consultative Assembly of the Republic of Indonesia) says that:

"Consensus and /or decision taken is based upon majority's voice as a result of deliberation, must have high quality that can be accounted for and not in contradictory with the state principle of Pancasila and ideal of Indonesian declaration of independence of 17 August, 1945 as written in the preamble of, body of, and explanation of the 1945 constitution".<sup>116</sup>

In its concept, the Pancasila Democracy covers various dimensions as outlined in the 1945 Constitution. These dimensions evolve around religions, economy, society, culture, and defense & security. The concept of the Pancasila Democracy, as argued by the Indonesian government is an interpretation of the 1945 Constitution. Pancasila Democracy is a system of life for the state and society on the basis of people's sovereignty. It inspired by the noble values of the Indonesian nation Pancasila itself, which means the five principles of Pancasila are:

1. Belief in the One and Only God
2. A just and Civilized Humanity
3. The Unity of Indonesia
4. Democracy Guided by the Inner Wisdom of Deliberation of Representatives
5. Social Justice for All the Indonesian People

Thus Pancasila Democracy means democracy based on people's sovereignty which is inspired by and integrated with the other principles of Pancasila. "This means that the use of democratic rights should always be in line with the sense of responsibility towards god Almighty according to the respective faith; uphold human values in line with human dignity; guarantee and strengthen national unity; and aimed at realizing social justice for the whole of the people of Indonesia."<sup>117</sup>

<sup>114</sup> Baladas Ghoshal. Op. cit. P. 88.

<sup>315\*</sup> Nawaz B. Modi. Op. Cit. P;178

<sup>116</sup> BP.7. Pusat, MPRS Decree, No. I/1978, April 1979.

<sup>117</sup> Handbook of Republic of Indonesia. 1997, P. 33-34.

In a democratic life based on Pancasila, the People's Consultative Assembly (MPR), being the highest state institution, has a very important role to play. As an institution which fully exercises the sovereign rights of the Indonesian people, MPR should always reflect the aspirations and the wishes of the people with all its decisions or decrees. And as the holder of the highest power in the state, the assembly appoints the President and the Vice-President and determines the guidelines of State Policy for implementation by the President. The House of Representatives (DPR), the members of which are from people and are elected by the people, has the function of exercising control over the conduct of the administration by the President. The mechanism of this control by the DPR constitutes a means to prevent constitutional deviations from the people's wish by the government.

Besides, Soeharto's regime claimed "The New Order is the pure implementation of the 1945 Constitution"<sup>118</sup>

Pancasila as the foundation of the 1945 Constitution is a system, which is rooted very deeply among the Indonesian people and has a very wide horizon. It has also become a strong guarantee due to the fact that:

1. It is deeply rooted in the Indonesian culture.
2. It has strong religious tolerance.
3. It has a strong sense of social justice.
4. It has an international understanding and belief in humanity.
5. It upholds welfare for all.<sup>119</sup>

Also, Pancasila is very closely related to the people who strongly respect it. This attitude of respect has also become a guarantee against a dangerous attitude of indifference towards the Constitution, an attitude that is so pervasive in the other world. And the pure implementation of the 1945 Constitution is a strong guarantee too. This interpretation relates strongly to the so called ; a. Economy Democracy, b. Social & Cultural Democracy, and c. Political Democracy.

#### **a. Economy Democracy**

The Economy Democracy has been as a foundation for executing national economic development, which is formulated more flexibly and more comprehensibly with a specific nature relevant to national needs. At the same time, regional (provincial) economy and the economy among regions is developed in a more balanced manner and as it becomes a united national economy, and subsequently regional potentials are utilized optimally and their role in the regional economic development becomes prominent.<sup>120</sup> This is done, as conceptualised in the Pancasila Democracy, in an effort to realize national outlook and national endurance as idealized in the 1945 Constitution.

<sup>118</sup> Nawaz B. Mody, *Loc. Cit.*

<sup>119</sup> Yoga Soegomo, *Op. Cit.* P.19

<sup>120</sup> BP. 7. Pusat. *Op. Cit.* 191.

Nawaz B. Mody describing the economic development in Indonesia said:

"The aims of economic development were contained in the Pancasila principle, of social justice and Nationalism"<sup>121</sup>

Earlier in 1966, the previous regime in Indonesia focussed its attention on nation building and practically ignored the country's economy. When President Soeharto was entrusted with the country's leadership, the economic situation was chaotic. Responsibility fell on President Soeharto and his team to reverse the gears. They have committed themselves to the most difficult task of rebuilding the Indonesian economy based on Pancasila and the 1945 Constitution. For a continued economic growth and economic development and for nation building, political stability is a pre requisite.<sup>122</sup>

The characteristics of Economy Democracy, however, are based on the fact that they are basically trying to avoid negative aspect of the economy. The Indonesian government identifies those negative aspects as:

1. Free fight liberalism system which gives rise to exploitation of people and regions and which has led to structural weakness in Indonesia's position in the world economy.
2. L'estatism system in which the State and its economic apparatus are given a dominant position. Such a dominant role adversely affects the potential and creative abilities of economic units outside the State sector.
3. Concentration of economic power, within a group in the form of monopoly which is harmful to the community.<sup>123</sup>

#### b. Socio-cultural democracy

The socio-cultural democracy has been used as a foundation to implement developmental programs in the field of people's welfare, and resulting national identity; utilizing, developing, and acquiring science and technology, as well as religious livelihood and belief in the supreme God.<sup>124</sup>

#### c. Politic democracy

The politic democracy includes an integral view of Indonesian nation and family system, which is used as a basis for implementing political development. It is rooted in Pancasila Democracy, which, among others, covers state government system, status of the People, Consultative Assembly, and People's Representatives Council. Execution of Indonesia is based on real autonomy, dynamic and responsible, in an effort to strengthen national unity, free and active foreign politics, and defense system based on mass participation.<sup>125</sup>

<sup>121</sup> Nawaz B. Mody. Op. Cit. P. 178.

<sup>122</sup> BP. 7. Pusat. P. 109.

<sup>123</sup> Tom Gunadi, System Perekonomian Menurut Pancasila dan UUD 1945, (Economy System According to Pancasila and the 1945 Constitution),(Bandung : Angkasa Bandung, 1981),.P.45.

<sup>124</sup> BP. 7. Pusat. P. 14.

<sup>125</sup> Ibid. P.234

The Pancasila Democracy is the guiding force of the New Order government to work. Because, as the government argues, the New Order era should have clear basic rules to govern the operation of the New Order government which at present led by President Soeharto.

The significance of the New Order are mentioned as follows:

1. The New Order is the state and national affair and administration based upon Pancasila and the 1945 Constitution.
2. The New Order intends to realize the ultimate goals of independence to social justice for all the people based upon Pancasila and the 1945 Constitution.
3. The New Order is committed to administer democratic state and nation affair in accordance with the constitution.
4. The New Order is a constitutional order in built with developing spirit.<sup>126</sup>

The New Order has been seen:

1. To represent an order of the existence of the state and nation which have been repositioned along with the purity of the implementation of Pancasila and the 1945 Constitution.
2. To realize ideal of independence, namely, to create just and prosper society based on Pancasila and the 1945 Constitution.
3. To establish the livelihood of the state and society which are constitutional, democratic, and law based.
4. To create constitutional order and development order.<sup>127</sup>

The most important characteristic of the New Order was the political dominance of the army under General Soeharto. As Baladas Ghoshal said:

"Next to the President, the Army played an important role in the politics of the country and in turn weakened the parliamentary process."<sup>128</sup>

As we have already seen, the aftermath of the coup saw the rise of the army over Soekarno and the PKI, its erstwhile partners and rivals under Guided Democracy. The PKI was banned and its followers were either killed or imprisoned, while government departments and institutions, which were pro PKI, were purged. As Nawaz B. Mody said,

"In late 1965, Soeharto began to take several steps to weaken Soekarno's position within the Army. By 11 October he had purged a number of officers involved in Gestapu".<sup>129</sup>

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<sup>126</sup>

Ibid. P. 241

<sup>127</sup>

Ibid. P. 242.

<sup>128</sup>

Baladash Ghoshal. Op. Cit. P.19

<sup>129</sup>

Nawaz B. Mody. Op. Cit. P. 59.

President Soekarno was gradually eased out of the presidency and had completely lose power by March 1967, through MPRS session. The Army had no major contenders for power, either from other branches of ABRI (*Angkatan Bersenjata Republik Indonesia* - Armed Forces Republic of Indonesia) or from the political parties, although there were some challenges from the pro-Soekarno groups in the Navy, Police, and Air force till about 1969.

The new government (the present political system is called the New order as opposed to the Old Order of Soekarno)<sup>130</sup> carried out a further masculation of political parties and hoped that the right wing parties, particularly masyumi (*Majelis Syuro Muslimin Indonesia*- Modernist Islamic Party) and the PSI (*Partai Sosialis Indonesia*- Indonesian Socialist Party) would be allowed to re-emerge after the elimination of the PKI which was completely thwarted. According to Baladas Ghoshal

"the non-Communist political parties, which had existed in various degrees since the overthrow of parliamentary democracy in the late fifties, have been further emasculated by Soeharto's Government through steam-roller tactics."<sup>131</sup>

The establishment of the New Order also saw the emergence of General Soeharto as the number one man, though his position was only really secure after 1967. Soeharto's meteoric rise was due to the fact that he had led the counter-move against the PKI and also because several seniors Generals, including the Army Chief of Staff were dead. "The Sumatran Abdul Haris Nasution, his major rival in 1966, was defeated early, partly because President Soekarno preferred to hand over power to Soeharto, a Javanes of Abangan religious cultural outlook like himself"<sup>132</sup> Through Supersemar (*Surat Perintah 11 Maret 1966*-) the 11 March 1966 order General Soeharto obtained sweeping power over the country. By March 1968, the Consultative Assembly formally divested Soekarno of his power as President for-life and appointed Soeharto as the New President of Indonesia. In this case Nawaz B. Mody pointed out:

"MPRS Decision No.III/MPRS/1963 appointing Soekarno as a President for life was revoked. Soekarno's title, Great Leader of the Revolution now entailed no legal authority. Decision of 1966 forbade the President from issuing presidential decisions and regulations. Soekarno as MPRS Mandatory, was clearly reminded of implementation of these MPRS decisions. Decision 15 stated that if the President was unable to carry out his duties Soeharto would become acting President."<sup>133</sup>

Finally through MPR's decree no.XXXIII/MPRS/1967, President Soekarno is no more functioning as President, and with the IV MPRS session, that special MPRS session should put its final seal on the removal of Soekarno and the appointment of Soeharto as Acting President, and through MPRS Decree No. XLIV/MPRS/1968 appointed General Soeharto as President till after chosen in general election in 1971 or after MPRS Session in 1973.<sup>134</sup>

<sup>130</sup> Baladas Ghoshal. Op. Cit. P.286.

<sup>131</sup> Ibid. p. 291.

<sup>132</sup> Dewi Fortina Anwar, *Indonesia in ASEAN: Foreign Policy and Regionalism*, (Singapore and Indonesia :PT. Pustaka Sinar Harapan (Institute of Southeast Asian Studies, 1994), P. 34.

<sup>133</sup> Nawaz B. Mody. Op. Cit. P. 73.

<sup>134</sup> BP.7. Pusat. P.138.

Another important element of the New Order government was the role played by selected civilians, especially economist, who were brought in by the Army as junior partners in the government. While the Army was unquestionably powerful, it nevertheless lacked several essential attributes to govern effectively. Finally, the new army leadership was almost unknown abroad, while Indonesia badly needed external assistance to pull the country out of its economic trouble. The Army, therefore, needed civilian leaders to assist in government and boost the New Order's image both at home and abroad, "A team of economist, trained at the University of California and nicknamed the Berkeley Mafia, was imported to guide the government in fiscal matters."<sup>135</sup>

Furthermore, after the letter on March 11, 1966, President Soeharto appointed two well-known civilian leaders to key positions, namely the Sultan of Yogyakarta Hamengkubuwono IX and Adam Malik. In other words, "immediately after coup, the government was based on a triumvirate of General Soeharto, Adam Malik and the Sultan of Yogyakarta."<sup>136</sup>

The Sultan, who was identified with the banned PSI (*Partai Sosialis Indonesia*-Indonesian Socialist Party) and was respected by the military for his administrative ability, was put in charge of the economic stabilization scheme, particularly negotiating the rescheduling of Indonesia's foreign debts. His personal status as a Javanese King could be expected to confer legitimacy on Soeharto's New Order.<sup>137</sup> Besides, Adam Malik, a prominent politician from the small but influential Murba Party (radical party suspended in 1965) and well known diplomat whose last posting was as ambassador to Moscow (USSR), was put in charge of foreign affairs with the primary task of restoring Indonesia's international credibility.<sup>138</sup> The appointment of Adam Malik, who had close links with the Soviet Union was probably partly to convince the international community, especially the non-aligned countries, that despite the massacre of communist Indonesia was not about to enter the American camp.

"The outlook of the New Order leadership had three key aspects namely strong anti communism, a commitment to stability and economic development, and a pragmatic international outlook."<sup>139</sup> Besides, the New Order leaders were also very concerned with domestic political stability and economic development, which they regarded as being inextricably intertwined. They agree that the greatest threat to national stability came from internal subversion, most likely from the communists or militant Muslims. The government elite also agreed that subversive movements could result from poverty and economic discontent. Therefore, economic development was essential to preserve national stability,<sup>140</sup> while at that time political stability was a prerequisite for economic development.

<sup>135</sup> Wilfred T. Neill, *Twentieth Century Indonesia*, (New York and London: Columbia University Press, 1975), P. 372.

<sup>136</sup> Baladas Ghoshal, Seminar on South-East Asian Politics and Foreign Relations: Retrospect & Prospect, 8-10 March 1979. P. 16.

<sup>137</sup> Nawaz B. Mody. Op. Cit. P. 83

<sup>138</sup> Ibid. P. 84.

<sup>139</sup> Dewi Fortuna Anwar. Op. Cit. P. 35

<sup>140</sup> BP.7. Pusat. P. 200

Ever since taking office in 1967, the New Order Government of President Soeharto was determined to return to constitutional life by upholding the 1945 Constitution in a strict and consistent manner and by respecting Pancasila as the state philosophy and ideology.

To emerge from the political and economic legacy of Soekarno's Old Order, new government set out to undertake the following:

1. To complete the restoration of order and security and to establish political stability
2. To carry out economic rehabilitation
3. To prepare a plan for and execute national development with the emphasis on economic development.
4. To end confrontation and normalize diplomatic relations with Malaysia.
5. To return to the United Nations, which Indonesia had quit in January 1965.
6. To consistently pursue an independent and active foreign policy
7. To resolve the West Irian question.
8. To regain Indonesia's economic credibility overseas
9. To hold general elections once every five years <sup>141</sup>

After 12 March 1967, Soeharto became the Acting President and after the lapse of another year, on 27, March 1968 President.<sup>142</sup> For further five years, Soeharto also obtained approval for changes in the cabinet, the Assembly's power of independent action has remained as limited and as ill defined as when Soekarno created it, but with all of Soeharto's decisions, the move was thus clothed in a mantle of legality. The new development cabinet, as it came to be called, was substantially smaller than its predecessor and contained significantly fewer ministers from Armed Forces. Its most notable features, however, was the appointment of Prof. Dr. Soemitro Djojohadikusumo (now father in law of Mrs. Titiek Prabowo- Soeharto's daughter), who had returned from exile abroad in 1967, as Minister of Trade. On the contrary today Soemitro's son Major General Prabowo Commander of Kopassus (*Komando Pasukan Khusus-Command of Special Armed Forces, a Soeharto' son in law*). According to Donald W. Fryer and James C. Jackson:

"The new economic pragmatism was also visible in the appointment to cabinet rank or to high positions in the administration of a number of highly competent professional economist, former students of Soemitro who had received further training abroad most at University of California at Berkeley. prominent among these new recruits to high level government service from the intelligent were Dr. Ali Wardhana, Minister of Finance, and Dr. Widjojo Nitisastrom, chairman of the National Planning Council and economic adviser to General Soeharto."<sup>143</sup>

Furthermore under overall direction of the Sultan of Yogyakarta Hamengkubuwono IX (King of Java), who as "overlord" Minister of State for

<sup>141</sup> Handbook of Republic of Indonesia 1977. P.32.

<sup>142</sup> Baladas Ghoshal, " Indonesian politics 1955-1959". Op. Cit. P. 291.

<sup>143</sup> Donald W. Fryer and C. Jackson, Op. Cit. P. 108.

Economic, financial, and Industrial Affairs was charged with ensuring the wellbeing of the whole economy. This team of technocrats was largely responsible for the rapid turn around of the economic situation in Indonesia over the following period of the First Five Year Plan and for the achievement of a rate of economic growth in the 1970s that could stand comparison with that of some of the world's economic front runners, and notably with the country's near neighbors, Singapore and Malaysia.

As consequence of the leaders outlook the new government was characterized by a fourth element, namely, "politicization of both domestic and external affairs".<sup>144</sup> As reaction to the earlier frenetic politicization, Soeharto and his associates imposed a tight control on popular political participation, which might detract from the country's development effort.

As Baladas Ghoshal pointed out:

"The new order government leader's control over Indonesian society at large and over its bureaucratic machinery, appeared to tighten after 1970. This process has been rationalized with the argument that only well trained specialists have the ability to mobilize the country's resources in order to achieve the goals set by the government's First Five Year Plan. Wider powers for this group of civilian and military bureaucrats and technocrats, stability and peace were needed if Indonesia was to develop. It is here that we should analysis the relationship between the bayonet and the ballot box. Since the power of the military dictatorship is founded on two pillars, namely violence at home and diplomatic, economic and military support from outside world, the will of the people support to be gauged by parliamentary elections would be seen to be of no influence whatsoever".<sup>145</sup>

Besides, the aid-oriented foreign policy, which stressed friendly relations with western countries and their allies, also removed a major cause for political mobilization. Thus, while under Soekarno politics was the *Panglima* (Commander) of national life, and under Soeharto the *Panglima* was economics.<sup>146</sup>

Furthermore, the implementation of the Pancasila Democracy can be seen how it has been executed in term of system of the state government. In other words, what system is used to govern a country or state, what specific or principal guideline to govern a country. In this perspective, the Indonesian New Order Government under the Pancasila democracy has adopted a system of government as intended by and within the 1945 Constitution. Those systems are called 7 key principles of the state Government System,<sup>147</sup> namely:

1. Indonesia is a State based on law (Rechtstaat), it is not based upon more power (Machtstaat).<sup>148</sup> However, it means that the state of Indonesia is based on law and not merely on power alone.
2. Constitutional System

<sup>144</sup> Dewi Fortuna Anwar. Op. Cit. P.36.

<sup>145</sup> Baladas Ghoshal, *Indonesian Politics 1955-1959*. Op. Cit. P.293.

<sup>146</sup> Tom Gunadi, Op. Cit. P. 194.

<sup>147</sup> BP. 7. Op. Cit. P. 99

<sup>148</sup> Department of Information republic of Indonesia, "The 1945 Constitution of the Republic Indonesia", Percetakan Negara RI, Jakarta, 1988. P. 22



"The government is based upon constitutionalism (Fundamental Law) not absolutism (authority without limits)"<sup>149</sup> It means that the government is based on constitution and not on absolutism, that is, power without limitation.

3. The highest authority of the state is in the hands of the *Majelis Permusyawaratan Rakyat* (the People's Consultative Assembly, *Die Gesamte Staatsgewalt liegt allein bei der Majelis*).

"The sovereignty of the people is held by a body named the Majelis Permusyawaratan Rakyat as the embodiment of the whole of the People of Indonesia (*Vertretungsorgan des Willens des Staatvolkes*). This Majelis determines the Constitution and the guidelines of the policy of the State. The Majelis appoints the Head of State (President) and the Vice Head of State (Vice-President). It is this Majelis which holds the highest authority of the state, whilst the President must execute the policy of the State according to the guidelines which have been determined by the Majelis. The President, who is appointed by the Majelis, is subordinate to and responsible to the Majelis. He is the Mandatary of the Majelis, he is obliged to execute the decisions of the Majelis. The President is not Neben but is Untergeordnet to the Majelis.<sup>150</sup>

According to the 1945 Constitution, article 1, point (2), "Sovereignty shall be in the hands of the People and shall be exercised in full by the *Majelis Permusyawaratan rakyat*".

It means people's sovereignty is held by a body named the People's Consultative Assembly MPR as a manifestation of the Indonesian people as a whole. This Assembly is to decide constitution and broad guideline of the state's direction, to appoint President and Vice-President. And it has the highest authority in the state, while the President has to execute those broad guideline of the state's direction.

4. The President is the Highest Executive of the Government of the state below the Majelis. "Below the Majelis Permusyawaratan Rakyat, the President is the Highest Executive of the government of the State.

In conducting the administration of the State, authority and responsibility are in the hands of the President (concentration of power and responsibility upon the president).<sup>151</sup> In other word that President is the highest state government executor under MPR.

According to the 1945 Constitution, article 4, stated:

- (i). The President of the Republic of Indonesia shall hold the power of government in accordance with the constitution.
- (ii). In exercising his duties, the President shall be assisted by a Vice-President.

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<sup>149</sup> Loc. Cit.  
<sup>150</sup> Ibid. p. 23  
<sup>151</sup> Ibid. p. 23.

Article 5, stated:

- (i). The President shall hold the power to make statutes in agreement with the *Dewan Perwakilan Rakyat*.
- (ii). The President shall determine the Government Regulation necessary to implement statutes.

Article 6, point (2) stated:

The President and the Vice-President shall be elected by the Majelis Permusyawaratan Rakyat by majority vote.

Article 7, stated:

The President and the Vice-President shall hold office for a term of five years and shall be eligible for re-election.

- 5. The President is not responsible to the Dewan Perwakilan Rakyat (The People Representative Council).

"Besides, the President there is the Dewan Perwakilan Rakyat. The President must obtain the agreement of laws (Gesetgebung) and in order to fix estimates of the revenues and expenditures of the state. Because of this, the President must work together with the Dewan Perwakilan Rakyat, but the President is not responsible to the Dewan, which means that the President's position is not dependent upon the Dewan".<sup>152</sup>

According to the 1945 Constitution, article 5, point (1) stated:

The President shall hold the power to make statues in agreement with the Dewan Perwakilan Rakyat.

Article 20, point (1), stated;

Every statue shall require the agreement of the Dewan Perwakilan Rakyat.

Article 23, point (1)-

The estimates of revenue and expenditure shall be fixed each year by statue. Should the *Dewan Perwakilan Rakyat* not agree to the estimates proposed by the Government, the government shall work to the estimates of the previous year. It means, beside, the President there is the DPR, and the President should be agreed by the DPR to make laws and decide the state's budget.

- 6. The Ministers of State are assistants to the President: the Minister of State are not responsible to the *Dewan Perwakilan Rakyat*.

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<sup>152</sup>

Loc. Cit.

"The President appoints and dismisses the Ministers of State. Those Ministers are not responsible to the *Dewan Perwakilan Rakyat*. Their positions are not dependent upon the *Dewan* but are dependent upon the President. They are the assistants of the President" <sup>153</sup>

According to the 1945 Constitution, article 17, stated:

- (i). The President shall be assisted by the Minister of State.
- (ii). The Minister shall be appointed and dismissed by she President.

It means that state minister is assistant of the President and the state minister is not responsible to the DPR. However, the position of the state minister does not depend up the Council, but depend on the President only.

7. The authority of the Head of State is not unlimited.

"Although the Head of State is not responsible to the *Dewan Perwakilan Rakyat*, he is not a dictator, which means that his authority is not unlimited. It has been stressed above that he is responsible to the *Majelis Permusyawaratan Rakyat*. Apart of from this, he must carefully and thoroughly pay attention to the voice of the *Dewan Perwakilan Rakyat*."<sup>154</sup>

To implement those basic rules of Pancasila Democracy the government has committed to function the Assembly (MPRS) as outlined in the 1945 Constitution. And the Assembly has decided to maintain the present 1945 Constitution and it has no intention and will not do to change the constitution and in fact committed to implement it as pure and consequence as possible <sup>155</sup>

That commitment above however, has been decided in the MPR's decision made since in 1983 which is up to now still unchanged.

With all concept and rules and designed in the Pancasila has succeeded in providing political stability in the element to provide environment and climate which is conducive for the national development plan and program to be materialized.

As Dewi Fortun Anwar pointed out:

"The New Order leaders were also very concerned with domestic political stability and economic development, which they regarded as being inextricably intertwined. Therefore, economic development was essential to preserve national stability, while at the same time political stability, while at

<sup>153</sup> Ibid. p. 24.

<sup>154</sup> Loc. Cit.

<sup>155</sup> MPR's Decree, No. I/MPR/1993 of the People's Consultative Assembly of the Republic of Indonesia on the Amendments and additions to Decree No. I/MPR/1983 of the People's Consultative Assembly of the Republic of Indonesia on the rules of procedure of the people's Consultative Assembly of Republic of Indonesia after MPR/1988, article 104.

the same time political stability was a pre-requisite for economic development".<sup>156</sup>

The Indonesian national development plan has been devised based on, what it has been called *Demokrasi Ekonomi Pancasila* DEP (*Pancasila* economy Democracy).<sup>157</sup> One of the main characteristic of the *Pancasila* Economy Democracy is that source of the state's riches are utilized based upon consultation (*mufakat*) with the People Representative Council (*Dewan Perwakilan Rakyat*).

To encapsulate the various aspects of the Guided Democracy and *Pancasila* Democracy, this dissertation has analyzed them in terms of factors underlying those practices as described above.

It is commonly held that the political stability with its democratic system is responsible for development case of the Indonesian democracy, the political development and stability are up and down with the Guided Democracy.

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<sup>156</sup> Dewi fortuna Anwar, Op. Cit. P. 36.  
<sup>157</sup> Tom Gunadi, Op. Cit. P. 45

## CHAPTER III

### IMPLEMENTATION OF THE TWO POLITICAL SYSTEM

What is unique in Indonesian political history is that both "*Demokrasi Terpimpin*" (Guided Democracy) and "*Demokrasi Pancasila*" (Pancasila Democracy) claimed that democracies used and adopted in the Indonesian 1945 Constitution as formulated prior to the Indonesian 1945 independence in 1945.<sup>158</sup> But in this case, both Guided Democracy and Pancasila Democracy differ in implementation in practical configuration according to the leadership style between President Soekarno and President Soeharto.

#### A. Guided Democracy

Soekarno was a man of intensely romantic temperament, who viewed life as a unfolding drama, or a series of dramas, in which satisfaction for revolutionary was to be found not so much in the attainment of perceived objectives but in the expectation, excitement, and tension of the struggle itself. In his own often-repeated phrase, he was "infatuated by the rhythm of revolution. His nationalism, conditioned by the strongly Javanese culture in which he was reared, was both past-and futures oriented. On the one hand, he wished to see Indonesia strong in the symbols and technology that the word regarded as the hallmark of greatness. On the other hand, his national pride was fostered by the idealized picture of the Javanese past that he found in the "*wayang*" show (puppet show) and the myth of the more traditionally minded nationalists. This envisioned past, with emphasis on harmony, its conflicts mediated by consensus practices, and sense of order, fused with his modernist ideas in to a dynamic conception of a future harmony based on modern social organization but recreating the values of a distinctive past national identity.<sup>159</sup>

In this case, according to S.Tas, that

"the problem of the 'national personality', as Soekarno put it, that comforter of all narrow minded nationalists, proved to be a mock problem, a myth, and such was exploded by the talent of the true artists. Far from serving that the 'national culture', the authors found themselves in conflict with the mendacious regime of Guided Democracy, whose corruption and incompetence were unmasked by their merciless realism"<sup>160</sup>

Besides, M. C. Ricklefs pointed out that:

<sup>158</sup> Baladas Ghoshal, *Indonesian Politics 1955-1959 Emergence of Guided Democracy*, (Calcutta and New Delhi : K.P. Bagchi & Company, 1982), p. 230 & 260

<sup>159</sup> Rex Mortimer, *Indonesia Communism Under Soekarno, Ideology and Politics, 1959-1965*, (Ithaca and London : Cornell University Press, 1974), P. 80.

<sup>160</sup> S.Tas, *Indonesia, The Underdeveloped Freedom*, Translated from the Dutch by Derek S. Jordan, (Indiana Polis and New York : Pegasus A Division of the Bobbs-Merrill Company, Inc., 1974), P. 373.

" Attempt have been made to characterize Guided Democracy as a system of government, a process rather similar to describing that shape of an amoebae. Some scholars accept Soekarno's view that this was a return to something more in keeping with Indonesia's, and specifically Java's past. Sometimes such analyses have the flavor of a psycho-culture determinism, as if the Spirit *Sultan Agung* whispered in Soekarno's ear"<sup>161</sup>

I think it is true that some aspects of Guided democracy would have seem familiar to Sultan Agung, for Soekarno was in some ways like a pre-colonial Javanese King. He represented a center of legitimacy which others needed. Conspicuous display was the outward expression of legitimacy; stadiums, statues and great public occasions was perhaps similar in function to the court ceremonies and buildings of an older age. Soekarno had little organized power of his own and was obliged to manipulate, threatened and cajoled other powerful men. Intrigue and conspiracy became the common fare of politics. The political elite became a complex of cliques around influential men. The financial and legal systems became increasingly arbitrary and irregular as bureaucratic norm disintegrated. Local government, however, relied increasingly upon unpaid labor from the peasantry.

Although these are interesting parallels with the pre-colonial past, they explain a little, nor were they uniquely Indonesian. There can have been little conscious or even subconscious reliance upon genuine pre-colonial state principles. As M.C.Ricklefs has pointed out, that

" Javanese political traditions had been so severely distorted by Dutch colonialism that by the 1950s nothing remained but romanticized legends, the stylized images of the 'wayang' theater and the impotent establishments of the courts themselves. That villagers could understand Soekarno in terms of 'wayang' models merely reflects the subtlety and richness of that art form and Soekarno own love of 'wayang' and skill in the manipulation of the symbols"<sup>162</sup>

Soekarno's lack of personal military experience and power was equaled only by his catastrophic ignorance of economics. He hated stability, order and predictability, the goals of any pre-colonial ruler. He wanted continuing revolution mass mobilization, and here one sees the impact of the nationalist movement, the Japanese occupation and the Revolution, influences more fundamental than what little Soekarno may have known about Javanese kingdoms.

<sup>161</sup> .M.C.Ricklefs, *A History of Modern Indonesia, C.1300 to the Present*, (London and Basingstroke : The Macmillan Press,Ltd, 1981). P. 245. increasingly upon unpaid labour from the peasantry.

<sup>162</sup> *Ibid*, P. 246.

Soekarno regarded himself as a socialist; his socialism, however, was not pragmatic in form but rather a reaction against imperialism and capitalism, a re-evocation of the 'village communism' of traditional Java, and a reflection of the bureaucratic gentry's revulsion against trade and commerce.

Soekarno's professed Marxism, which he expressed more and more strongly after 1959, would not in itself have facilitated a partnership with the PKI, any more than the adherence to Marxism of both Communist and social democrats elsewhere has made cooperation between them easier." Communist tend to be jealous of their rights over the title of Marxists, and the accusation of 'false Marxism' made against Soekarno in the early fifties were typical of the reaction of many Communists to those who claim to share their philosophy but disagree with their practices and their claims to exclusive power"<sup>163</sup>

Far more important to the cooperation of Soekarno and the PKI than such shared views were the changes wrought in PKI ideology and policy by the Aidit leadership, the combined effects of which were to emphasize national unity and nationalists goals over class agitation and Communist claims to hegemony over the national movement.<sup>164</sup> Soekarno was born on June 6, 1901 in *Blitar*, East Java. His father was a Javanese teacher in the government school system and his mother was Balinese. His father was from the "*Islam Abangan*" (nominal Muslim) community of Java and a Theosophist. After finishing his studies in his father's school in Mojokerto, East Java, Soekarno went to the European school system, finishing the European Lower School there in 1916. Then he was sent to the European HBS (Higher Middle Class School) in Surabaya, where he boarded with Tjokroaminoto of SI, who was a friend of his father.

In Surabaya, Soekarno met many of the early political leaders: like Tjokroaminoto himself, Salim, Sneevliet, Semaun, Musso, Alimin, and Ki Hadjar Dewantara among others. He began to read widely, exploring European and American history and absorbing many new ideas. His resentment at the petty discrimination he suffered at HBS, the things he heard from the political leaders and his studies and private reading all began to move him towards an anti-colonial political position. In 1918 he joined the youth movement Jong Java, started to write impressively at SI meetings. In 1920 or 1921 he sealed his status as a "protégé" of Tjokroaminoto by taking the latter's fifteen-years-old daughter in a "*kawin gantung*" (hung marriage), a form of matrimony in which the consummation of the marriage is postponed, often because of the young age of one or both of the partners.

In 1921 Soekarno finished HBS and proceeded to the recently opened Technical College in Bandung. When Tjokroaminoto was arrested for perjury in the section B trials in August 1921, Soekarno left his studies and returned to work as a railway clerk in Surabaya in order to support the family. When Tjokroaminoto was released in 1922 Soekarno returned to Bandung.

<sup>163</sup> Rex Mortimer, *Op.Cit.*, P. 81-84.

<sup>164</sup> *Loc.Cit.*

But in Bandung new influences were beginning to weaken his links with Tjokroaminoto. His new landlord's wife Inggit Ganarsih began to hold a great attraction for him. In 1922 he divorced Tjokroaminoto's daughter and the following year he married Inggit, thus ending his personal tie to Tjokroaminoto. Bandung was also a centre of new kinds of ideas, which contributed to the increasing sophistication of Soekarno's outlook. Here Modernist Islam took its most extreme form in "*Persatuan Islam*" (Islamic Unity). Here also PKI was active.

Most significantly, in Bandung Soekarno met and was deeply impressed by *Douwes Dekker* and specially Tjipto Mangunkusumo, and grew much closer to *Ki Hadjar Dewantara*. Before their exile in 1913 there three had led the radical "*Indische Partij*", the membership of which had been largely Indo-European and which had been the only party to think in Indonesia in nationalistic terms rather than in Islamic, Marxist or narrowly ethnic categories. All three were now back from exile. Their influence was revealed repeatedly in Soekarno's subsequent career.

In their ideas he found justification for a form of nationalism which was devoid of any specific Islamic commitment, theory of class struggle or formal link to a particular ethnic group. *Dewantara's Taman Siswa* school system, begun in 1922, rejected reformist Islam and adopted Javanese culture as the philosophical thinking. The way in which Javanese "*abangan*", and especially the upper-class "*priyayi*" among them, had absorbed Hindu, Buddhist, Islamic and Western ideas into a unique synthesis which they found satisfactory seemed to Soekarno to be a model for the Indonesian nation as a whole.

In Soekarno's hands, appeal to nationalism and to unity in the cause of nationalism meant that other doctrines must be subordinated to a set of ideas which denied the need for Islamic reform or dominance, for social struggle within Indonesian society or for anything other than a vaguely radical rejection of colonial rule. This political philosophy was, and remained, almost wholly devoid of positive prescription for what should follow once independence was won. Soekarno's main contribution to this nationalism was the injection of a romantic streak, a belief that he could be like the greater men of history of whom he had read: Washington, Lincoln, Garibaldi and others. Throughout his career, Soekarno believed so strongly in his own historical destiny that many others began to believe in it, too.

When he finished his engineering degree in Bandung in 1926, Soekarno was still uncertain whether to go in to government service or political activity. He was now one of the most highly educated Indonesia of his time, but to what use should he put his status and learning? His dilemma was, of course, that of the lesser "*priyayi*" as a whole. He felt that the anti-colonial movement needed to be unified, and that he was the man to achieve this, meanwhile this feeling continued to grow. Later in 1926 he published a series of articles which argued, as others had argued before, that Islam,



Marxism and nationalism should be united in the cause of independence. In practice, he implied that the first two of these should be subordinated to the third. By assuming that the real differences among these ideologies did not exist, and by resisting involvement in the bitter controversies of the day, Soekarno's Study Club managed to maintain friendly contacts with all other faction. When the PKI rebellion was crushed in late 1926 and early 1927, by which time SI had largely faded into inactivity, fate seemed to have made Soekarno's choice of careers for him. With Communism destroyed and Islam increasingly impotent as a political force, the time for nationalism seemed to have dawned.<sup>165</sup>

In this case, according to Rex Motimer, "Soekarno did not take over the class concepts of Marxism. Nationalism, he believed, should appeal to However, he divined that social demarcations in Indonesia did not lie principally along class lines and that the class consciousness even in the small proletariat nucleus was at most incipient, most strata in the society, and their differing interests were not of a character to prevent cooperation among them. He developed a 'populist' social philosophy, according to which the archetypal citizen was the '*marhaen*', the small peasant or artisan who owned his own plot of ground or tools, and was therefore nominally an independent producer, but was ground into abject poverty by the operation of imperialism".<sup>166</sup>

Besides, on 4 July Soekarno and his Bandung Study Club took the initiative in founding a new political party, the "*Perserikatan Nasional Indonesia*" (Indonesian Nationalists Association), with Soekarno as chairman. In May 1928 its name changed to "*Partai Nasional Indonesia*" PNI (Indonesian Nationalist Party). PNI's aim was independence for the Indonesian archipelago, to be achieved by non-cooperative methods and mass organization. By May 1929 PNI had branches in the main cities of Java and one in Palembang, South Sumatera, and claimed 3.800 members (most of them in Bandung, Batavia and Surabaya), at the end of 1929 it had 10.000 members.<sup>167</sup>

Soekarno, who subsequently called himself the "Great Leader of the Revolution", wanted to play a much more dynamic role than the Constitution of 1950 would have allowed him. He was one of the distinguished leaders who had active role in the country's national movement against the Dutch. He was the father of the Indonesian Revolution and in fact, its symbol. His magnetic personality, his organizing capacity, his oratory, and his enormous popularity made him the most outstanding figure in Indonesia. As a national leader and due to his great prestige as a "*Bapak Revolusi*" he was the natural choice for the President.<sup>168</sup>

<sup>165</sup> M.C.Ricklefs, Op.Cit.P. 172-174.

<sup>166</sup> Rex Mortimer, Op.Cit, P. 81.

<sup>167</sup> M.C.Ricklefs, Op.Cit, P. 174

<sup>168</sup> Baladas Ghoshal, Op.Cit, P. 12-14.

Soekarno, was not, however, a dictator in the sense in which the word is applied to Mussolini, Hitler, and Stalin. He lacked the genius of the first, the capacity for work of the second, and '*esprit de suit*' of the last, qualities which enabled them, each in his own way, to pursue unflaggingly the to power. Soekarno wanted to make revenge a goal, added to which he did not possess the machinery essential to a dictator, a party, or state apparatus able to meticulously implement his orders. And propelled from apparent victory to defeat, Soekarno kept the mass under his spell by a policy of unremitting excitation.<sup>169</sup>

## 1. Internal Politics and Foreign Policy

### a. Internal politics

The concept of Guided Democracy is essentially created during the President Soekarno administration. In his Independence Day speech on August 17, 1959, President Soekarno said that:

“Guided Democracy is the Indonesian democracy of ancient times. Guided Democracy is democracy based on the family principle, without the anarchy of liberalism and without the autocracy of dictatorship. Guided Democracy there must be retooling, re-ordering and coordination in all field”<sup>170</sup>.

Under Soekarno's conception of Guided Democracy decisions and policies were made, not by majority vote, but rather by the traditional means of discussion or '*musyawarah*' (deliberation), ending in the reaching of '*mufakat*' (consensus).<sup>171</sup>

The concept was in a sense derived from the 1945 Constitution. But historically, before the Guided Democracy was introduced by President Soekarno. He formed a committee to design an Indonesian new constitution. Due to differences in opinion between major Moslem parties, notably Masyumi Party and Nahdatul Ulama Party one hand, and the *Partai Nasional Indonesia-PNI* (Indonesian National Party) in parliament on the other hand, the committee was deadlocked and did not reach an agreement on making the new Constitution. Finally, on 5th July 1959, President Soekarno announced a Presidential Decree which said that Indonesia should adopt the 1945 Constitution as originally formulated.

Since then the 1945 Constitution became Indonesia's formal Constitution. The Presidential Decree basically consisted of three main points, namely, 1). To dissolve the parliament, 2). To return to the 1945 Constitution

<sup>169</sup> S. Tas, *Op.Cit.*, P. 276-277.

<sup>170</sup> Department of Information of the Republic of Indonesia, *Independence Day*, 1959, P. 19.

<sup>171</sup> Nena Vreeland, *Area Book For Indonesia*, (Washington DC : American University, Foreign Area Studies, Third Addition, 1975), P. 46.

as originally formulated, and 3). To for Provisional People's Consultative Assembly and Supreme Advisory Council as stipulated in the 1945 Constitution. <sup>•172</sup>

After President Soekarno announced the Presidential Decree, he delivered his well-known speech. It represented a "Manifesto Politik" (Political Manifesto) of the Republic of Indonesia-abbreviated as 'Manipol' (Manifesto Politik). The political manifesto then became Soekarno's political doctrine which then became a 'blue-print' of Indonesia's Guided Democracy from 1959 – up to the end of Soekarno's regime in the "Orde Lama" (Old Order) era. The 1959 was an important turning point of Indonesian political development process from that of parliamentary system of democracy to that of Guided Democracy.

According to Baladas Ghoshal:

" most of the political parties, except of course the Masyumi, accepted Soekarno's concept of Guided Democracy. The Masyumi opposed Soekarno on the ground that the inclusion of the Communists in the government would bring disunity in the country." <sup>•173</sup>

On July 9th 1959, a new Working Cabinet (*Kabinet Kerja*) was announced with Soekarno as Prime Minister and Djuanda as First Minister. Besides, Leimina, Chairul Saleh and Subandrio remained in the core of the cabinet ; Idham Chalid did not, but another NU figure was Minister of Religion ( the Ministry which NU most wanted to control). To emphasise the non-party nature of the new government several ministers resigned from their parties, including Subandrio from PNI and Leimina from the Christian Party. There were no PKI members, but several Ministers were regarded as Communist sympathisers. Soekarno wanted to weaken Nasution by bringing him into the cabinet and replacing him at the top of the army. He failed in the face of Nasution's determination, so Nasution became Minister of Defence and Security as well as army chief of Staff. The chief of staff of the Navy, Air Force and Police also entered the cabinet as "ex officio" members. And several individual officers became ministers.

On Independence Day, 17th August 1959, Soekarno expounded his newest ideas. Again leaning heavily on his powers of oratory, he fabricated a whole set of dualism that 'must be overcome' He declared that the struggle must be waged on the basis of unity, as expressed in the 1945 Constitution, Socialism 'a la Indonesia, guided democracy, a guided economy, and the personality of the Indonesian nation. The speech was subsequently proclaimed a political manifesto and, together with the initials of the five principles of the Pancasila, gave rise to a vehicle labeled "Manipol Usdek", which was used to

<sup>172</sup>. Nugroho Notosusanto, The National Struggle and the Armed Forces Indonesia. (Jakarta : Departement of defence & Security, 1975), P.13.

<sup>173</sup>. Baladas Ghoshal, *Op.Cit*, P.281.

impose the doctrine. The speech certainly echoed the desires of a number of Indonesians.

According to Rex Mortimer:

“ Soekarno's Independence Day speech of August, 1959, was elevated by Indonesia's Supreme Advisory Council into the Political Manifesto of the Republic, commonly referred to as Manipol or Manipol – Usdek and subsequently schematized into a series of propositions on the nature, tasks, social supports, enemies, etc., of the Indonesian revolution”.<sup>174</sup>

This document presented no difficulties for the PKI to match those associated with the Pancasila. In the first place it was a thoroughly secular document devoted to political, economic, social, and culture issues ; and in the second place Aidit himself had participated in the formulation of its schematic version, and judging by the contents had not been without influence in the drafting committee. Rather, the PKI's problem here was a different one; how to identify with Manipol and the same time maintain the independence and standing of the party's own program.

The Political Manifesto in its schematic form offered a justification of the steps taken to establish Guided Democracy and elaboration of Soekarno's ideological themes of that time. On the Political plane, its most important feature was: a statement that objective of the nation was the attainment of Indonesian socialism, which was to be achieve in two revolutionary stage, the national democratic stage followed by the socialist stage, the target of the first stage being defined as the elimination of imperialist and feudal influences; an outline of the alliances to be followed to achieve these aims, namely a national front of all anti-imperialist and anti feudal forces; a description of the workers and peasant as the “soko-guru” (pillars) of the revolution ; and an elaboration of the means to be adopted in achieving national goals, chief among them retooling the apparatus of the state and simplifying the party system.<sup>175</sup>

The tone of the new approach to the problems facing the nation by the President in his speech on 17 August, 1959, entitled, ‘ The Rediscovery of Our Revolution’. Later the National Council (which had now acquired the status of the Supreme Advisory Council as provided for in the 1945 Constitution) expressed the opinion that this Address was the State Policy in broad outlines. It came to be known as the Political Manifesto of the Republic of Indonesia. Soekarno expressed the hope that all layers of the society together with the state's apparatus, both civil and military, devote all their strength and thought to the implementation of this Political Manifesto.

The substantial areas of common ground shared by Manipol and the PKI program need not be labored. The PKI immediately hailed Manipol as a document of basic importance, and on the first anniversary of the speech of

<sup>174</sup> Rex Mortimer, *Op.Cit*, P.95..

<sup>175</sup> *Ibid*, P.96.

Soekarno that inspired Aidit declared that it “ delineated a new road for the completion of the demands of the August 1945 revolution, a revolutionary road for the achievement of a society free from imperialism and feudalism, an Indonesian society which national and democratic, the unconditional way to a socialist Indonesia. <sup>•176</sup>

The Manifesto listed the basic objectives of the Indonesian Revolution and detailed the general programme of that Revolution. The objectives were social justice, individual freedom, and national freedom. The ideological basis was Pancasila and the apparatus for carrying out state policy was the government formed under the 1945 Constitution. It was specifically stated that the task of the Indonesian Revolution was neither to establish the authority of the capitalists to suppress the workers, nor to set up a dictatorship of the proletariat on the 1917 Russian model.

The programme enshrined in the Manifesto emphasized the need for the support of the entire people, retooling of the instruments of struggle and consolidation, replacement of liberalism by Guided Democracy, simplification of the party system and the framing of a new general election law.

It was made clear in the Preamble attached to the Manifesto that: Program of the Revolution must become the program of the Government, the program of the National Front, the program of the political parties, all mass organizations and all citizens of the Republic of Indonesia. Paradoxically, however, the diminished importance of the party system, proved to be a boon for the PKI. The Masyumi and the PSI went virtually out of field. The NU and the PNI were busy extracting as much patronage as they could for their members. The Murba and the PKI remained the only politically active, important parties. The Murba had made a common cause with the President and so it fell to the lot of the PKI to organize the people and to ventilate their grievances. This attracted a large number of the PNI members especially of leftist orientations towards the PKI. It considerably weakened the PNI and lessened main importance in the party system. Thus, PKI emerged as a main contender for power against the Army. <sup>•177</sup>

The Political Manifesto was to prove very useful as a weapon of ideological struggle for the PKI. In the First place, the ideals it expressed could be used as stick to beat the government, individual ministers, and the bureaucracy for their acts of commission and omission. In this way Manipol not only kept open an avenue for legitimate PKI criticisms of the power-holders but also enabled the party to represent itself as the only force thoroughly and consistently behind Manipol. And consequently the force that ought to be entrusted with greater responsibility for its implementation. Secondly, indoctrination of officials and others in the themes of Manipol helped to incline more people toward revolutionary socialist outlook; further the close similarity between Manipol and the party's program was calculated

<sup>176</sup> Ibid, P. 96-97.

<sup>177</sup> Satyawati S. Jhaveri, Op.Cit, P.14-16.

to orient those who responded to the indoctrination more benevolently toward the party. Although there is no evidence to support the hypothesis it seems likely that Manipol indoctrination aided PKI recruiting efforts, particularly among lower government employees who were most affected by the political courses, because it combated anti-Communism and helped to establish an image of the PKI as 'Bung Karno's party'.<sup>178</sup>

In this connection, Rex Mortimer stated:

"The President Soekarno's action to dissolve parliament on 5th March 1960, however gained protests and criticisms from political party at that time. As follow up of those protests and criticisms, major political parties such as Masyumi, Nahdhatul Ulama, Parkindo, Partai Katholik, Liga Muslim, Partai Sosialis Indonesia, and IPKI established 'Democracy League' an organisation chaired by Mr.Imron Rosyadi from Nahdhatul Ulama".<sup>179</sup>

An analysis made by Allen Siever later in 1974 in relation to the leadership of President Soekarno noted saying that :

'The history of the regime of constitutional democracy is essentially a story of instability, of inability to govern'.<sup>180</sup>

Although the idea of Guided Democracy was probably good but in the process of implementing it the condition and political environment were changed. The change was largely public criticism of the way President Soekarno managed the country. The political direction of the government was not that clear which then led to political chaos. Chaotic political situation changed to become a national instability within the country and this resulted in uncertainty in both social and economic development.

As the country had no Vice President since 1 December 1956, President Soekarno with his Political Manifesto of Guided Democracy became more and more the political figure to be reckoned with. According to Robinson:

"He had no strong challenge from oppositions. Soekarno became a totalitarian and dictator President in Indonesia as President Soekarno acted to replace members of Parliament appointed by the President, the powers of which were..... purely advisory".<sup>181</sup>

In other words, according to Kailash K.Beri, that in Soekarno's Guided Democracy, there was no brutal elimination of opposition through coercion or no concentration camps. There is much to be said about his rejection of alien

<sup>178</sup> Rex Mortimer, P.96-97.

<sup>179</sup> Ibid. P.112.

<sup>180</sup> Allen M.Siever, *The Mystical World of Indonesia : Culture and Economic Development in Indonesia* (USA-Baltimore :The John Hopkin University Press,1974),P.172.

<sup>181</sup> Richard Robinson, "Capitalism and the Beaucrat State in Indonesia 1965-1975", PH.D.Thesis-Faculty of Arts-macro Film, (Sydney :University of Sydney, 1997), P.77.

liberal democracy in his speech entitled ' The Rediscovery of Our Revolution', which became the Manifesto of the Guided Democracy and Indonesian Personality.i.e...returning to its own national personality. The new creed was known as Manipol-Usdek and emphasized the creed of national interest above the factional, political and individual interest.<sup>182</sup>

Besides, according to Nicholas Tarling, although the opposition to Guided Democracy was weak, presidential power within the political structure was not unlimited. Soekarno depended on the military's tools of coercion. In return for its support, the military was given key positions in civil administration and economic management under aegis of Martial Law. To balance the presidency on the military, Soekarno was forced to cement ties with the PKI. The latter supported Guided Democracy because it needed Soekarno's protection from persecution by the military. In return for this favour, the PKI provided the mass audience as well as the encouragement for Soekarno's increasingly strident and militant campaigns. Whether it was a question of formation of ideology (e.g. Political Manifesto or Manipol, Usdek and Nasakom), the anti-Dutch campaign to recover West Irian, or the confrontation against the newly-formed state Malaysia, the PKI mobilized the crowds and supplied the adulation that Soekarno needed. In return, the party's program of activities was allowed to proceed almost uninhibited. For example, the PKI pressed ahead with its "Aksi Sepihak", a unilateral course of action to seize land for the landless. This alienated the landowners, many of whom were supporters of Muslim parties. By late 1964, the rural scene in Java was polarized between a radical left that purported to join Soekarno in continuing the revolution and military-Muslim alliance that was fearful of a Communist take over. The consensus that Soekarno thought Guided Democracy could bring was only an illusion. Guided Democracy marked one further step towards maximum government.<sup>183</sup>

The *Liga Demokrasi* (Democracy League) criticized President Soekarno which it said that :

- a). The action of the President to dissolve the parliament is not right and unconstitutional.
- b). The Parliament would only strengthen the position of Indonesian Communist Party (PKI).

The Democratic League was the forerunner of several attempts by army and political groups to sink their differences in a common front against the PKI, the last and most concerted of which was the formation in August 1964 of the Body for Promoting Soekarnoism. On this occasion the Murba Party, which had repeatedly tried to advanced the "one party" proposal as a means of heading off PKI advances, played a prominent part, in association

<sup>182</sup> Kailash K. Beri, History and Cuklture of Southeast Asia : Modern. (new Delhi: Sterling Publications Pvt, Lmd, 1994), P.320.

<sup>183</sup> Nicholas Tarling, The Cambridge History of South East Asia, Vol.II, (Singapore : Kin Keong Printing, Co, 1992), P.433.

with a number of army officers. Once again, however, President Soekarno's refusal to countenance anti-Communist allies proved decisive; after a tense political struggle in the latter months of 1964, the Body of Promoting Soekarnoism was outlawed in December, and a few weeks later Murba itself paid the price for its too blatant attempt to circumvent the Nasakom code by being suspended from further political activity.<sup>184</sup> To respond to those protests and criticisms from the Democracy League, President Soekarno took a decisive action of dissolving the organization of Democracy League without due law process. From a critical point of view that the action of President Soekarno was really due to strong influence of the Indonesian Communist Party – PKI. Because at that time the Communist Party was the only party closed to the President. Three days after Soekarno announced by decree a return to the 1945 Constitution, on July 8, 1945, Soekarno announced his new Cabinet-Indonesia's Eighteenth Cabinet in fourteen years. It was made up of Ministers regarded as anti-Communist. Djuanda continued as First Minister and Minister of finance. Abdul Haris Nasution as Minister of Security and Defence ; DR. Soebandrio as Minister of Foreign Affairs. In a nationwide broadcast, Soekarno said the program of his *Kabinet Kerja*(the Working Cabinet) was 'to fulfil the food and clothing needs of the people in the shortest possible time to safeguard national security; to continue the struggle against economic and political imperialism'.<sup>185</sup>

According to Ghoshal:

“the ‘Kabinet Kerja’ was strictly a non-party cabinet. While announcing the composition of the Cabinet, Soekarno explained that once condition of membership in the Cabinet was that the Ministers should not be members of any political party. Those who were members of any party were asked to withdraw from the parties. These included Soebandrio, Leimina, Sadjarwo and Ipi Gandamana. Others like Fatah Jasin and Wahib Wahab, who had resigned from the NU, continued to be attached to the party”.<sup>186</sup>

Once his new Cabinet was installed and functioning, Soekarno began to move step by step toward implementing Guided Democracy. On July 30, 1959, in naming a number of Communist leaders to membership on two new bodies, “Dewan Pertimbangan Agung-DPA” (the Supreme Advisory Council) and “*Dewan Perancang Nasional – DPN*” (National Planning Council). This was the first time known members of the PKI had been appointed to high-level official bodies, although in both councils, 45 member Advisory group and 27 member Planning group, they were heavily outnumbered.

<sup>184</sup> Rex Mortimer, Op.Cit, P. 112-113.

<sup>185</sup> Jov. Anovich, HB, *Possible Dream*, (New York :Harcourt Brace Jov Anovich, Inc., 1971).P.242.

<sup>186</sup> Baladas Ghoshal, Op.Cit, P.259-260.



The Supreme Advisory Council, in effect the successor body to the National Council mentioned earlier, had only limited powers. Headed by the President Soekarno himself, it was obliged to answer questions submitted by the President; it also had the right to make proposal to the government. Appointed the member of council, Ghoshal stated:

“ The method of selecting the DPA members was not specified in the 1945 Constitution. Soekarno declared a few days before the names of the members were announced that pending the passing of a new law regulating this selection, he would appoint the Council in consultation with the Cabinet committee. The National Council had already dissolved itself on 12 July to pave the way for the formation of the new Council”.<sup>187</sup>

Assigned two of the 12 seats on the DPA, apportioned to leaders of 9 political parties ranging from Communist to anti-Communist, with D.N. Aidit, head of the PKI, and his second deputy, Nyoto. The Nationalists and NU received 2 seats each. 6 smaller parties, including the Protestants and Roman Catholics, got one seat each. Of the major parties only the Masyumi, which opposed Soekarno on many issues, like the 1945 Constitution, left off the DPA, most of the Council's members represented regions and professional and civil groups.

Besides, the NPC was a project Soekarno had been urging for two years. Its stake was to draft National Development Blueprints for a 'Guided Economy' in Indonesia. Mohammad yamin, an extreme nationalist and Minister of Social and Cultural Affairs in the inner Cabinet, was appointed chairman of the NPC.<sup>188</sup>

A few members who were Communists involved in Guided Democracy era, Baladas Ghoshal asked “ But why did President Soekarno co-operate with the Communist?” He is asking this question. Even before his espousal of Guided Democracy, Soekarno talked of Communist participation in the government. When the second Ali Cabinet was formed, the President wanted the PKI to participate in the Cabinet. Soekarno's strategy was simple. By lining up with the Communist as well as the nationalists (PNI) he wanted to put a check to the growing strength of the Masyumi whom President Soekarno considered as more anti-democratic than the PKI. Soekarno was so much alarmed by the Masyumi's call for an Islamic State that he was determined by any means to take a stand against the Masyumi. But this was not to mean that he would cast his lot with the PKI.<sup>189</sup>

Showing his satisfaction with the way things were shaping up, Aidit came out publicly in support of Soekarno's program on July 30, 1959. Ever since Soekarno had dissolved Parliament, the Communist hierarchy had been

<sup>187</sup> Ibid, P. 261.

<sup>188</sup> Jov. Anovich. HB, Op.Cit, P.242.

<sup>189</sup> Baladas Ghoshal, Op.Cit, P.100-101.

in doubt as to where Soekarno was heading. Opposed to the dissolution of Parliament, the PKI had been clamoring for national elections.

Presumably as a counter to these Communist appointments, Nasution on August 16, 1959, publicly ordered the PKI to postpone indefinitely its sixth national congress, scheduled to open in Jakarta on August 22, 1959 but was later reserved by Soekarno and it met from September, 7 to 14. In 1960, PSI and Masyumi put up their last resistance to Guided Democracy and were swept away in March 1960, the elected parliament, the last government's budget in an unexpected display of authority. Soekarno endorsed the budget by the decree and dissolved parliament. He then announced that he would appoint a 'Dewan Perwakilan Rakyat Gotong Royong - DPR-GR' (Mutual Cooperation People's Representatives Council). Masyumi, PSI and some allies, with the encouragement of Hatta and some military figures, formed a Democratic League to resist the move.

On January 12, 1960, President promulgated the Law Parties Decree No. 7/1960 that gave the President or executive wide direction in licensing or prohibiting parties. Among other things, it required parties desiring to continue in operation to accept the state philosophy, to confine themselves to peaceful and democratic methods of attaining their objectives, and to register their membership with the parties. Only parties with a minimum of 150,000 members spread over a stipulated number of provinces would be licensed through Presidential Decision, No. 13/1960<sup>190</sup>.

The issuance of Decree No. 7/1960, however, it had a dual purpose to reduce the number of political parties to a manageable quantity by eliminating the numerous small splinter parties, and to establish conditions that the major parties associated with the rebellion of 1958 would not be able to meet, thus becoming the instruments of their own destruction. The first objective was accomplished by specifying that to qualify, a party must have a organization with branches in at least six provinces and twenty-five percent of the regencies, and must have received a certain percentage of the vote in past elections; also, a party must have existed prior to July 1959. To get at the Masyumi and the Socialists, the Decree required parties to subscribe to Pancasila as a basic national policy and to condemn all rebellions against the government since 1945. This was a two-edged sword, however, since the PKI had staged a major revolt against the government in 1948 at Madiun. In one more step toward a monolithic system, all parties were required to join the National Front, a new and significant appendage of Guided Democracy. They were also required to submit regular financial statements to the government. All foreign funding, as well as foreign members or advisers, was prohibited. This was clearly aimed at the PKI, and represented that army's contribution to the brew.

<sup>190</sup> Harun Alrasyid, "Undang-Undang Kepartaian" (The Law Parties), *SINAR*, June 22, 1996, P.45.

The President was also given broad powers to investigate party finances and assets, and to dissolve a party after perfunctory consultation with the Supreme Court if it was opposed to “the principles and goals of the state” or failed to condemn party leaders who had sided with the rebels. The entire political-party machinery was, in effect, placed at the mercy of the President.<sup>191</sup>

Also on January 12, 1960, Presidential Decree No.12/1960, established the new “temporary structure” of the Constituent Assembly under 1945 Constitution, with the President appointing all members. Equally if not more important to Soekarno’s objectives was the simultaneous announcement of formation of the National Front. Described as a vertical mass organization based upon Guided Democracy, with Political Manifesto as its program. Soekarno would chair its Central Board. Finance was to come from government assistance, registration, subscription, and donations. Minister of Information Maladi referred to Front as “national movement”, not a state party, open to organization as well as individuals.

In contrast to the Supreme Advisory Council, which channeled public reactions to the President and churned out recommendations for his consideration. The National Front’s purpose was to create organic totality, enabling the nation to speak with one voice. Conflicts between parties and other groups would be resolved behind the scenes, and Front would speak for the state as did the Communist Party in the Soviet Union. Although Soekarno never said so publicly, he indicated that he saw the National Front as a vehicle through which to create a one-party state.

In this case Jov Anovich has pointed out:

“Alone among them, the PKI saw the Front as a vehicle it could ride to power; but behind the scenes, it strongly opposed Soekarno’s concept of the Front as a single party with proportionate representation from all parties. The Army, favorable as always to anything that would abort the political bickering and divisiveness it considered responsible for Indonesia’s ineffective government, though it could control the Front and quietly supported Soekarno’s concept. But the combined opposition of was too much even for central propaganda agency for the government. Increasingly dominated by the Communist, it added one more unofficial but important link between the PKI and Soekano’s Guided Democracy.”<sup>192</sup>

In August 1960 Masyumi and PSI were finally banned, a formal sealing of the fate which they had ensured themselves by their leader’s enmity towards Soekarno over many years, their opposition to Guided Democracy,

<sup>191</sup> Jov Anovich, *HB, Op.Cit*, P. 243

<sup>192</sup> *Ibid*, P. 245.

and their involvement in PRRI (*Pemerintah Revolusioner Republik Indonesia* – *Revolutionary Government of the Republic of Indonesia*)<sup>193</sup>

The effects of the change were great in the field of civil liberties. Political arrests were made more frequently and more arbitrarily, though still not in large numbers, and legal guarantees carried much less weight than before. The press was subjected to severe control arrests of journalists, temporary bans of papers and in some cases permanent bans, and seizure of printing establishments. Although implemented differently in different military commands, these control usually hit the Masyumi and PSI sympathizing press hardest, with the Communist-sympathizing press dealt occasional blows. At the same time narrow loyalty demands were made of civil servants and the employees of government enterprises, with “retooling”, demotion or pensioning off, as the penalty for suspected disloyalty.<sup>194</sup>

Besides, the Army acted to restrict the PKI in the latter half of 1960. In July 1960 the PKI launched criticism of the cabinet, especially Subandrio who was accused of offending China, and of the Army for failing to finish off the PRRI rebels. The Army picked up the whole of the PKI Politbiro for questioning but Soekarno successfully pressed Nasution to release them.

According to Ghoshal, during 1958-59 the Army had imposed a number of restrictions on the PKI activities, strikes, demonstrations, organized public meeting and other kinds of protest activities. On a number occasions, Soekarno saved the PKI from Army repression, especially in the middle of 1958 when the Army imposed its restrictions on the political parties including the PKI. The rivalry between the Army and the Communists grew serious when the former tried to stop the PKI from holding its sixth Congress scheduled on 22 August 1959, according to a decree by the Army High Command restricting political meetings held by political parties. Aidit himself could not afford to violate it and thus made a direct appeal to the President at whose intervention the Congress finally was held between 7 and 14 September 1959. Soekarno himself addressed the Congress with warm sympathy. On the other hand, Soekarno protected the communists and their mass organizations from open repression; on the other hand, he attempted to create enough checks to the PKI's growing power so that the party was dependent on him and extended support to him but could not get powerful as to challenge his authority.<sup>195</sup>

In 1963, however, it seemed the PKI had decided that the time had come to make more determined efforts to increase its leverage within the Army. The decision was a logical one, considering the extent of Army power and the obstacle it represented to the party's political aspirations. By the time may also have been stimulated by developments enhancing its opportunities in

<sup>193</sup> Herbert Feith, *The Decline Constitutional in Indonesia*, (Ithaca and London : Cornell University Press, 1962), P. 256.

<sup>194</sup> *Ibid*, P. 593

<sup>195</sup> Baladas Ghoshal, *Op.Cit.* P. 203.

this respect. And in May 1963 Martial Law came to an end, and while in many cases Army officers continued to exercise strong influence in regional government the weight of the Army in political affairs overall was considerably reduced.<sup>196</sup>

According to Ghoshal, the meaning of Martial Law was proclamation on 14 March 1957–March 1963 not only entrenched the Army in the administration of the country, but also restricted the political activities of the parties in arranging public meetings for which the Army's permission was necessary. And especially in organizing strikes and other form of protest activities against the government.<sup>197</sup>

Besides, in April 1965, Chinese delegations paid frequent visits to Jakarta. Prime Minister Zhou Enlai himself came in the same year. The Chinese publicly urged the PKI the creation of a 'Fifth Force' but the Army dragged its feet. Nor did Soekarno order that a "Fifth Force" be formed, which is evidence for those who believed that the President had no genuine intention of helping PKI to power but sought only to pressure the Army leadership.

As S.Tas, has pointed out in an attempt to increase its power. The PKI had for some time had propaganda for what it called the 'Fifth Force' (the other four being the Army, the Air Force, the Navy, and the Police). The Chinese to one of the Indonesian delegations that visited Peking had broached the idea. It was introduced semi officially by Soekarno in his yearly Memorial Speech of 17 August 1965. But the Army curtly rejected the idea. The PKI had no more success with another proposal: to appoint into the Army NASAKOM commissars, who had to play the same role as, in their time, the political commissars had played in the Russian Army. As the PKI alone of all the Nasakom partners had a politically qualified cadre, these proposals only increased the Army's distrust. All the same, the party had a number of adherents among of officers, primarily in Central and Eastern Java. Then there were the Air Force and the Navy, two relatively sophisticated services which, unlike the Army, had been instructed largely by the Russian counterparts. This had marked their mentality. Friction between the different Armed Forces and personal ambition had also motivated a number of officers to join the PKI. These left-moving officers were always well received by Soekarno. For Soekarno was now well aware of the fact that the Army refused to be dominated by him.<sup>198</sup>

In May 1965, Ahmad Yani saw Soekarno about the '*Nasakomisasi*' of the Army. It was never clear just what Soekarno thought this meant in practice. On this occasion he accepted the army interpretation that it amounted to a spirit of unity linking nationalism, religion, and Communism rather than any formal structures which would give PKI a role in army affairs. Soon

<sup>196</sup> Rex Mortimer, *Op.Cit.* P. 114.

<sup>197</sup> Baladas Ghoshal, *Op.Cit.* P. 169.

<sup>198</sup> S.Tas, *Op.Cit.* P. 306-307.

thereafter the Army announced that it was already NASAKOM in spirit, so that nothing further need be done.

But the 'Fifth Force' proposals were not dead. On 31 May 1965 Soekarno spoke of Zhou's offer to arm the people and told the Four Armed Services to submit plans for doing so. Yani and Nasution continued to play for time by saying that all the people should be Armed, not just the workers and peasants (the accepted euphemism for PKI's organized followers), and that the 'Fifth Force' should be controlled by the Army".<sup>199</sup>

On July 1965 it began giving short training courses to civilians from PKI's mass organizations at Halim Perdana Kesumah Air Force based of Jakarta. By late September 1964 over 2000 civilians had attended these courses. PKI's apparent surge towards dominance in Jakarta continued. Early in August 1965, under pressure from Soekarno, PNI leadres who were opposed to cooperation with PKI and who had friends in anti-PKI Army circle were purge. Hardi, Hadi Subeno Sosrowardojo (1912-71), and his other followers, who were at least willing to play at Nasakomisation, in charge. At the same time PKI released its last membership figure. Over 27 million Indonesian were claimed as members of PKI or its mass organizations. Allowing for multiple membership this probably represented about 20 million individuals. But how much was merely nominal or even fictitious is unclear.

President Soekarno in his independence day speech of 17 August 1965 announced and anti-imperialist Jakarta-Pnompenh-Hanaoi-Beijing-Pyongyang axis, said that the people should be Armed, intimated that the Army generals were obstructing him in this, and promised a decision soon. Between 16-19 September 1965 Omar Dhani went secretly to China for offering of small Arms, without prior notification having been given to General Nasution as Defense Minister. By now China appears to have abandoned the idea of offering Indonesia a nuclear bomb (if, needed, it had really intended to do so) probably for fear of appearing so irresponsible that the Americans or Soviets might feel justified in making a primitive strike against China. But Chinese support to a 'Fifth Force' remained strong.<sup>200</sup>

The process of political deviation started during the period of Guided Democracy gave tremendous encouragement to the PKI, so that the performance of domestic and foreign policy conformed to its wishes. By repressing the socio-political forces genuinely adhering to the ideology of the Pancasila, the Communists wanted to pave the way for an eventual take-over of power. Those efforts culminated in the coup-attempt of September 30, 1965/PKI Movement. The coup was started with the murder of the Commander of the Army, Lieutenant General Ahmad Yani together with 5 other generals. All his closest assistants at the General Staff and the "aide-de-camp" of the Coordinating Minister of Defense and Security/ Chief of Staff of

<sup>199</sup> M.C.Ricklefs, *Op.Cit*, P. 267.

<sup>200</sup> *Ibid*, P 268.

the Armed Forces, as well as with efforts of the rebel troops to occupy the center of the capital, Jakarta.

The efforts were followed by an announcement of the intentions of the coup group who declared that they had launched internal 'corrective measures' within the body of the Army against the generals who were said to be members of a "Council of Generals" who intended to launch "a coup d'etat against the government of President Soekarno".<sup>201</sup> This was followed by the dismissal of the incumbent cabinet and the formation of a "Revolutionary Council to become the "Supreme Authority Within the State".

The coup-group later prove to consist of officers of the army, Navy, Air Force and Police steered by a secret body ( called the Special Bureau) of the PKI. Those officers were able to misuse two Army Raider Battalions several units of the First Infantry Brigade, and the Honorary Presidential Guard Battalion, one battalion troops of the Airbase guards from the Air Force and several thousands of " volunteers" members of the *Pemuda Rakyat* (people's youth) and the *Gerwani-Gerakan Wanita Indonesia* (Indonesian Women Movement), both subordinate organizations of the PKI.

During the first months of 1966 President Soekarno,s authority declined steadily. This was caused by his attitude of constantly protecting both the rebels and the PKI as their prime movers, by saying that the violent happening of October 1, 1965 were only like, " a ripple on the surface of the ocean"<sup>202</sup>. While the people's sense of justice wanted him to take adequate measures against the PKI, namely its disbandment according to Presidential Decree No. 7/1963, concerning parties involved in a revolt.

In the capital the demonstrations now known as the "*TriTura* or *Tiga Tuntutan Rakyat*" (Three People's Demands) namely:

1. The disbandment of the PKI
2. The purge of the cabinet from Communist elements, and
3. The reduction of prices broke out.

When the situation could no longer be controlled, President Soekarno decided to give full authority to General Soeharto to take all steps he considered necessary to guarantee security, tranquility and stability of the process of Government and Revolution and assure the personal safety and authority of the Leadership of the President/ Commander-in-Chief/Great Leader of the Revolution/ Mandatory of the Provisional People's Consultative Assembly, in the interest of the integrity of the Indonesian Nation and Republic, and carry out definitely all the teachings of the Great Leader of the Revolution. That decision was brought out in the form of an order, which was

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<sup>201</sup> Nugroho Notokusanto, Op.Cit, P. 33.

<sup>202</sup> Ibid, P. 37.

issued on March 11, 1966. The next day General Soeharto, on the basis of his order, disbanded the PKI and its subordinate organization.

### b. Economic Activities

Under Guided democracy we found deterioration of economy and as a result of extravagant policies the period witnessed an increasing economic decline. The failure of the "Old Order" government in managing the country led to the economy's deterioration, unemployment increased, inflation rate was continued to increase. According to Y.Panglaykim that, "galloping inflation, which was over 650 % annually before the present government took-over from the former regime in October 1966".<sup>203</sup> The failure in economic sphere and instability made direction of political development was unclear. As the national economy continued to deteriorate President Soekarno established the so-called "*Dana Revolusi*" (Revaluation Fund) in which it could only be drawn and controlled solely by President. With the issue of several decrees, the Bank Indonesia was no longer permitted to publish the balance. Moreover the Bank Indonesia was permitted to participate in enterprises.

Consequence of all those decrees were:

1. The Bank Indonesia as the Central Bank could not perform its function as the regulator of monetary circulation.
2. The unpublished balance of the bank Indonesia stimulated speculation activities in the economic and commercial world.<sup>204</sup>

Other strange steps were also taken such as the surrender to President Soekarno of former Court exhibits seized for the State by the Attorney General in the form of pure gold, foreign, currency, rupiahs, jewelry and others. Actually, those items should be transferred to the Bank Indonesia or to the Public Treasury. President Soekarno also received commission amounting to two million dollars, which was deposited in foreign Bank. "That commission was obtained because in his capacity as President, he had given permits to a person or to corporate bodies to import goods from abroad into Indonesia".<sup>205</sup>

Under Soekarno's regime, Indonesia was on the brink of economic collapse because of the general neglect of economy affairs and the politic of confrontation. Indonesian's foreign debt amounted to US. \$. 2.4 billion and it faced a spiraling inflation of 650 %. National industry was in decline because of the lack of imported raw materials and spare parts; agriculture export dropped since there had been no replanting; and processing plants were in bad condition. The country also suffered from a food deficit, while

<sup>203</sup> Y.Panglaykim, "Foreign Aid and Foreign Investment with Special Reference to Indonesia". Seminar on South East Asia Today: Problems and Prospects. April 17, 1973. P. 37.

<sup>204</sup> Nugroho Notokusanto, Op.Cit. P.32.

<sup>205</sup> Ibid. P. 33.



international trade suffered because of the confrontation with Indonesia's traditional exports, including Singapore.<sup>206</sup>

The economic chaos of the Guided Democracy period was now beginning. In an effort to restrain inflation, on 25 August 1959 the rupiah was devaluated by 75 per cent, a monetary purge was ordered by which all Rp. 500, - and 1000 notes were reduced to one-tenth their face value and large Bank deposits were frozen. This reduced the money supply from Soekarno himself, however, seems to have inspired these severely deflationary steps. The wealthy, the bureaucrats, and especially the Chinese and indigenous businessmen were severely affected. Some regional commanders, however, refused to implement the measures in full. The liquidity crisis was so severe that the government was obliged to allow an expansion of credit, and within six months the money supply was back to its former level and inflation again crept upwards. Economic affairs were given a 'tragic-comic' flavor by the promulgation at the end of 1960 of an Eight Year Development Plan. It was an elaborate ritual nonsense divided in to 17 Parts, 8 Volume, and 1945 Clauses to symbolize the date of the independence declaration.<sup>207</sup>

The Political Manifesto under the Guided Democracy, as the authoritative statement of Soekarno's teaching, laid down the general Guideline for Indonesia's Development in the economic as well as other spheres. It proclaimed as its goal the establishment of a socialist society founded on principles of social justice. Before this objective could be attained, however, the country had to complete its national revolution by laying the foundations of an economy that was both integrated and democratic. The main tasks to be undertaken in this field were: government supervision and control of the key productive and distributive sectors, retooling of the economic apparatus to bring it into accord with social objectives, planning, popular participation in economic administration, and the indigenization of land ownership. While the state would control the heights of the economy, some limited scope would be left for private enterprise, including established nonindigenous capital.<sup>208</sup>

The generality of this program, and the vagueness of provisions relating to such contentious issues as the roles of foreign capital and private enterprise, ensured that it was acceptable to the varied groups associated with the regime. The rejection of liberalism in favor of an interventionist role by the state was clear; but there was still ample room for interpretations to fit the interests of all the parties and factions that, in characteristic Soekarno fashion, had been involved in the formulation of the program and were therefore committed to whatever it should prove to mean in official terms. According to

<sup>206</sup> Dewi Fortuna Anwar, *Indonesia in Ascan : Foreign Policy and Regionalism*. (Jakarta : PT.Pustaka Sinar Harapan, 1994). P. 37

<sup>207</sup> M.C.Ricklefs, *Op.Cit*, P. 255.

<sup>208</sup> Rex Mortimer, *Op.Cit*, P. 252.

J.A.C.Mackie, about a trend in government policy toward greater intervention in the economy had begun earlier, in 1958, has pointed out:

“It was a time of intense reaction against liberalism and capitalism, the high tide of ‘Socialism a’la Indonesia and trust in the Guided Economy as a panacea. Private importers were excluded from a wide range of imports and left a mere 25 % of the market. State enterprise and an ambitious new Development Plan were to create an entirely new society. Government-supplied ‘*sandang-pangan*’ (Food and clothing) shops and ‘*kampung*’ cooperatives were to serve as a channel for essential commodities, to be sold at fixed prices on a ration-card system”<sup>209</sup>

The Eight Year Plan of national Development formed the most ambitious element in the Guided Democracy program. It also illustrated vividly the basic flaws in the regime’s approach to national economic development. As Rex Mortimer says:

“The formulation of the Plan was entrusted, not to a committee of economic experts, but to a large and unwieldy political body representative of the major streams in the Guided Democracy complex and headed, significantly, by the radical nationalist ideologue Mohammad Yamin. The ritualistic and symbolic aspects of the exercise are graphically revealed in the Plan’s division into 8 volumes, 17 parts and 1945 clauses, an organization designed to celebrate the date of the proclamation of independence. It was bound in ‘batik’ the handmade cloth that customarily bears traditional motifs of royal and magical significance”<sup>210</sup>.

Described by President Soekarno as being “rich in fantasy”, the Plan has been evaluated more critically as “in no sense a rational allocation of priorities for the utilization of available resources, but a mere heterogeneous ragbag of projects and financial estimates which in many cases bore little relation to reality”<sup>211</sup>. No clear line of responsibility for the execution of the plan was ever devised, and its vague financial provisions, which appeared to depend primarily on foreign capital and profits from state enterprises, prove largely illusory. In this case, J.A.C.Mackie, comments:

“With the virulent inflation and acute foreign exchange crisis of 1961-1962, little more was heard of the Plan or its executive body. Other organizations set up in the crisis period of 1962.”<sup>212</sup>

<sup>209</sup> J.A.C.Mackie, *Problems of the Indonesian Inflation*, Monograph Series, Modern Indonesian Project, Cornell University, P.24

<sup>210</sup> Rex Mortimer, *Op.Cit*, P. 253.

<sup>211</sup> Rex Mortimer, *Loc.Cit*

<sup>212</sup> J.A.C.Mackie, *Op.Cit*, P. 28.

The Plan was finally abandoned in March 1965, long after it had ceased to exist except on paper. None of the more specific proposals for implementing the Guided Economy program of state socialism fared well. The state enterprises, laboring under a shortage of managerial and technical expertise, were stymied by inadequate and often contradictory government controls, a political climate inimical to nonrisk operations, and the corruption, which these circumstances encouraged.<sup>213</sup> Chinese traders and manufacturers, who dominated small and medium scale enterprise and the distributive sector, were discouraged from performing their functions by active persecution and bureaucratic hostility. The weaker indigenous entrepreneur either went to the wall or came to depend on protective connections with state officials.<sup>214</sup>

The co-operatives and *sandang pangan* shops, initially regarded as a socialist solution to the distribution problem, steadily lost ground; undercapitalized, lacking in competent staff, and inadequately supervised, they could not cope with the general financial insecurity and sporadic supply deliveries and frequently fell victim to the speculation of their officials.<sup>215</sup> "Land reform laws that had been passed in 1959 and 1960, while going further on paper than the Manipol program, were rendered by bureaucratic inertia and the resistance of rural landed interest".<sup>216</sup> Control against inflation began to break down seriously in late 1961, and thereafter the cost of the West Irian campaign was a major factor in creating a virulent inflationary spiral.<sup>217</sup> As Rex Mortimer says, "Social control and retooling made little headway and came to be operated, if at all, more as weapons to ensure official loyalty to the regime than as checks on economic mismanagement".<sup>218</sup>

In February 1959, the PKI held a national economic seminar at which it advanced general proposals regarding development and industrialization. The conclusions of the seminar were that the state sector should be given the prime role in transforming the country from a backward, agriculture, export-oriented economy into an advanced, industrialized, balanced economy. They called for an expansion of the sector, with priority being given to heavy industry. State enterprises, the seminar declared, should be regulated by a law, laying down the principles of management, business and responsibility, and defining such matters as the link between such enterprises and the state which must be organized in such a way as to give the state full control over these enterprises while at the same time ensuring that they have the freedom to regulate their own business affairs.<sup>219</sup>

<sup>213</sup> J.A.C.Mackie. The Government Estate. in T.K. Tan. (cd). Soekarno's Guided Democracy. Brisbane, 1967. P. 72

<sup>214</sup> Lance Castles, Socialism and Private Business: The Latest Phase", Bulletin of Indonesian Economic Studies, I, No. 1, June 1965, P. 32.

<sup>215</sup> Ibid. P. 33.

<sup>216</sup> Rex Mortimer, Op.Cit, P. 254.

<sup>217</sup> J.A.C. Mackie, Op.Cit, P. 37

<sup>218</sup> Rex Mortimer, Op.Cit, P. 255

<sup>219</sup> Ibid, P.255-256

The government under Guided democracy should draw up a national plan emphasizing development of the mining industry, construction of an iron and steel industry, provision of replacement plant and essential agricultural supplies and consumer goods, and electricity production. More than two years later, at a lecture to the Aliarcham Academy on August 25, 1961, in which he outlined the PKI's economic proposals at considerable length, Aidit advanced very much the same view of the place of the state sector in development.

By 1964 there was little that the government could do to re-establish control over the economy and there are few sign that ever had any positive economic strategy to do so. It was fully occupied with coping with the most immediate crises as they occurred.<sup>220</sup> "The government deficit soared, reaching about 50 % of total expenditure in both 1963 and 1964 generating a steady increase in the volume of money, which in turn precipitated uncontrollable inflationary pressures".<sup>221</sup>

Making a virtue of necessity, Soekarno and Soebandrio launched the virtues of placing political before economic consideration, made 'BERDIKARI' –*Berdiri Diatas Kaki Sendiri* (self-reliance), the principle of ideological foundation of economic policy, exhorted the population to make sacrifices in the cause of national goals, inaugurated production drives, and in 1965 told the already thoroughly disenchanted Americans to "go to hell with your aid"<sup>222</sup> While the dynamic of the Malaysian struggle dominated political concerns, the accelerated economic decline produced remarkably little in the way overt protest ; but by late 1964, with stalemate in confrontation and PKI pressure undermining the security of the elite, dissension and intrigue began to dominate the life of the capital.

Besides, First Minister Djuanda on 26 May 1963 launched an economic stabilization scheme that had been endorsed by the United States and the International Monetary Fund (IMF) by announcing fourteen regulations. They included a variety of austere measures, such as cutting subsidies in public services, an increase in salaries for civil servants, a cut in budget allocation for defense, and a 'de facto' devaluation of the rupiah. The stabilization program would entail close cooperation with the West in general and the United States in particular. But these fourteen measures, in some ways a precursor of the measures taken successfully by the Soeharto government 1966-1967, were highly popular. The military command, though ideologically in sympathy with economic stabilization scheme, objected to the proposed budget cuts in military expenditure. But the PKI and its allies condemned the economic stabilization scheme as one that was likely to hurt many groups in Indonesia and to bring Indonesia closer to the United States.<sup>223</sup>

<sup>220</sup> J.A.C.Mackie. *Op.Cit.* P. 41

<sup>221</sup> Lance Castles. *Op.Cit.* P. 29

<sup>222</sup> Rex Mortimer, *Op.Cit.*, 268.

<sup>223</sup> Dewi Fortuna Anwar, *Op.Cit.*, P.22-23

According to General Soenarso a Chief of the Team Central Investigation for Indonesian Economic Activities under Soekarno's regime stated:

"The generally there was mismanagement in the economy in the economic field. Various economic principles were not heeded and carried out. For instance: the principle of balance between income and expenditure, between import and export, between the flow of goods and the flow of money, between the opening of labor opportunities and increase of labor and age of citizens. Also the principle of the necessity of investment for economic growth and finally the principle of justice in the distribution of rights and obligations."<sup>224</sup>

## 2. Foreign Policy

Under Guided Democracy from 1959 – 1965, Soekarno radicalized Indonesian foreign policy and brought the country closer to the major communist powers, particularly to China. Failing to secure international support for Indonesia's claim on West Irian, Indonesia vilified the West. Soekarno tried to launch himself as the Champion of the "New Emerging Forces" (NEFOS in Asia, Africa, and Latin America against the 'Old Established Forces' (OLDEFOS) in the West.

Soekarno, however, advanced a new theory in the place of big power conflict what was to be known as the Confrontation between NEFOS and OLDEFOS. The significance of this contest was that in place of imperialism – Communism dichotomy, he advanced a new bipolar line of demarcation center on problems of colonialism and imperialism. The principle upon which President Soekarno sought to base Indonesian strength was in his own sense radical.<sup>225</sup>

To sum up, it was the principle of a struggle between the Newly Emerging Forces and the Old Established Forces. Essentially it was a conflict theory of international relations which would be a determining phenomenon of the world society, a conflict between the "New" and "Old". The Emerging Forces, according to Soekarno, were the nations of Afro-Asia, the Socialist countries, more recently Latin America and progressive elements of the capitalist countries.<sup>226</sup> This differentiation of the countries between the NEFOS and the OLDEFOS order is very important with which we can foresee the pattern of shaping of foreign policy by Soekarno in the course of time. In Jakarta Soekarno stepped up military preparation to seize West Irian by force, assisted by arms from the Soviet Union. The United States had earlier rejected Indonesia's appeal for arms to be used against the Dutch. Jakarta seeming tilt toward Moscow finally persuaded Netherlands on 15 August 1962 for the return of West to Indonesia, after Soekarno issued *Tiga Komando Rakyat*

<sup>224</sup> Nugroho Notosusanto. *Op.Cit.* P.33

<sup>225</sup> George Modelski, *The New Emerging Forces*, Documents on the Ideology of Indonesia Foreign Policy, (Cambera : Australian National University Press, 1963), P.ii

<sup>226</sup> *Ibid*, P. iii

(TRIKORA – Triple Commands) in December 1961 to prevent the formation of state of Papua, to hoist the Red and White Flag of Indonesia in West Irian and finally to remain prepared for general mobilization.

In the Independence Day Address 17 August 1962, Soekarno said “that ‘Irian Barat’ (West Irian) would be liberated from the Dutch colonial rule before the cock’s crow on 1 January 1963”.<sup>227</sup> 70. Early in 1962 detachments of Indonesian’s troops landed in New Guinea under Major General Soeharto as a Mandala Commander. The important attached by Soekarno to completing the process of decolonization and the strategies adopted to achieve them have attracted a great deal of scholarly analyses. As Bunnell argues:

“that the course of Indonesian foreign policy during the Guided Democracy period was mainly determined by the President’s psychological impulse as a fervent nationalists”<sup>228</sup>.

Besides, according to Reinhardt has stated:

“Stresses the importance of then decolonization struggle as a continuing attempt by a new emerging nation to forge its national integration”<sup>229</sup>

With satisfactory conclusion of the West Irian issue, the most dominant foreign policy issue since independence, there was clearly a need to search for a new consensus that could given a common purpose to the contentious elements working in an uneasy alliance under the Guided Democracy regime. The government was presented with several policy alternatives:

- 1). In its external relations, Indonesia enjoyed close relations with the communist countries that had given unwavering support to Indonesia over West Irian. But anti-Communist groups in Jakarta were able to point to the fact that the United States had been positively helpful in the final settlement of the dispute.
- 2). At home, the early 1963 period was marked by a contest between the exponents of economic stabilization and those wanting to keep the revolution alive. First Minister Djuanda felt that, with the West Irian issue out of the way it was about time that the government paid more attention to economic problems, which steadily worsened, particularly since the economically disastrous take-over of Dutch assets in December 1957. On the other hand, the more radical elements in the government, particularly President Soekarno and the PKI, argued that

<sup>227</sup> Departement of Information, “Soekarno’s Address On the Independence Day of the Republic of Indonesia 17 August 1962”. (Jakarta : 1962), P. P. 3-9.

<sup>228</sup> Bunnell, Guided Democracy Foreign Policy, 1960-1965, Indonesia. (Ithaca :cornell Modern Indonesia Project, 1966), P.76.

<sup>229</sup> Dewi Fortuna Anwar, Op.Cit, P.22

“the national revolution was not yet finished as long as there still remains of colonialism and imperialism to be uprooted”.<sup>230</sup>

Finally before the end of 1969 Jakarta would hold an “act of free of choice in Irian to see whether its people wished to remain within Indonesia. An exodus from Irian began immediately. When Kuala Lumpur first announced the proposal to establish the Federation of Malaysia, which would include, besides Malaya, Singapore and the North Borneo States, the Indonesian government did not raise any objection. Opposition to the proposal came only after the out-break of the short-lived Sheikh Azhari rebellion in Brunai in December 1962. In May 1963, President Soekarno and Malayan leader Tunku Abdul Rahman agreed to meet in Tokyo to discuss problems arising from the federation plan. The Tunku agreed that a plebiscite should be carried out in the various territories before the Federation would be formed, while Soekarno promised that he would not oppose the Federation if the North Borneo people supported it. This was followed by a conference between the foreign ministers of Indonesia, Malaya, and Manila from 7 to 11 June 1963, which gave birth to the Manila accord. Indonesia hostility to the Federation was rekindled, however, when the Tunku Abdul Rahman signed London Agreement on 9 July 1963, by which it was settled that Malaysia would be formed on 31 August 1963.<sup>231</sup>

In attempt to defuse tension, summit meeting between Soekarno, Tunku Abdul Rahman, and Macapagal of the Philippines was held in Manila from 30 July to 5 August 1963. Affirmation the Manila Accord, the three countries agree to co-operate in a loose regional confederation, known as MAPHILINDO (Malaysia, Philippines, and Indonesia), to create regional stability. It was assumed that Indonesia would accept the transformation of Malaya into Malaysia as stipulated in London Agreement. Indonesia gained a “quid pro quo” when Malaya and the Philippines agreed to the stipulation that foreign military bases were only to be temporary in nature and that regional security should be primarily the responsibility of the regional countries themselves. As the Indonesian Government saw it, MAPHILINDO was to ensure that in matters affecting the security of the region as a whole, such as the proposed Federation of Malaysia, a regional member concerned should not make agreements with external powers without reference to other regional members. The Manila Joint Statement issued at the end of the summit affirmed the before the Federation Plan could be carried out, as agreed in the Manila Accord, the United Nations Secretary General would conduct would plebiscite in the North Borneo territories.<sup>232</sup>

The compromise arrangements for the Federation failed, however, when it was announced on 29 August 1963 that Malaysia would come into

<sup>230</sup> Department of Information. “Soekarno’s Address On the Independence Day of the Republic of Indonesia 17 August 1962”, (Jakarta: 1962). P. P. 3-9.

<sup>231</sup> J.A.M.Makcie, *Konfrontasi: The Indonesia-Malaysia Dispute*, (London & New York and Melbourne: Oxford University Press, 1974), P.154.

<sup>232</sup> *Ibid*, P.336-340

being on 16 September 1963, before the result of the plebiscite was known. In retaliation for what it saw as a breach of faith, Indonesia resumed its hostility towards the projected Federation.<sup>233</sup> And the same year Soekarno declared his '*Ganyang*' (Crush) Malaysia policy. Indonesian explanation under Soekarno's Guided Democracy for this policy was that Malaysia scheme was at first formulated against the background of the decolonization of the British Empire in Southeast Asia. Indonesia initially supported because it thought it would solve the problem of China but gradually it was found that this scheme was going to be imposed on the people against their will in stead of representing the anti-colonial urges which eventually resulted in the Brunei revolt"<sup>234</sup> At the time of PRRI rebellion, the United States extended its tacit support and the United States Secretary of State, John Foster Dullas made some statements in favor of the rebels, and called the Seventh Fleet in the Straits of Malacca. And if this Armada movement was coincidental with the Malaysian crisis, still it was controversial that the United States and Britain had persuaded other western states to halt all but minimal flow of aid to Indonesian in an effort to force Indonesia to alter its position on Malaysia.<sup>235</sup>

The '*Ganyang Malaysia*' campaign dominated the later years of Guided Democracy. Soekarno exploited the opposition to Malaysia to further his revolutionary foreign policy in which Indonesia would figure as a lighthouse to the international community in building the world a new. His constant theme was to storm the bulwarks of imperialism, putting the NEFOS against the OLDEFOS, in which Indonesia would play the key role.<sup>236</sup> Indonesia hosted sport festivals to foster solidarity amongst the NEFOS while Soekarno took steps to launch a Game of the New Emerging Forces (GANEFOS) which were held in Jakarta in 1962 in a extra large stadium built by the Russian, formed the second phase. After the Indonesian walked-out from the United Nations in 1965, Soekarno had an ambition to establish a Conference of the New Emerging Forces (CONEFO). According to S.Tas, that:

"CONEFO, third world rival of the UN, was destined to set the crown on his achievement. It would be foolish to imagine that the Chinese would have accorded such a role, but as he did not then go beyond noisy gestures, Mao did not intervene."<sup>237</sup>

The government also built huge monuments to marks this high profile external posture, all these at a time of hyper inflation and economic run-down at home. Public support was ensured through the holding of frequent mass rallies in which the masses would listen to revolutionary speeches from their

<sup>233</sup> J.M.Gullick, "Malaysia and Its Neighbours", (London :Routledge and Kegan, 1967),P.107

<sup>234</sup> Loc.Cit.

<sup>235</sup> Donald Hindley, "Indonesia's Confrontation of Malaysia :The Search for Mptive", *Asia Survey*, Vol.IV,Np.6,June 1964,P.107-119.

<sup>236</sup> Departement of Foreign Affairs,*Lintasan Perjuangan Diplomasi Reoublik Indonesia :1945-1995,(A Glimpse of Struggle Diplomacy of Republic of Indonesia : 1945-1995)*,Jakarta :1995,P.50

<sup>237</sup> S.Tas, Op.Cit,P.283



leaders, particularly Soekarno, known as the “ Great Leader of the Revolution”

The Malaysian Government declared emergency in the country and referred the matter to the United Nations Security Council on 3 April 1964. The Soviet Union vetoed a Norwegian draft resolution deploring the aggression of Indonesia. At the initiative of the United States President Johnson, a tripartite ministerial meeting (Indonesia, Malaysia and Philippines) was convened at Bangkok in February and March. Though Soekarno agreed for a cease-fire with a demilitarized zone of twenty miles on each side of the Borneo Border. He insisted that his struggle against Malaysia would continue.<sup>238</sup> But after two meeting talks broke down in early March 1964. Again due to the initiative of President Macapagal a second tripartite meeting was arranged in Tokyo in June 1964 which also ended in vain.<sup>239</sup> The only outcome of this summit was the acceptance the President Macapagal’s proposal that the dispute would be referred to an Asian-African conciliation Commission, consisting of one member chosen each by Indonesia, Malaysia and the Philippines and a fourth to be chosen unanimously by the three so appointed. Talks failed because of Malaysia’s insistence on the withdrawal of guerillas from its territories. Soekarno, however, refused until a final political settlement was reached. The failure of the Tokyo summit was followed by an intensification of guerilla operation by Indonesia.

The “Konfrontasi”, however, came to an abrupt end by a sudden dramatic development within Indonesia with the Coup incident on 30 September 1965. Thus, marking and end to the Indonesian-Malaysian confrontation which was resolved afterwards, was solved by the “Orde baru “ (the New Order), under Pancasila democracy.

## B. Pancasila Democracy

Soeharto was born on 8 June 1921 in Central Java in the Yogyakarta area. He was the son of a village official. Soeharto’s upbringing was strongly influenced by the syncretic Javanese culture tradition. During his youth he was deeply influenced by the teaching of *dukun* (holy man), Raden Mas Darjatmo, who has he influenced ever since. One version why he escaped the kidnappers on 1 October, 1965 states that he was away from the house fishing the whole night because the holy man had so advised him.<sup>240</sup> In this case, S. Tas, has explained:

"Soeharto also has strong mystical feelings, and many stories circulate about the influence of his “dukun” (the Javanese -Hindu counterpart of the medicine man)

<sup>238</sup> Michael Leifer, Indonesia's Foreign Policy. (London, Boston and Sydney : The Royal Institute of International Affairs, 1983), P.98.

<sup>239</sup> Ibid, P. 85

<sup>240</sup> Nawaz B.Mody, Op.Cit, P. 34

and about the large place Javanese animistic practices and thoughts take in his life”<sup>241</sup>.

There were a number of ambiguities among people that Soeharto does not belong to pure Islam and he was also not in the regular traditional practice of Islam. Besides, according to Dewi Fortuna Anwar, Soeharto like Soekarno is *abangan* religion and culture of Javanese. Dewi further says:

“ The Nasution (from Sumatra), his major rival in 1966, was defeated earlier partly because President Soekarno preferred to hand over the power to Soeharto, a Javanese of ‘*abangan*’ religious and cultural outlook like himself”<sup>242</sup>.

“*Abangan*” (literally, the brown or red complexioned people), a Javanese term used to describe those Muslims whose adherence to Islam is seldom more than formal, nominal commitment”<sup>243</sup>

It is difficult to speculate the degree to which the mystical, irrational element influences his political actions. In Western eyes, those mystical bonds are strange, but no more than those of a Catholic Minister in a Western government who attends a service at which weapons are dedicated. Presumably the principal consequences of mystical superstition or of the “*dukun*” is delay in making decision and a slowing patience in the face of time wasting.

Soeharto initially joined the Royal Netherlands Indies Army (KNIL – *Koninklijke Nederlandse Indische Leger*), on 21 October 1940, rising to the rank of Sergeant, when the Japanese occupied Indonesia during World War II. Having escaped from the KNIL forces, Soeharto enlisted initially in the Javanese sponsored *Keibuhō* and later joined PETA – *Pembela Tanah Air* (Volunteer Army of Defenders of the Fatherland), the Japanese sponsored volunteer Army, rising the rank of Staff Officer. Then Soeharto joined the Indonesian Army on 5 October 1945 and was elected Deputy Commander in the People’s Security Corps. His brilliant victory over the Japanese at Yogyakarta led to his appointment as Commander of Battalion 10 and elevation to the rank of Lieutenant Colonel.<sup>244</sup>

Proof of his capacity as a brilliant military tactician came when he led a spectacular attack on Dutch-held Yogyakarta. He was also responsible for quelling the Andi Aziz rebellion. Soeharto’s experiences were not limited to the field alone. During the Madiun rebellion, he mediated and subsequently negotiated with General Soedirman (the Father’s Armed Forces of the Republic of Indonesia) the latter’s return to Army Headquarters. In 1957, he was made full Colonel and from 1956, became the “*Panglima*” (Regional

<sup>241</sup> S. Tas, Op.Cit, P. 81

<sup>242</sup> Dewi Fortuna Anwar, Op.Cit. P. 34.

<sup>243</sup> M.C.Ricklefs, Op.Cit, P. 155.

<sup>244</sup> Nawaz B.Mody, Op.Cit, P. 35.

Commander) of Central Java. But in 1959, General Nasution, as Head of the Committee for Retooling the State Apparatus transferred Soeharto, he had been involved in smuggling, ostensibly to raise funds for the "welfare of the troops". He was strongly anti communist. This Soeharto's explanation which is difficult to believe when Nasution's political inclinations are considered.<sup>245</sup> As S. Tas says:

His solidarity with the military milieu is understandable and defensible; it sometimes touches on caste prejudice".<sup>246</sup>

From 1960, Soeharto served at the Army Staff and Commander College at Bandung and was appointed Brigadier General on 1 January 1960. On 1 March 1960 he became the *Panglima* of the Army General Reserve Corps and the Army Air Defense Command. Soeharto also headed the Mandala Command, which was responsible for the successful campaign "Irian Barat" (West Irian). By 1963, this assembles of effective positions and powers made Soeharto the most important senior officer on active military duty after General Ahmad Yani. Soeharto is seen as a professional soldier and has often been described as an officer not much concerns with politics. According to Roger Paget, that "as a political neophyte".<sup>247</sup> Even according to S. Tas, that

"Soeharto started without political experience, without knowledge of civilian problems and civilian combat tradition."<sup>248</sup>

This view seems unrealistic, in view of the extensive power, which Soeharto enjoyed, in the increasingly politicized Army during the period of Guided Democracy. A political neophyte would not even have survived maneuvering, let alone come to the top. But according to Ulf Sundhaussen:

"Soeharto had political orientations but refrained from expressing them."<sup>249</sup>

According to Nawaz B Mody as quoted in CIA reports:

"His was close to anti-communist and had been actively involved in the 1961 Steering Committee to the map out anti-communist strategy".<sup>250</sup>

Soeharto had also been involved in the framing of the Doctrine of

<sup>245</sup>

Ibid, P. 36.

<sup>246</sup>

S. Tas, *Op.Cit*, P. 352

<sup>247</sup>

Roger Ken Paget, "Youth and The Wane of Soekarno's Government", Unpublished Ph.D. Thesis, (Ithaca : Cornell University, 1970), P.18

<sup>248</sup>

S. Tas. *Op.Cit*. P.352

<sup>249</sup>

Ulf Sundhaussen, The Political Orientation and Political Involvement of the Indonesian Officer Corp.1945-1966, Siliwangi Division and the Army Headquarters, Unpublished, (Australia: Monash University, 1970), P.58

<sup>250</sup>

Nawaz B.Mody, *Op.Cit*.P.36.

Territorial Warfare and the Civic Mission program, which involved the penetration of Army officers into all fields of governmental activities.

Soeharto agreed with General Ahmad Yani that an all-out war over the Malaysia issue should be avoided. It was he who advised A. Yani that no more politically reliable troops should be sent to the border. He even flouted Soekarno's "Konfrontasi" Campaign by ordering *Operasi Khusus* – OPSUS (Special Operation Branch) to make direct contact with Malaysian leaders through Colonel Ali Murtopo. Thus despite Soekarno, the Army was not fully committed to the war with Malaysia.<sup>251</sup>

During the Malaysian campaign, Soeharto successfully maneuvered himself into a dominating position as Deputy Commander of "KOLAGA - *Komando Mandala Siaga*" (Mandala Vigilance Command) successfully defusing the activities of the Air Chief Omar Dhani, which had been appointed by Soekarno. At the time of the September 30, Movement, General Soeharto had emerged as an individual having clear perceptions. Unlike most other Generals, Soeharto remained monogamous. Shunning publicity, he preferred to remain inconspicuous. Throughout his career he remained close to a group of Diponegoro officers with whom he had been associated earlier.

As Nawaz has pointed out that:

"He was clearly no political neophyte. Neither can the story be accepted that he was not on the list of officers to be kidnapped, because he was regarded as being of minor importance."<sup>252</sup>

As Commander of the elite KOSTRAD– *Komando Cadangan Strategi Angkatan Darat* ( Army Strategic Reserve Command) unit and Deputy Commander of the KOLAGA Command, his position could hardly be regarded as being of minor importance. Caution was the keynote in the confrontation which took place between Soekarno and Soeharto. Though in de facto control on 1 October 1965, Soeharto's search of legitimacy, based on a consolidation of his power, was a long drawn-out affair. This reflected in a multi-dimensional strategy adopted to meet the needs of the situation.

Besides, Soeharto is anti-Soekarno, a role which he fills more forcibly, and more effectively, because he has a similar foothold. There is every indication that, from the unique central position which he occupies and he is irreplaceable at this moment, he wants to develop into the charismatic leader of Indonesia, supported by the loyalty of the officers and esteem of the citizens, who see in him last bulwark against military oppression. He can satisfy this expectation by using his authority to strengthen the civilian element in *Golongan Karya* (Functional Group) and to transform it gradually

<sup>251</sup> Sundhaussen, Op.Cit. P.582.  
<sup>252</sup> Nazaz.B.mody,P.37.

into a power with which the military have to reckon.<sup>253</sup>

## 1. Internal Politics and Foreign Policy

### a. Internal Politics

The Pancasila Democracy was born since the issuance of President Soekarno's instructions Letter dated March 11, 1966. This letter was popularly abbreviated in Indonesian language as Super-Semar - *Surat Perintah* 11 Maret. The Super Semar basically contained instructions of President Soekarno to General Soeharto at the time he was Army Chief of Staff to reestablish stability in the country and General Soeharto was authorized to take measures in his efforts to establish law and order which was essential for stability in the country.

Pancasila Democracy contrary to the Guided Democracy wanted to implement the constitution in its original form and content as exactly stipulated in the 1945 Constitution. In other words, the concept of Pancasila Democracy, as argued by the current Indonesian government is an interpretation of the 1945 Constitution and is the pure implementation of the Pancasila and the 1945 Constitution in practices. Thus, Pancasila Democracy means democracy based on people's sovereignty which is inspired by and integrated with other principles of Pancasila. So, the implementation including the interpretation of the 1945 Constitution, related strongly to the so-called: Economy Democracy, Social Democracy, and Political Democracy.

Under Pancasila Democracy there was the political dominance of the Army under General Soeharto. The PKI was banned and its followers were either killed or imprisoned, while government departments and institutions were purged of pro-PKI elements. The Army had no major contenders for power, either from other branches of "ABRI- *Angkatan Bersenjata Republik Indonesia*" (Armed Forces of Republic of Indonesia) or the political parties, although there were some challenges from the pro-Soekarno groups in the Navy, Police, and Air Force till 1969.

Indeed, the main authoritarian actors in *Orde Baru* today are President Soeharto together with his family and closest allies and the ABRI (the Armed Forces of Republic of Indonesia). According to Harold Crouch, after more than three decades in power, Soeharto shows no sign of being willing to retire. The main reason behind Soeharto's continued determination to stay on as President for as long as possible is said to be his concern for the business interests of his family.<sup>254</sup> There is wide-spread hostility, probably also among the military, for the favored treatment of Soeharto's children, and the

<sup>253</sup> S. Tas, Op. Cit, P. 352.

<sup>254</sup> Harold Crouch, *An Ageing President, an Ageing Regime*, in Harold Crouch and Hal Hill (Eds), *Indonesia Assesment : Political Perspective on the 1990s*, (Cambera : Departement of Political and Social Change, Research School of Pacific Studies, Australian National University-Political and Social Change Monograph 17, 1992), P. 44.

next President will probably come under pressure to do something about their business empire. Soeharto will surely try to find a replacement that has both the willingness and power to defend the business interests of his family. One candidate might be his oldest daughter Siti Hardiyanti Rukmana, better known as Mbak Tutut.<sup>255</sup> In cabinet VII which is present time, 1998 –2003, Mbak Tutut appointed by President Soeharto as minister of Social Affairs of Republic of Indonesia. Besides she has hundreds of companies in Indonesia. The question is whether the succession will provide an opportunity for democratization or whether Soeharto will be replaced without any regime transition. According to Uhlin,<sup>256</sup> that depends in part on the extent to which the New Order regime has been institutionalized<sup>256</sup>. Or as Liddle comments:

The New Order does not stand or fall with its founder, but has been profoundly institutionalized<sup>257</sup>.

On the contrary, Robinson has pointed out, that the real basis of Soeharto's power in the institutional arrangements and political alliances be transferred to any successor because Soeharto's powers comprise largely of networks of political and economic alliances, systems of patronage and sources of finance which are not bestowed by the formal constitutional powers of the President. Whoever replaces him will inherit only a fraction of his real political power. It is therefore unlikely that the configuration of power will remain the same. New alliances in which the position of the President is less dominant and more accountable are probable<sup>258</sup>.

Besides, Lane, says:

“ The government uses military forces to rule but its first concern is not the interests of military, but the protection of the political and economic interests of the Soeharto family and the big Chinese conglomerates associated with Soeharto<sup>259</sup>.”

ABRI itself is small both in terms of manpower in relation to the whole population, and in terms of budget as a percentage of GNP (Gross National Product). ABRI's manpower strength amounts to 0.15 per cent of the total population and its budget is 1.96 per cent of total GNP, which considerably less than Indonesia's South East Asian neighbor states.<sup>260</sup>

<sup>255</sup> Anders Uhlin, Indonesia and the Third Wave of Democratization. ( Sweden : Curzon Press, 1997). P. 57.

<sup>256</sup> Anders Uhlin, Loc.Cit

<sup>257</sup> R.William Liddle, Soeharto's Indonesia : Personal Rule and Political Institution. Pacific Affairs, Vol. 58, P. 90.

<sup>258</sup> Richard Robinson, Indonesia : Tension in State and Regime, in Kevin Hewison, Richard Robinson and Garry Rodan (Eds), South East Asia in the 1990s. Authoritarianism, Democracy and Capitalism, (St. Leonard : Allen & Unwin, 1993), P.49.

<sup>259</sup> Max Lane, "Openness", Political Discontent and Succession in Indonesia : Political Developments in Indonesia, 1989-1991. Griffith University. Centre for the Study of Australia-Asia Relations,( Australia : Asia Papers, No.56, 1991), P. 7.

<sup>260</sup> Michael Vatikiotis, Indonesian Politics Under Soeharto. Order, Development and Pressure for Change, (London and New York : Rourledge, 1993), P. 62.

After the elimination of the PKI and Soekarno, the only challengers to the political domination by the Armed Forces in the New Order were the political parties, particularly the Islamic parties. Thus, the 1973 “simplification” of the party system can be seen as a way, using Pancasila as justification and explanation, of restricting political opposition by specifying what Pancasila means in terms of permissible political organization and behavior.

The characteristics and developments in this early New Order period have implications for the study of political discourse in the 1990s.

1. The destruction of communism left Islam as the major political alternative to the military-backed Pancasila state. Political Islam clearly felt the New Order's creation was in a large part due to its support. Yet much of the construction of New Order “Pancasila Democracy” has been designed to severely dilute the appeal of Islamic, and all other, political parties. Today, many Islamic figures speak of the “trauma” and “bitterness” Islamic parties experienced in Indonesia in the late 1960s. It is important to distinguish between the different streams of political Islam. The “modernist” party, Masyumi, was not legalized after Soeharto’s rise to power. The politicians associated with the old Masyumi party expressed feelings of trauma and bitterness towards the New Order. The other major Islamic party, Nahdhatul Ulama (NU) “represented a more amenable to Islam than the more outspoken Masyumi”. However, NU’s participation, particularly through its youth arms the Anshor, in the destruction of the PKI “had (also) led it to expect more rewards from Soekarno’s successor than it received”. Even though NU was the “more amenable” and its willingness to “harshly criticize New Order politics” highlighted for the regime a potential challenge from Islam to the ABRI-dominated political landscape”.<sup>261</sup>
2. There existed a powerful feeling within the New Order that Islamic political parties and politicians tried to revive the notion of Islamic state, or at minimum, tried formally to link the new government to Islam. Perceptions of this sort had a particularly strong impact on ABRI, secular-oriented civilian politicians, and religious and ethnic minorities who feared that in the wake of the destruction of the PKI Islam was left as a powerful political alternative. It is also the case that the New Order exaggerated “threats” from Islam. Every Islamic generally said that they believed that Islamic “extremism” was always exaggerated in order to bolster New Order regime’s legitimacy by portraying threat to national unity. Even retired ABRI officers conceded that the government and military depiction of an Islamic threat had “gone too far”.

<sup>61</sup> Sydney Jones. The Contraction and Expansion of the ‘Umat’ and the Role of the Nahdhatul Ulama in Indonesia, Indonesia, No.3, October 1984, P.9.

3. As noted above, there was a strong conviction on the part of New Order strategists, exemplified by Ali Murtopo, that economic development must take precedence over politics. Towards that end the nation had to be “de politicized and “ de-ideolized”, according to Ali Murtopo. New Order strategists argued that because politics had been based on religious, ethnic, regional and class affiliation, society had become dangerously polarized and divided. Pancasila was seen as the formula in the New Order became an affective tool to de-legitimize political challengers, legitimize the new government, and to convey genuine desire for a less-confrontational, religiously, and culturally tolerant society<sup>262</sup>

Besides, under the Pancasila Democracy the new government carried out a further emasculation of political parties and any hope that the right-wing parties, particularly Masyumi and PSI, would be allowed re-emerge after elimination of the PKI was completely thwarted.<sup>263</sup> Having learned from the experiences of the multi-party system under the Government Manifesto of November 3, 1945. In the past, the new Government under Pancasila Democracy, which came into office in 1967, decided to simplify the political system along the following lines:

- 1) In order to minimize ideological conflicts between political organizations, all political organizations shall adopt Pancasila as their sole basic principle.
- 2) To simplify the political system, particularly for the purpose of choosing a political organization by the people in general elections. It was felt that the number of these organizations should be reduced.
- 3) In the past, villages were made the bases of political activities and maneuvers. Most notably in the heyday of the Indonesian Communist Party – PKI. This adversely affected the social and economic life of the villages from the activities of political organizations<sup>264</sup>

Furthermore, the large number of organizations have been reduced by the fusion of parties and their affiliated organizations into two political parties “*Partai Persatuan Pembangunan PPP*” (The United Development Party), and “*Partai Demokrasi Indonesia – PDI*” (the Indonesian Development Party), and “*Golongan Karya – Golkar*” (Functional Group). PPP is a fusion of “*Nahdhatul Ulama – NU*” (the Moslem Scholars Party), “*Partai Muslimin Indonesia – PARMUSI*” (The Moslem Party), “*Partai Syarikat Islam Indonesia – PSII*” (the Islamic Confederation), and “*Persatuan Tarbiyah Indonesia- PERTI* (the Islamic Union). Besides, PDI is a fusion of the former “*Partai Nasional Indonesia – PNI* (the Nationalist Party), the Catholic Party, the Christian (Protestan ) Party, and “*Partai Murba*” (the People’s Party).

<sup>262</sup> Douglas E. Ramage, *Politics in Indonesia : Democracy, Islam and the Ideology of Tolerance*, (London and New York : Routledge, 1995). P. 30-31

<sup>263</sup> Dewi Fortuna Anwar, *Op.Cit.*, P.34.

<sup>264</sup> Departement of Information of Republic of Indonesia. “Indonesia 1997: An Official Handbook”, ( Jakarta : 1996), P. 34-35.



Golkar accommodated the aspirations and political rights and duties of functional groups that are not affiliated with either party, namely civil servants, retired members of the Armed Forces, women's organizations, professional groups, farmers, student, etc. Although the forced merger of the parties in 1973 is an example of the government's overt reliance on the national ideology to create its vision of Pancasila Democracy and legitimize its actions. It was not until 1978 that the government undertook an ideological offensive designed to further specify the parameters and controls on political parties discourse in Indonesia.

On March 22, 1978, the MPR–People's Consultative Assembly approved a decree, No.II/MPR/1978, entitled "*Pedoman Penghayatan dan Pengamalan Pancasila – P4* (The Guide to the Full Comprehension and Practice of Pancasila).<sup>265</sup> This decree was given particular prominence in that it was attached to the MPR's Guidelines for the next "Five Year Plan". With P-4 began the nationwide propagation of Pancasila through rigorously implemented ideological education courses.<sup>266</sup>

During the 1978 deliberations in the MPR on the proposed P-4 legislation, the NU faction of the PPP walked out of the Assembly in protest. According to Sidney Jones who argued that NU was "the last mass-based organization in the country with political aspirations" and it was "worrisome" to the regime because of "its refusal in 1971 to confirm to the New Order ideals of political behavior and later in 1978, NU " refused to endorse Soeharto for third term or confer on him the title of "Father of Development"<sup>267</sup>. In other words, NU was still acting like an independent political party. Such behavior made NU an easy target for accusations by the regime of being "anti Pancasila" as was made clear in a speech by President Soeharto in 1980 when he attached the NU walk out in such term.<sup>268</sup>

On March 27 and April 16, 1980, President Soeharto issued stern warnings against those who failed to accept Pancasila. In the first speech, at the Armed Forces' Commanders' Call in Pekanbaru, Riau Province of South Sumatera, Soeharto noted that prior to the New Order Pancasila had been grievously threatened by the existence of other ideologies such as Marxism, Leninism, Communism, Socialism, Nationalism and religion. Furthermore, Soeharto asserted that some organizations continued to uphold ideologies other than Pancasila and therefore it was imperative that the Armed Forces support groups that truly defend and adhere to Pancasila. Soeharto strongly implied that ABRI itself was not supportive of Pancasila to the fullest possible

<sup>265</sup> Decree of MPR. No.II/MPR/1978. On March 22,1978,approved Decree :" *Pedoman Penghayatan dan Pengamalan Pancasila ( The Guide to the Full Comprehension and Practice of Pancasila-P-4*").

<sup>266</sup> Padmo Wahjono,Bahan-Bahan Pedoman Penghayatan dan Pengamalan Pancasila.(Materials for the Guide to the Comprehension and Practice of Pancasila). (Jakarta :Akasara Baru, 1984). P. 11-25.

<sup>267</sup> Sydney Jones, Op.Cit,P.1

<sup>268</sup> Douglas E.Ramage, Op.Cit.P.32.

degree if it sought to back a political party other than Golkar. Prior to these speeches, the Minister of Defence and Security, General Muhammad Yusuf, had reiterated an ABRI belief that the Armed Forces should stand “above” politics. According to David Jenkins, “Soeharto and his allies in ABRI felt that if the military was ‘neutral’ in the elections then the Islamic party-PPP might beat Golkar. As framed by Soeharto in these speeches, Islam was clearly depicted as a threat to Pancasila so therefore ABRI neutrality was, in effect, endangering Pancasila”.<sup>269</sup>

Soeharto also warned against any attempts to alter either the Pancasila or the Constitution 1945. He walked-out (although he did not mention NU by name) during the Pancasila education legislation deliberations (P-4) in 1978 as an example of anti-Pancasila behavior and proof that not all social-political forces yet fully accepted Pancasila as the basis of the state.<sup>270</sup> However, as will be shown below, ABRI is also extremely concerned that some groups today are seeking to change Pancasila. Two weeks later, in his remarks at the anniversary ceremony of an ABRI Commando Unit (Red Barrets) President Soeharto explicitly linked attempts to destroy him with attacks on Pancasila. He said, “they forget that soldiers will rise up to defend the Pancasila and the Constitution 1945 if they are successful in destroying me”<sup>271</sup> In this speech Soeharto lashed out at criticism of his wife’s business activities and emotionally rejected rumors about his personal life. The President linked such rumors to those that would destroy him and sought to replace Pancasila. Members of the MPR, particularly from the PPP declared that they considered Soeharto’s harsh criticism of “anti Pancasila elements to be directed at the Islamic party coalition.”<sup>272</sup> It is essential to keep in mind how Soeharto was perceived in the early 1980s as being “obsessed” with Pancasila and alleged threats to the ideology from Islam. How then can the conspicuous rapprochement between the President and Islam in the 1990s be expalined? Has Soeharto’s obsession with Pancasila changed?

These two sets of remarks created the impetus for an extraordinary dissent and revival of heated debate about Pancasila. A group of fifty prominent retired military officers, former party leaders, and academics ( the so-called “Petisi 50 – Petition of Fifty”) attacked Soeharto in an open “statement of concern” sent to the “DPR-*Dewan Perwakilan Rakyat*” (House of Representatives). The statement said that Soeharto had used the “excuse” of threats to Pancasila for his own political purposes. The signatories further

<sup>269</sup> Douglas E. Ramage. Loc. Cit

<sup>270</sup> Kompas, April 8, 1980, On the Headlines News, “Amanat Yambahan President Soeharto Pada Pembukaan Rapat Pimpinan ABRI 1980” (Addition to President Soeharto’s Speech at the Opening of the 1980 ABRI Commenders’ Meeting).

<sup>271</sup> Kompas, April 17, 1980, On The Headlines News, “Banyak Isu Dilemparkan Untuk Menyingkirkan President Soeharto” (Many Issues are Raised in Order to Sideline President Soeharto)

<sup>272</sup> Merdeka, July 28, 1980. On The Headlines News, “ Sasaran Pidato President di Cijantung Adalah P-3” ( The Target of the President’s Speech in Cijantung was PPP”)

stated that Pancasila was never intended to be used as a political threat against perceived political opponents. The statement criticized Soeharto for attempting to “personify” Pancasila so that each rumor about him would be interpreted as anti-Pancasila attitude. The statement of concern was signed by leading retired officers, including former Soeharto allies such as Major General Dharsono (Secretary General of ASEAN), two former Prime Ministers, and the popular former Governor of Jakarta, Major General (retired) Ali Sadikin.<sup>273</sup>

Members of the Petition of Fifty were eventually blacklisted by the regime and some lost their jobs and were prohibited for a time from travel abroad.<sup>274</sup> However, the Petition of Fifty highlighted issues that were taken up by many critics of the regime, especially from the NU faction in the PPP. The Petition also raised concerns within military circles about the political role of the Armed Forces and its relationship to Soeharto. Issues raised by the Petition remain part of the discourse today, and similar arguments are even raised (in private) by ABRI officers.<sup>275</sup> Soeharto’s anti-Pancasila speeches and the outcry they provokes, exemplified by the Petition’s statement of concern, dominated political discourse for most of 1980 and up until the MPR elections in 1982.<sup>276</sup>

The ideologically contentious early 1980s were also marked by concerns and accusations that Soeharto’s conception of Pancasila was deeply informed by his adherence to Javanese cultural and religious beliefs.<sup>277</sup> The concern was that if Pancasila, as a “national” ideology, was increasingly “Javanized” then it would lose its adhesive value in a diverse society (only about 45 per cent of Indonesians are Javanese.<sup>278</sup> Orthodox Muslims in particular were concerned that Soeharto perceived Pancasila as representative of pre-Islamic Javanese religion. The best single example of how of Soeharto’s conception of Pancasila is informed by Javanese culture is found in his marks before the KNPI – *Komite Nasional Pemuda Indonesia* (Indonesian National Youth Committee) on July 19, 1982. In these extraordinary remarks Soeharto delves into Javanese spirituality and religious beliefs to explain the essential tolerance and appropriateness of Pancasila for Indonesia. All religions, Soeharto explained, “are basically like this”. In a long exegesis on Javanese “*Ilmu Kasunyataan*” (highest Wisdom), Soeharto conceded that “some of the things I have said will be difficult to follow if you are not Javanese like I am. But everything we have now (spiritual knowledge and Pancasila) is an inheritance from our forefathers, “: Javanese or not”.<sup>279</sup> Devout Muslim concerned about Soeharto’s alleged “Javanization” of

<sup>273</sup> Pelita, July 16, 1980, on the Headlines News

<sup>274</sup> Douglas E. Ramaga, Op.Cit, P. 34

<sup>275</sup> Douglas E. Ramaga, Loc.Cit

<sup>276</sup> Sinar Harapan, April 27, 1981, The Headlines News, “Komentar Sekitar Anggota ‘Petisi 50’ Ikut Pemilu 1982” (Commentary Surrounding the Members of the Petition of 50 is Part of the 1982 Election).

<sup>277</sup> Douglas E. Ramage, Op.Cit, P. 34

<sup>278</sup> Susumu Awanohara, “Soeharto’s Kingdom”, Far Eastern Economic Review, August 9, 1984, P. 36.

<sup>279</sup> Douglas E. Ramage, Op.Cit, P. 35

Pancasila is raised because this fear has disappeared from the Pancasila discourse in recent years and has been replaced by concerns that Soeharto is instead allowing the "Islamization" of Pancasila.<sup>280</sup>

According to Anders Uhlin, that the problem with Pancasila is not primarily the principles as such, but its status as state ideology and Soeharto's attempt to monopolize its interpretation: accusing all opponents of being anti - Pancasila. Government propaganda is spread through compulsory indoctrination courses on Pancasila, the pancasila promotion program.<sup>281</sup>

The New Order has from the beginning attempted to justify itself, and particularly military involvement in politics, on ideological grounds, not as a short-term solution to political and economic stability, but as the natural regime for Indonesia in the long run. In addition to Pancasila, this has been done through the doctrine of the military's "*Dwi Fungsi*" (Dual Function) ABRI. According to the dual doctrine, the Indonesian Armed Force should not only defend the country, but also play an active role in social and political affairs. In 1958, Army Chief-of-Staff General Nasution proclaimed the concept of the "Middle Way" which would give the military a political role. Under Soeharto's New Order, "Dwi Fungsi" has replaced the original concept. Whereas Nasution's original conception allowed the military to be one political force among many, "*dwi fungsi*" designs the military as the major pillar of the government.<sup>282</sup>

According to Mas'ood Mochtar ,

"The New Order regime has also derived its legitimation from "developmentalism". i.e. the ideology giving priority to economic stability instead of political freedom and human right"<sup>283</sup>

The "floating mass" which was introduced in 1971 defends the suppression of political activity. According to this principle, political activities on the community level are forbidden. The population should be ' a floating mass which concentrates on economic development and does not take part in politics.<sup>284</sup>

Only the state party Golkar is allowed to work on the economy level, since it is not a party in a legal sense, but a Socio-Political Force.<sup>285</sup> Besides, negative images of Parliamentary Democracy in the 1950s are used to delegitimize ideas. According to official Indonesian writing of history, the

<sup>280</sup> Douglas E. Ramage, Loc.Cit.

<sup>281</sup> Anders Uhlin, Op.Cit, P.55

<sup>282</sup> Ulf Sundhaussen, *Indonesia : Past and Present Encounters With Democracy* , in Larry Diamond, Juan J.Linz and Seymon Martin Lipset(eds), *Democracy in Developing Countries* , Vol. VIII : Asia London : Adamantine Press, 1989, P. 276-277.

<sup>283</sup> Mas'ood Mochtar, "The State of Recognition of Society Under The Order". Prisma. The Indonesian Indicator. 1989. No.47. P. 24.

<sup>284</sup> Hans Antlov, *Exemplary Centre, Administrative Periphery, Rural Leadership and the Order in Java, Richmond, Surrey.* (Sweden: Curzon Press, Nordic Institute of Asian Studies, Monograph Series, Np.68.1995).P.36.

<sup>285</sup> Anders Uhlin, Op. Cit, P.55

period of parliamentary democracy from the beginning of 1950s until about 1957 was a time characterized by ethnic and religious conflicts, political and economic instability, and chaos. The cause was attributed to the fact that a foreign political system, liberal democracy, that did not suit Indonesia, was introduced. Thus it is a bleak picture of democracy in Indonesia that is painted in school books and other official publications.<sup>286</sup> Finally, according to Heryanto,<sup>287</sup> the official version of the coup events of 1965 is used to legitimize the authoritarian regime and condemn opponents as communists. The New Order interpretation of what happened on 30 September 1965 is that it was an abortive “coup d’etat” master-minded by the communist party, the PKI. Without any ambitions or selfish interests of its own the military, under the leadership of Soeharto, rescued the nation from chaos and disintegration, which would have result into communist take-over. This myth, heavily propagated by the authoritarian state, is still an important aspect of the repressive New Order system.<sup>287</sup> “The terror and massacres following the coup events are ignored in the official propaganda, but they constitute a trauma from which the Indonesian society is still trying to free itself.”<sup>288</sup>

By virtue of the 1983 Guidelines of state Policy and on the basis of decree No. 3 of 1985, Pancasila has finally been adopted as the one and only ideological principle upon which all political party organizations base their activities.<sup>289</sup> The final and most controversial New Order Pancasila initiative was the promulgation of legislation to ensure that all mass-based organization in the country accepted Pancasila as their sole philosophical foundation. In two speeches, one on Independence Day in 1982 and the other in July 1983, President Soeharto laid out the rationale for the government’s desire to ensure Pancasila conformity. In the first speech Soeharto warned of the existence of alternative ideologies, apart from Pancasila, that were still promoted in Indonesia. Therefore, he proposed that “ all socio-political groups, especially the political parties, accept Pancasila as their “*Asas Tunggal*” (sole foundation).<sup>290</sup>

Dissent against “*asas tunggal*” legislation came from a number of sources, particularly Islamic organizations and leaders. Perhaps the strongest statement of dissent is the open letter from Syafruddin Prawiranegara, a prominent Muslim leader and former Prime Minister, to President Soeharto on July 7, 1983 when the legislation was still in its formative stages. Syafruddin interpreted the bill as an instrument for government control of Islamic organizations. He asked, “Why only now has the Islamic foundation (of organizations) to be replaced by the Pancasila? What crime has any Muslim organization committed?”<sup>291</sup>

<sup>286</sup> Ibid , P.56

<sup>287</sup> Ariel Heryanto. “The Development ‘development’ . Indonesia. No. 46. 1988. P.17.

<sup>288</sup> Anders Uhlin, Op.Cit. P. 56.

<sup>289</sup> Indonesia 97 : Hand book, Op.Cit, P. 35.

<sup>290</sup> Antara, “Soehartos’s Remarks ”, August 16, 1982, P. 1.

<sup>291</sup> Syafruddin Prawiranegara. “Pancasila is the Sole Foundation. Indonesia, Vol.38, 1984, P. 1.

President Soeharto's second set of remarks has been interpreted as a reaction to the bitter criticism from Syafruddin. In July 1983 Soeharto reiterated his intention to ensure that all organizations, especially political parties, adopt Pancasila as their "*asas tunggal*" in a speech to senior ABRI leaders. Soeharto argued that the unconditional acceptance of Pancasila was essential for continued national stability and unity. He said that even though the New Order had been based on Pancasila for many years, there were still people and groups that refused to accept Pancasila or that saw it as "dangerous"<sup>292</sup>. The continued existence of societal elements that are still reluctant to accept Pancasila, argued Soeharto, meant that the government must continue its propagation and popular promotion of the ideology. Furthermore, Soeharto emphasized ABRI's role as the defender of Pancasila as the "*asas Tunggal*".

This legislation, proposed in 1982 and formally adopted in 1985, stipulated that all social organizations must adopt Pancasila as their sole ideological foundation. In practice, this meant that regardless of an organization's original purpose, religious, professional, or political, only Pancasila could be adopted as its sole basis.<sup>293</sup> At the time of the DPR's tabling of Soeharto-initiated legislation to extend Pancasila ideological, education in 1978, it was widely perceived that Pancasila was being used by the government to undermine the influence of the Islamic parties. The "*Nahdhatul Ulama*" perceived that the regime was attempting to elevate Pancasila above the Constitutions itself and to have it replace religion as the spiritual guide in daily life.<sup>294</sup> At this time, NU, as part of the PPP, was acting like a fairly independent opposition political party that would not go quietly in the New Order creation of "Pancasila Democracy. The process was further intensified in 1982-1985 with the promulgation of the "*asas tunggal*" legislation."

As Susumu Awanohara has stated "referred to the early 1980s *asas tunggal* initiative as part of Soeharto's 'de-Islamizing' of the Islamic parties"<sup>295</sup> It is important to note that the great fear and apprehension over the political implication of "*asas tunggal*" were not confined to the Islamic group. Christians also worried that the "*asas tunggal*" was a government strategy to create a secular ideology. Or "civil religion". The minister of Religion at the time, Munawir Sadzali, recalled that one Christian pastor had told him that even "should the sky itself fall in, " he " would not accept the "*asas tunggal*."<sup>296</sup>

<sup>292</sup> Sinar Harapan, "President Berhalal Dengan Perwira Senior ABRI di Tapos, Bogor : Asas Tunggal Perlu Untuk Stabilitas" (President has an Islamic Social Gathering With Senior ABRI Officers at Tapos, Bogor, "Soeharto's Ranch" : The Sole Foundation is Needed For Stability), Sinar Harapan, July 18, 1983, P. 1-2.

<sup>293</sup> Lincoln Kaye, "Legislating," *Far Eastern Economic Review*, June 13, 1985, P. 14

<sup>294</sup> Susumu Awanohara, *Loc. Cit*

<sup>295</sup> Susumu Awanohara, *Loc. Cit*.

<sup>296</sup> Douglas, *Op. Cit*, P. 37.

Another characteristic element of the “ Orde Baru” (New Order) government under Pancasila Democracy was the role played by selected civilians, especially economists, who were brought in by the Army as junior partners in the government. While the Army was unquestionably powerful it nevertheless lacked several essential attributes to govern effectively. The Army still lacked the legitimacy to rule directly because the idea of democracy was still widely held amongst the political public. It also lacked both the managerial skill and economic expertise essential for economic recovery and development, as witnessed by the poor record of the Army – run nationalized Dutch enterprises. Finally, the new Army leadership was almost unknown abroad, while Indonesia badly needed external assistance to pull the country out of its economic trouble. “The Army, therefore, needed civilian leaders to assist in government and boost the New Order’s image both at home and abroad”.<sup>297</sup> Even according to T.Neil , Soeharto chose a group of Western-trained economists, from the staff of the University of Indonesia, to take charge of economist planning and obtain credits and deferral of debt payments from major economic powers and institutions, led by Professor Widjojo Nitisastro, who became a kind of personal tutor to Soeharto, this group, which was later dubbed the ‘Berkeley Mafia’, as many of them had graduated from Berkeley University in California, was well known and respected in the World Bank, the International Monetary Fund – IMF, and United States Government circle.<sup>298</sup>

Further more. After 11 March 1966, Soeharto appointed two well-known civilian leaders to key positions, namely the Sultan of Yogyakarta Hamengkubuwono IX and Adam Malik<sup>299</sup> Sultan, who has identified with the banned PSI and was respected by the military for his administrative ability, was put in charge of the economic stabilization scheme, particularly negotiating the rescheduling of Indonesia’s foreign debts. Adam Malik, a prominent politician from MURBA party and well-known diplomat whose last posting was as an ambassador to Moscow, who had close links with the Soviet Union, was probably partly to concede the international community. Even Adam Besides, Soeharto's appointment of Professor Soemitro Djojohadikusumo (present father-in-law Titiek Prabowo – Soeharto’s daughter) to the Trade Portfolio in 1968, a prominent economist and one-time PSI leader who has lived abroad since the defeat the PRRI, also added luster to the New Order's development-minded credentials since Soemitro had been a key figure in several earlier development-oriented cabinets and was well known in the West.<sup>300</sup> Malik appointed as a Vice President in Soeharto era after Hamongkubuwono appointed as a Vice President too.

<sup>297</sup> Dewi Fortuna Anwar. *Op.Cit.*P.34.

<sup>298</sup> Wilfred T.Neil, *Twentieth Century Indonesia*,(New York and London :Columbia University Press,1973),P.372.

<sup>299</sup> Baladas Ghoshal,"South East Asian Politicts and Foreign Policy Reations: Restrospect & Prospect, Seminar On 8-10 March 1979,P.16.

<sup>300</sup> Dewi Fortuna Anwar, *Op.Cit.*,P.35.

Actually, the outlook of the New Order leadership under Pancasila Democracy had three aspects:

- 1). Strong anti-communist
- 2). A commitment to stability and economic development
- 3). A pragmatic international outlook.

The “GESTAPU” – *Gerakan September Tiga Puluh*” (Thirtieth of September Movement) affair and its aftermath only increased the Army’s sense of the Communists as an implacable enemy, especially with the evident success of the PKI in infiltrating the Armed Forces. Besides, the New Order leaders were also very concerned with domestic political stability and economic development. Furthermore, the Soeharto government under Pancasila Democracy had a pragmatic international outlook. Unlike the situation in the Soekarno period, now dubbed the Old Order, the New Order leadership had no potentials of Indonesia to play a leading role in the Third World struggle against international discrimination and injustice. Instead, external relation was mainly cultivated to help Indonesia get out of its desperate economic, political, and diplomatic straits. And most importantly the government under Soekarno politics was the “*Panglima*” (Commander) of national life, on the contrary, under Soeharto the “*Panglima*” was economics”.<sup>301</sup>

In this case, two analyses of both political systems Soekarno under Guided Democracy and Soeharto under Pancasila Democracy Baladas Ghoshal says:

“This important points leads us to assert that it is not so much the ‘Guided Democracy’ has changed but only that the old ‘Guides’ have been overthrown and the new ones have taken their place. In fact, under the Soeharto regime, the ‘Guides’ have become more and more powerful and they are confined to the military. A few bureaucrats also form part of the new group of ‘Guides’ but they are subservient partners since they have no political base. And democracy has been buried and given way to military dictatorship. In other words, our essential thesis is that, since the introduction of Guided Democracy in Indonesia, the basic form of government has not changed fundamentally”.<sup>302</sup>

Nawaz B.Mody, like Soekarno, Soeharto has maintained the dominance of the Javanese in the political system. Though Soekarno’s tripartite “Nasakom – Nasionalis, Agama and Komunis alliance has been destroyed, Soeharto had advocated his own version of it. Earlier he had proposed, “*Naspika – Nasionalisme, Spritual dan Karya*” (Union of three types of parties – Nationalist, Spiritual and Functional Groups advocated before 1971 election) consisting of Nationalist, Spiritual and Functional

<sup>301</sup> Ibid, P.37..

<sup>302</sup> Baladas Ghoshal, “ Indonesian Politics.”, Op.Cit, P.287-288.



Groups in Parliament aimed at simplifying the party system. Later this evolved into three groups in Parliament and MPR consisting of the “Sekber Golkar” (Golkar-Functional Groups), the Indonesian Democratic Party (PDI), and the Development Unity party (PPP).<sup>303</sup>

Though both Soekarno and Soeharto claimed to abide by the 1945 Constitution, both limited the powers exercised by constitutional bodies. Soekarno did not function through his large unwieldy Cabinets, but through bodies like KOTI-*Komando Operasi Tertinggi* (Supreme Operations Command), BPI-*Badan Pusat Intellejens* (Central Intelligence Board) and KOTOE- *Komando Operasi Tertinggi Ekonomi* (the Supreme Economic Operational Command) and his own Triumvirate consisting of Soebandrio, Leimina and Chairul Saleh. Soeharto too does not operate through the Cabinet or Parliament, but works through extra constitutional agencies like his personal assistants, BAKIN-*Badan Koordinasi Intelijens Negara* (State Intelligence Coordinating Body), the National Intelligence Agency and of course, KOPKAMTIB - *Komando Operasi Pemulihan Keamanan dan Ketertiban* (Operations Command for the Restoration of Order and Security).

As Baladas Ghoshal pointed out the similarity on political system both Soekarno and Soeharto:

“Both of them tried to create a political system was designed, regulated and directed and imposed from above. Both curbed activities of the parties, denied the scope of any dissent to their system of government, curtailed Press freedom and imprisoned their opponents. Soekarno banned the Masyumi and the Socialist, as Soeharto did the communists”.<sup>304</sup>

Besides, under Pancasila Democracy, President Soeharto concentrated on the development of a centralized, disciplined, organizational structure for the Armed Forces. He also extended Army into almost all areas of civilian government, a greening of Java (referring the color of the Army uniform) issued. “ Soeharto reduced the power of the constitutional executive by working, through extra-constitutional agencies which functioned effectively under his personal directive without the necessity of making diversionary compromises”<sup>305</sup>.

Internally, Soeharto moved efficiently to strengthen the Army’s influence. Its penetration into the realm of political activity had been exercised partly through its territorial organization. Together with its fighting forces, the Army devolved and formulated the Territorial Warfare Doctrine. Initially, these were set up in West Java in the Siliwangi controlled areas, but in December 1965, Soeharto also ordered the formation in Central and East Java. KODAM-*Koamando Daerah Militer* (Regional Military Commands) were established in each province in Indonesia, KOREM – *Komando daerah Militer*

<sup>303</sup> Nawaz B.Mody, *Op.Cit.* P. 173

<sup>304</sup> Baladas Ghoshal, *Op.Cit.* P.261.

<sup>305</sup> Nawaz B. Mody, *Op.Cit.* P.106.

(Resort Military Commands) were set up in the main towns, KODIM – *Komando Distrik Militer* (District Military Command) at the *Kabupaten* (district) level, KORAMIL – *Komando Rayon Militer* (Small Military Commands) at the *Kecamatan* (sub-district) level, and BADESA – *Bintara Pembina Desa* (Village Development Non Commissioned Officers) at the village levels.

Soeharto was unwilling to leave the opportunity to extend Army powers within the framework of a system which already existed. As unity came to increasingly fashioned within the Army its hold over normal civilian field of activity increased. KORAMIL increased Army involvement in all aspects of the village life and became instruments of tight political control, making it possible for the Soeharto regime to become independent of the consensus and checks of political parties.<sup>306</sup> Another step that KOPKAMTIB – *Komando Operasi Pemulihan Keamanan dan Ketertiban* (Operations Command for the Restoration of Order and Security) was formed on 10 October 1965 under Soeharto's emergency powers. And then KOPKAMTIB's extraordinary powers are delegated to LAKSUS – *Pelaksana Khusus* (Special Implementers) at each provincial Army Command level. Since it represents the political interests of the Department of defense, KOPKAMTIB uses the bludgeon of formal military authority. By 1968 it had fulfilled its original function of dealing with the *PKI-Partai Komunis Indonesia* (Indonesian Communist Party) and other leftist elements. "Soeharto decided to extend its authority by giving it the power to act against any political group threatening the regime. Its action were justified by dubbing any inconvenient activity as a political crime against the government".<sup>307</sup>

Even according to Baladas Ghoshal:

" The existence of organization like OPSUS Operasi Khusus (Special Operation Committee) and KOPKAMTIB (Operational Command for the Restoration of Security and Order) have further helped the government to bow down its critics into silence".<sup>308</sup>

A Presidential Decree of 3 March 1969, reactivated KOPKAMTIB. It was now headed by the President himself, with the army Commander as his Deputy. It was given its own staff, but was also served by the Army Command general staff. With the organization of 1969, *General Maraden Panggabean*, the Army Commander, became KOPKAMTIB Commander, with Lieutenant General *Soemitro* as its Deputy Commander. The newly formed general Staff of HANKAM – *Departement Pertahanan Keamanan* (Ministry of Defense and Security) also functioned as its general staff.

Under General Soemitro's leadership, KOPKAMTIB took on the roles played earlier by the Army's Intelligence and Territorial Sections in exercising

<sup>306</sup>

Ibid, 111

<sup>307</sup>

Ibid, 112

<sup>308</sup>

Baladas Ghoshal, Op.Cit,P.298

political control over the country. It emerged as the most feared and oppressive agency of the regime, interfering in the activities of every organization and arresting people at will.

Another institution set up to consolidate the position of the army and extended its control was the BAKIN – *Badan Koordinasi Intelijens Negara* (State Intelligence Coordinating Body) which in 1966 replaced the BPI – *Badan Pusat Intellejens* (Central Intelligence Board) headed by Soebandrio. Bakin functions as the eyes and ears of the administration and also as the ‘Think Tank’ evaluating problem and indicating possible policy alternatives for the government. Top-most leaders of the Soeharto group have headed both KOPKAMTIB and BAKIN. In activities tend to overlap those of KOPKAMTIB and OPSUS, but its functions are of a somewhat more specialized nature, going in to research, analysis, and surveillance.

OPSUS stands for Special Operations and was developed by Lieutenant General Ali Murtopo, who became one of Soeharto’s effective ‘trouble shooter’. OPSUS played a leading role in behind-the-scene negotiations on to end the confrontation with Malaysia. Also, Ali Murtopo, working through OPSUS ensured that the West Irians voted to remain within Indonesia Republic, when the Act of Free Choice was conducted under United Nations supervision in 1969. OPSUS was also responsible for the co-ordination of the interference in the PNI-*Partai Nasional Indonesia* (Indonesian Nationalist Party) Congress of 1970, when Hadisubeno was elected National Chairman in 1970. Similarly, the election of 1971 and 1977 were masterminded by the ‘bulldozing’ activities of Ali Murtopo and OPSUS.<sup>309</sup>

Another stepped Soeharto under Pancasila Democracy in the bureaucracy field. Soeharto had to ‘rid’ the bureaucracy of party influence in order to use it to carry out his policies. It was a classic case of government from above. The bureaucracy was molded into an instrument of control. The first party against whom Soeharto acted was the PKI. Its alleged involvement in the September 1965 Movement was used as an excuse to dismiss undesirable personnel. Thousands of civil servants were dismissed and arrested on the blanket charge of ‘complicity’ in GESTAPU. Lists of suspected leftists were made in many departments. Screening boards were formed to assess the political sympathies of employees.

Another government decision went to the extent of revealing even proven charges of corruption could not result in legally dishonorable discharge, only involvement in Gestapu merited that dubious distinction. Another measure to purge the bureaucracy was the implementation of Cabinet Presidium Instruction No.110/1967 calling for the dismissal of those involved in the Gestapu/PKI. A steady drive was launched to detach mass organizations from party affiliation. Many of the party-linked organizations were either disbanded, or reattached to the *Sekber Golkar-Sekretariat Bersama*

<sup>309</sup> Nawaz B.Mody, Op.Cit, 114

*Golongan Karya* (Joint Secretariat of Functional Groups) which was sponsored as the official organization representing the interest of functional group. In late 1969, over 200 functional group were affiliated to the Golkar Secretariat. Other steps insulating the bureaucracy included the reactivation of Soekarno's 1959 Decision prohibiting civil servants in the "F" category from joining political parties. By mid-1967, only one-tenth of the 30.500 affected employees had stated their party affiliation. This decision was revoked under pressure from political parties and replaced by the controversial Law No. 6/1970, prohibiting all members of the Armed Forces, Judges, Prosecutors, civil employees within the Department of Defense and Security, the Chairman and other officials of the Treasury, the Governor and Deputy Governor of the Bank Indonesia, as well as another functionaries later specified by the President, from joining or becoming members of political organizations. This regulation was used to establish the concept of "monopoly" within the bureaucracy.<sup>310</sup>

The concept of "monopoly", however, initially launched Regulation on 11 February 1970, by Lieutenant General Amir Machmud issued Government Regulation No. 6/1970 prohibiting civil servants from carrying out political activities conflicting with their position as civil servants. As all, ABRI members and top civil servants were barred from joining 'political parties' he used this to force officials in his own Department to sever ties with all political parties except the Golkar and join to KOKARMENDAGRI - 'Korps' *Karyawan Pemertintahan/Departemen Dalam Negeri* (Departement of Internal Affairs Employees Corps). Before the beginning of the election campaign Government Regulation No. 1/1970, articles 55-59 severely limited the election campaign to be launched by political parties. Earlier 1970, Amir machmud issued PERMEN-*Peraturan Menteri* (Ministerial Regulation) No. 12 of 1969 stating that members of Functional Groups in provincial and local bodies would be replaced if they were affiliated to political parties. Permen 12 aimed at consolidating the Golkar factions in legislative bodies and providing it with sufficient patronage to distribute before election.

Another method involved increased militarization of the bureaucracy. This was done skillfully since Soeharto visibly, at least, appeared to be decreasing the military's role. The number of military officers in the 1971 Cabinet declined to 22 per cent from 43 per cent in 1967. The figures of civilian technocrats replacing the officers increased from 38 per cent to 77 per cent between 1967 and 1973.

In October 1970, Soeharto issued Presidential Decision No. 68 to further regulate the nature of campaign. Amir Machmud's conditions which were dubbed as "Amir's Twelve Commandments", laid down conditions for campaigning. Amir Machmud warned against dangers like the comeback of the PKI and the Old Order Forces, extremism, foreign subversion, and contrary interpretation of Pancasila. All campaigning had to prevent friction in society and the opportunity for a group to gain advantage for themselves by

<sup>310</sup> Ibid, P. 218

using Soekarno and his reputation. Discrediting of any religion, insulting God or the Prophets, exerting of group pressures by one group against the other thereby disturbing national unity was forbidden, as were attempts to foster ethnic and regional discord. Criticism of the functioning and personal qualities of civilian and military government officials was also forbidden.

As its result the parties had almost nothing left to campaign about. They could not criticize the performance of the government and offer alternative policies. Without this, the election campaign would degenerate into a mere caricature of democratic practice as known in real democracies. Most strongly hit were the Muslim parties and the PNI. The Muslim parties could not even propagate their age-old justification of establishing an Islamic state, which was forbidden. Besides, the PNI could not use Soekarno's name during the campaign. The campaign was to be held in an "absolute security" guaranteed, indeed, antiseptic atmosphere, devoid of political content of political and ideological dispute, and even of social and political differences. Moreover, decision determining the violation of the campaign regulations was left to the judgement of the police and military authorities that could not be expected to be impartial.<sup>311</sup>

Besides, Baladas Ghoshal illustrates what had happened in the 1971 elections. He argues, that initially, the Soeharto government's decision to hold the elections was considered by the political parties as a victory for them, but their hope died down very soon as the military made it abundantly clear that they were not going to lose their hold on power. The military had already assure itself of the right to nominate 100 members to what was to be a parliament of 460, and it decided to make its victory certain by creating a new party called the GOLKAR, the Joint Secretariat of Functional Groups, a conglomeration of professional association, interest groups, trade unions, youth veterans, and women groups. In these elections, in which local army commanders and civil servants put massive pressure on the electorate, 236, or 73 per cent, of the 460 seats in parliament. The nine political parties, which existed before the elections, could together capture only 124 seats. The poor performance by the parties can be explained by a variety of factors. Even before the elections, the political parties activities were circumscribe by two regulations imposed on them by the government "monoloyalty and concept of floating mass". The introduction of monoloyalty concept meant that no member of the civil service could belong to a political party and resulted not only in undermining of the political parties' strength, especially that of the PNI, but also in the complete conversion to GOLKAR of Governors, Bupatis and District Officers. These same officers also headed the committees, at each level, as Amir Machmud, chairmen of the General Election Institute of Jakarta the organization overseeing the whole display. Identification of GOLKAR and Government was then reinforced by GOLKAR/ Government control over the logistics of the election. The concept of "Floating Mass", meant that no political party would be allowed to operate at the village level except during election campaigns. This idea was introduced by GOLKAR

<sup>311</sup> Ibid, P.236.

spokesmen who argued that in view of the low educational level of the peasantry it was improper to involve them in national politics at the expense of their immediate concerns. According to this arrangement, while GOLKAR officials continued to operate at the village level and GOLKAR unrestricted in their own activities. The effects further increase of government's power at the expense of the parties. And finally, the parties' poor performance can be explained by the army's intimidation of the masses.

To curb the parties further, after the election the government pressed them to reduce their numbers and unite into two large parties. The parties complied with the former Nationalist and the Christian parties forming the Indonesian Democratic Party, and the four Muslim parties uniting in the Development Unity Party. But more had to be done to give the parties from total oblivion. The political stabilization and National Security Council, formed after the January 1974 riots and chaired by Soeharto, decided on a monthly subsidy of Rp. 2.5 million to each of the new parties and to Golkar promised Rp. 30 million for party congress to be held. This way the government imposed further control over the parties.<sup>312</sup>

Actually the composition of the House's membership according to the new Act No.5 of 1975 was in force up to the general election of 1982, 1987 and 1992 the membership of the House was 460. When Act No.2 of 1985 amended the Act, the membership of the House grew to 500, and the membership of the Assembly to 1000 members. Based on the later Act No.2 of 1985, the composition of the membership of the People's Consultative Assembly (MPR) is as follows:

- a). The 500 members of the House of Representatives (DPR)
- b). In addition to the above members of the House, political organizations contending in the general election, namely PPP, PDI and GOLKAR, as well as the Armed Forces faction in the House, are allowed additional membership that is proportionate to their respective membership in the House. As a result of the 1987 General Elections, the above additional membership was 253 members.
- c). Delegates from the First Level Regions or Provinces, whose number not less than four persons for a province with population of less than 1 million, and not more than eight persons for a province with population of 15 million people, making for a total of 147 delegates (members). Their respective regional legislative assemblies elect these regional delegates.
- d). Representatives of professional groups number 100 members. These representatives are appointed by the President on the recommendations of their respective organizations of at the President's direction.

<sup>312</sup> Baladas Ghoshal, "On Seminar 1979.....", Op.Cit,P. 13-14

The chairman of the MPR are currently (1988 and 1993) Chairmen of the DPR. He assisted by five Vice-Chairmen. The election of the MPR's Chairmen is by consensus among members. Where is impossible, voting may be resorted to as provided for by the 1945 Constitution. The present Chairmen of the MPR (1997) is Harmoko. The Assembly is composed of five factions:

- a). The Armed Forced (ABRI).
- b). The Functional Group (GOLKAR).
- c). The United Development Party (PPP).
- d). The Indonesian Democracy party (PDI).
- e). The Regional Delegates.

Beside Act. No.2 of 1985, the total membership of the House of Representative (DPR) is 500 members. It is composed of:

- a). 400 members representing the political organization that take part in the general election. i.e. PPP, PDI and GOLKAR.
- b). 75 members appointed from Armed Forced (In 1992 100 members).

Based on Act.No.2 of 1985 determine the number of the elected members in the House, the following procedure applies. Each elected member represents at least 400.000 citizens. Hence, if the population is estimated at 197.013.619 people, the total number of elected members is 425.

According to the current government under Soeharto the reason for the appointment of 75 members from the Armed Forces is that they are not only an instrument of defense and security, they also constitute a social-political force (dual function of ABRI). However, servicemen cannot take part in general elections. To ensure that they are not denied their political rights as citizens their representatives in the DPR are appointed on the recommendation of the Commander-in-Chief of the Armed Forces. The present House consists of four factions, representing GOLKAR, the Armed Force, PPP and PDI.<sup>313</sup>

In this case, Douglas has pointed out :

"The New Order's concept of the 'floating masses', that the mass were to be de-delinked from political parties, was designed to ensure that divisive party-based politic linked to communal, religious, and ideological issues did not resurface and distract the nation from '*pembangunan*' (Development). Ali Murtopo argued that economic development could only proceed in an atmosphere of political stability."<sup>314</sup>

<sup>313</sup> Indonesia 1997.....P. 43 - 47

<sup>314</sup> Douglas E.Ramage, Op.Cit, P. 29

Soeharto noted in 1982 that the “simplification” of the party system was justified because Indonesian had given their approval to the New Order, which in turn promised the people that the government would faithfully implement Pancasila. Therefore, Soeharto continued restructuring the party because of the people’s wish to follow Pancasila. Ali Murtopo argued that the 1973 consolidation of the nine existing political parties into two parties plus GOLKAR became the structural realization of Pancasila Democracy.

#### **b. The new movement of I.C.M.I. organization**

During Soeharto’s period arose a new organization of Muslim. This organization of “I.C.M.I.- *Ikatan Cendekiawan Muslim Indonesia*” (The Association of Indonesian Muslim Intellectual), was established on December 6, 1990, in the city of Malang, East Java, Indonesia.<sup>315</sup> This organization is basically aimed at uniting all Muslim intellectual through out Indonesia and then utilize them for benefits of its followers, as its main umbrella is Islamic religion, and contribute conception ally in the development process of the country governed by the Indonesian, New Order Government led by Soeharto.

When ICMI was established it was agreed by its founders that ICMI was a non-political organization, and therefore it would not involved in any political related activities or political engineering at any level of government and administration of Indonesia. Habibie said, “ ICMI is not a political organization, our main objective is to make a real contribution to the ever-increasing quality of life of the whole Indonesian population, especially the Islamic community”<sup>316</sup>.

Now eight years after its establishment the fact shows differently as ICMI led by a powerful Vice –President: 1998 – 2003 (formerly Minister for Research and Technology, Prof.DR. Burhanuddin Jusuf Habibie, not only just involved in religious activities but also has involved in political engineering such as in determining who should be appointed in a particular government position and deciding strategic government planning and policies. After a final decision was made President Soeharto and Vice-President Try Soetrisno then inaugurated the organization. They installed Prof.DR.B.J.Habibie, in 1990, Minister for Research and Technology, Chairman of “BPPT- *Badan Pengkajian Penerapan Teknologi*” (Agency for Examination and Application of Technology), and Chairman of some 30 government and non-government organizations as its first Chairman up to now.<sup>317</sup>

The establishment of ICMI was regarded as too controversial as its establishment as being seen as a “phenomenon of Islamic revivalism in Indonesia, that ICMI is “ being perceived as to relive the role of Islamic in

<sup>315</sup> Anders Uhli, Op.Cit, P. 67

<sup>316</sup> Adam Schwarz, “ A Nation In Waiting : Indonesia in the 1990s.” (Australia Allen & Unwin, 1994), P. 179.

<sup>317</sup> Pudjo Soeharso, *ICMI Dalam Wacana Pembangunan Nasional*, in *ICMI Dalam Kekuasaan dan Demokrasi*, Ahmad Bahar (ed), ( Yogyakarta : PT.Bena Cendekia Indonesia, 1995), P. 192-194).



politics “<sup>318</sup> It is being so the presence of ICMI in the middle of Indonesian community has attracted attention of other intellectuals and they feel that ICMI is treated so special by the Indonesian Government and the government is seen to accommodated the interests of ICMI. This creates social jealous among intellectuals in Indonesia.

Adam Schwarz argued: that there were three components in the ICMI's organisation composition.

First, a group from BPPT (that is Prof. Habibie's office) plus Golkar's executives, businessmen, and Universities' President.

Second, a group of so called Islamic thinkers such as Prof. Emil Salim (President Soehartos' former Cabinet Minister), DR. Nurcholis Madjid, Soetjipto Wirosardjono, and many others. This group is identified as being concerned very much upon the importance of intellectualism of Islam in ICMI.

Third, those have wider plan for ICMI. Third group will plan to make ICMI as political vehicle for Islamic modernisers such as DR. Amin Rais (Chairman of Muhammadiyah Organisation), DR. Sri Bintang Pamungkas (former PPP faction in DPR), DR. Adi Sasono (at present is ICMI's Secretary General), Prof. Dawan Rahardjo.<sup>319</sup>

A question is often asked by a lot of observers and critics is that what factor that makes ICMI so powerful compared to other intellectuals organization like ICHI – *Ikatan Cendekiawan Hindu Indonesia* (Association of Indonesian Hindu Intellectual), PCPP – *Persatuan Cendekiawan Pembangunan Pancasila* (Association of Pancasila Development Intellectual), PSCMI – *Pethimpunan Sarjana dan Cendekiawan Muda Indonesia* (Association of Scholar and Young Indonesain Intellectuals), and many more.<sup>320</sup>

This question is easily answered by looking at: First, personnel composition of ICMI's organizational structure where quite a number of central Government Ministers and top bureaucrats as well technocrats have become its top executives that includes chairman of the Indonesian ruling party Golkar, MR. Harmoko (The Chairman of the MPR and DPR), and other Cabinet Ministers as a membership. Secondly, most of ICMI's head offices both at Central and Regional or branches are using government building and facilities.<sup>321</sup>

The above answers, however, are partly responsible in forming public opinion in Indonesia for suggesting that ICMI as “ the new brain trust of the

<sup>318</sup> M.R.J. Vatikiotis, *Indonesiam Politics Under Soeharto*. (London : Roulledge, 1993), P. 21-22.

<sup>319</sup> Adam Achwarz, Op. Cit, P.176 – 177.

<sup>320</sup> Zulfan Heri, *ICMI, Politik dan Demokratisasi ..* in *ICMI Dalam Negara dan Demokrasi*, Zuli Qodar dan Lalu M. Iqbal Songell (ed). (Yogyakarta : Pustaka Pelajar, 1995), P.199.

<sup>321</sup> Muhammad Thoriq, *Cerita Ringan Tentang ICMI'-wan Muda*, in *ICMI Negara dan Demokrasi*, Zuli Qodar and Lalu M. Iqbal Songell(ed), (Yogyakarta : Pustaka Pelajar, 1995), P. 182 – 192.

government in the 1990s".<sup>322</sup> Another part is by the fact that ICMI has important role in promoting its members to any strategic and top public office positions. The formation of public opinion as mention above is without base of one examines historical perspective of early establishment of ICMI. As indicated that when ICMI was inaugurated it was attended by Indonesian President, Vice-President, senior Cabinet Ministers, and senior General of the Armed Forces. The attendance of such personnel was interpreted, at least by ICMI's executives and also by most of the people as a blessing by them to ICMI or it could also be viewed by majority of Muslim as a sign of Government support. This support has become much clearer when ICMI applied for permit to the Indonesian government to publish a national newspaper 'Republika' with not problem what so ever, even President Soeharto himself bought its shares when the newspaper (ICMI) offered its shares to the public.<sup>323</sup> Another support of the Indonesian government was reflected in the establishment of Islamic Bank in Indonesia. This Bank is believed to have some strong link with ICMI.

### c. The system of deliberation, voting and law making process

Under Government's New Order launched MPR's Decree No. I/MPR/1993, Concerning: The Rule of DPR's Meeting, stated that deliberations in the House aim to reach a "*Mufakat*" (consensus) on any question. In the event a consensus is not having achieved, the matter is referred to the Steering Committee. Should this Committee arrive at a consensus, all members will be duly informed. In case of failure, the matter is submitted to the plenary session of the House, which must then decide whether the matter is to be put a vote, postponed or dropped altogether.

Besides, voting requires the presence of all factions and a quorum of two-third of the total membership of the House. Resolutions or decisions are adopted by majority votes. Voting on nominations and appointments is done by secret ballot; on any other matters, by a show of hands. If a vote is accomplished because a two-third quorum could not be reached or because all factions were not present, the matter is returned to the Steering Committee. The 1945 Constitution states that the House of Representatives is the body of the State. The Government submits bills to the House for consideration and approval, but members of the House can initiate their own bills. Such bills must be accompanied by an explanatory memorandum, signed by at least 30 members, and submitted to the Speaker of the House. During the discussion of the proposed bill, the initiating members may make alterations or withdraw it. If the House passes the bill, it will become law when it has obtained the signature of the President. By authority of the President, the Minister/ State Secretary will publish the Act in the "State Gazette" of the Republic of Indonesia and henceforth the Act comes into force.

<sup>322</sup> Affan Ghafar, Kesalahpahaman Terhadap ICMI, in *Islam Demokrasi Atas bawah : Polemik Strategi Perjuangan Umat Model Gus Dur dan Amin Rais*, Arief Affandi (ed), (Yogyakarta: Pustaka Pelajar, 1996), P. 55.166.

<sup>323</sup> Muhammad Thoriq, Op.Cit, P. 200

**Election System and Result of the 1997 General Election.**

For the election of member of DPR (Dewan Perwakilan Rakyat-House of Representatives) and DPRD ( the Regional of DR) the system of proportional representation and register system apply. In this way the number/force of representatives of the organization in the DPR and DPRD is as far as possible in the proportion to the amount of support in society. To this end, an organization wise candidates are listed in some list of candidates will obtain a number of seats based on a certain electoral quotient, i.e, e certain number of seats available. The register system as well as the system of general elections reflect an acknowledgement of the system of organization taking part in the political life.

Besides, results of the 1997 general election under the government of the New Order stated : Indonesia, however, the country with 200 million people was holding her seventh general election in a row May 29 May, 1997 in which about 124.740.987 people of the country's eligible voters cast their votes for their favorite three political groups, *Partai Persatuan Pembangunan* - PPP (The United Development Party), The Ruling functional group *Golongan Karya*, and *Partai Demokrasi Indonesia* ( The Indonesian Demokrasy Party) competing for 425 out of 500 seats in the DPR ( House of Representatives). The other 75 seats in the DPR are allocated for thr Indonesian rmed Forces (ABRI) members.

The 425 seats of the DPR are distributtes between the country's 27 provinces according to the total number of their respective population. The 1997 general election's turn out was more 90 %. PPP won 90 seats (22.58 %), Golkar 323 seats ( 74.36 %), and PDI. 11 seats (3.06 %).<sup>324</sup>

#### **d.Economic Activities.**

As Baladas Ghoshal recognizes that Soeharto regime has achieved considerable economic progress. He has pointed out:

“ Soeharto had inherited an economy characterized by acute inflation, drastic deterioration of an infra-structure. i.e. poor condition of roads and shipping facilities: and heavily in debt to overseas countries. With the help of the country's economist and technocrats who were held in high esteem in the West, the Soeharto Government negotiated re-scheduling of debt payments, and long-term loans and investment of private capital from the West and Japan. The government was able within a couple of years to curb inflation and communication facilities, increase production and a major rise in the export earnings, particularly from oil, other minerals and timber”<sup>325</sup>.

The New Order, however, has always been able to compare its success favorable with the economic wreckage under Soekarno. The terrible economic background of Soekarno's rule provided a hospitable context for ideological appeals for legitimacy based on the promise to correct deviations in Soekarno's implementation of Pancasila after all, the New Order argued, the consequences of those deviations were chaotic economic conditions and political instability. There are voices in Indonesia today that also call for corrections the implementation of Pancasila and criticize the current “*Pembangunan Ekonomi*” (Economic Development) program as anti-Pancasila. From the very beginning, President Soeharto under Pancasila Democracy concentrated on internal political stability, economic reconstruction, and society equity: the ‘development trinity’ was and remains abroad. “Priority was given to political stability as the prerequisite to sustained economic reconstruction leading to increased social justice”<sup>326</sup>.

<sup>324</sup> Gatra, No. 22 Tahun III, June 1997, P.37

<sup>325</sup> Baladas Ghoshal, *Indonesian Politic*. Op.Cit. P. 300

<sup>326</sup> Juwono Sudarsono, “ Human Right : An Indonesia View,” *Image*, Vo.IV, No. 001, January 1998, P. 16.

Today, Indonesia is the world's fourth most populous country with 200 million population, has diversified its economy. During "*Pembangunan Jangka Panjang I – PJP- I*" ( Long - Term Development ), from fiscal year 1969/1970 to 1993/1994 (25 years), the Gross Domestic Product (GDP) grew at a rate of 6.8 per cent a year. This has been possible because of an average annual growth rate of 12.4 per cent growth in the service sector. In the 1994- 1996 Indonesia's GDP growth was 7.5 per cent.<sup>327</sup>

Compared to the system of Soekarno's regime, on August 17, 1959 the Political Manifesto was adopted as the Guidelines of State Policy, and the system of Guided Democracy was introduced enabling the concentration of power in the hands of a single leader.<sup>328</sup>

Furthermore, between years 1960 and 1965, the national economy grew merely by an average of 2.1 per cent annually. After the stabilization and rehabilitation effort was carried out by the New Order under Pancasila Democracy between 1966 and 1968, the economic growth reached an average of 6.0 per cent. During the First 25 –Year Long Term Development Plan I (PJP I – *Pembangunan Jangka Panjang I*, 1969/1970 – 1993/1994), Indonesia's economic growth rate was averaging 7.0 per cent a year, while in the two years of the current PJP II, the prospect remains encouraging. i.e. Indonesia's economic growth rate reached 7.5 per cent in 1994 and 8.1 per cent in 1995 respectively.<sup>329</sup>

Based on the Basic Pattern of National Development, the General Pattern of Long Term Development, covering a period of 25 years, has been drawn up in an effort to give direction to advancement and development of the nation in general to achieve the national ideals. This general Pattern of Long Term Development shall form the basic foundation formulation of the General Pattern of Medium-Term Development, i.e, the General Pattern of Five Year Development, which task is entrusted to the President/ Mandatory of the People's Consultative Assembly (MPR). The Long-Term Development I from fiscal year 1969/1970 to 1993/1994, were:

#### **I. First five-year Development Plan: REPELITA I: 1969/1970 – 1973/1974**

The First Five-Year Development (*Rencana Pembangunan Lima Tahun I - REPELITA I*), from fiscal year 1969/1970 through fiscal year 1973/1974, emphasized the rehabilitation of the economy, particularly increasing agricultural produce, and improving irrigation and transportation systems. The production of rice central to the economy and welfare of the people was targeted to increase by 47 per cent.

<sup>327</sup> Indonesia 1997, Op.Cit, P. 69 70.

<sup>328</sup> Department of Information, "Indonesia in Brief," (Jakarta : Percetakan Negara RI, 1997), P. 21

<sup>329</sup> Indonesia Handbook 1997, Op.Cit, P. 69

The Government attempted to reach the objectives of REPELITA I primarily through increase in public sector investments. The development expenditure increased from 5-6 per cent of GDP to 10 –12 per cent. Approximately half of total development expenditure for this period was allocated to transportation, communication, agriculture, and irrigation and subsidies for fertilizer. Annual development expenditures increased more than three folds over the course of the First five-year Development Plan. Most production targets set for the First Plan were reached and rice production has exceeded the anticipated 47 per cent by 25 per cent. During REPELITA I, the development expenditure has increased to 7.0 per cent of the GDP, which was less than expected.

## **II. Second Five-Year Development Plan: 1973/1974 – 1978/1979.**

It focused on increasing the standard of living of the Indonesian people. The plan sought to provide better food, clothing, and housing, to improve and expand infrastructure, expand and equitably distribute social welfare benefits and to provide more employment opportunities. Development expenditures for industrial and mining projects. Agriculture and rural development continued to obtain a large sum of the budget. The overall objects of REPELITA II were largely reached although the average annual rates of growth of real GDP and real per capita GDP, at 6.8 % and 4.7 % respectively, were slightly lower than the target of 7.5 % and 5.2 %. The agriculture sector grew on an average annual rate of 3.4 % and rice production increased at an annual rate 3.8 %.

Health and education development also substantially reached the target in REPELITA II. Over the course of time in the second Five-Year period, the number of doctors in Indonesia had increase by 68.1 % from 6.221 to 10456 when compared with the target of 68.8 %. Children who obtained prime education rose 13 million to 19 million. This means that children of primary school age who went to school rose from 65 % to 89 % while the target of REPELITA II was 85 %. During the second Five-Year Development period, development expenses exceeded the budget –plan. This was partly because of the increase in the state revenues obtained from crude oil export.

## **III. Third Five-Year Development Plan: 1978/1979 - 1983/1984.**

The three fundamental objectives of the Third Plan, covering fiscal 1978/1979 – 1983/1984, were to obtain a more equitable distribution of development gains for the welfare of the entire population, a sufficiently high economic growth, and a sound and dynamic national stability. Meanwhile, the implementation of development had put more emphasis on the agricultural sector to reach self-sufficiency in food and the promotion of industries processing basic materials into finished goods.

The ‘oil boom’, beginning in 1973, contributed significantly to the country’s economy. The share of oil and gas to the export value during

REPELITA III grew at rate of 75.2 per cent on annually average. Parallel to this there had been very satisfactory developments in the overall balance of payments. Surplus in the overall balance of payment had resulted in an increase of foreign exchange earnings of US\$ 2.228 million during REPELITA III. In the meantime, the country's net international reserves stood at US\$ 5.144 million at the end of REPELITA III.

Under Pancasila Democracy, however, the expenditure during the period rose by 274 per cent over the preceding REPELITA to a total of Rp 34.129.2 billion (US\$ 1 = Rp.2250, - in this period), of which 15.1 per cent went to the mining and energy sector, 13 per cent to communications and tourism, 12.4 per cent to agriculture and irrigation, 9.9 per cent education and the rest to other sectors.

The overall target of REPELITA III had been largely achieved, although the average annual growth of GDP was only 6.1 per cent and GDP per capita 4 %, a little bit lower than those of the previous period. The real growth in sector terms noted a yearly rate increase of 4.18 per cent in agriculture with rice production by 6.5 per cent, 9.74 per cent in manufacturing; 14.78 per cent in electricity, gas and water; 8.82 per cent in construction; 7.96 per cent in transportation and communications; 7.8 per cent in trade, financial institutions and other services; while in the mining and energy sector and annual downward trend was recorded of 1.6 per cent.

Improvement of the people's welfare was tangible: the number of inhabitants living below the poverty line dropped from 40.1 per cent of the total population in 1976 to about 26.9 per cent in 1981; the infant mortality rate fell from 103.8 per thousand live births in 1978 to 90.3 per babies in 1983; the crude death rate dropped from 13.4 per thousand inhabitants to 11.9 and the average life expectancy rose from 52 years to 56 years, while the literacy rate grew from 60.9 per cent of total population in 1971 to 71.2 per cent in 1980.

#### **IV. Fourth Five – Year Development Plan: 1984/1985 – 1988/1989.**

Fiscal year 1984/1985 through fiscal year 1988/1989, REPELITA IV put emphasis on the development of the agricultural sector to continue maintaining self-sufficiency in rice, while promoting the industries which could produce industrial machinery for light as well heavy industries. Stress was also put on effort to improve the quality of Indonesian individuals.

The success of the previous REPELITAs was confronted with hard challenges and trials since the nation entered the period of REPELITA IV. The unfavorable global economic developments and trends as well as the drastic drop of oil prices in the world markets induced the Indonesian Government to take bold and effective steps from austerity measures to readjustments and reforms in various fields along with encouraging and

promoting exports of “ non-oil and gas “ commodities. The economic growth during REPELITA IV, 5.1 per cent on a yearly average. With a population growth rate averaging 2.1 per cent per annum during the same period., the real GDP per capita had grown by about 3.0 per cent per annum. In the meantime the real growth in sector terms noted a yearly rate of increase of 3.5 per cent in agriculture ; 13.2 per cent in manufacturing ; 6.4 per cent in trade ; 5.0 per cent in transport and communication ; 2.2 per cent in construction ; 6.0 per cent in other sectors but recorded a decline of 0.02 per cent in mining and quarrying. The inflation rate during the period was recorded at an average of 6.6 per cent per annum. Improvement of the people’s welfare brought the number of people living below the poverty line to drop from 26.79 per cent of the total population in 1981 to about 16.4 per cent in 1987; the infant mortality rate dropped from 90.3 babies per thousand live births in 1983 to 58.0 in 1988; and the average life expectancy rose from 56 years to 63 years.

#### **V. Fifth Five – Year Development Plan: 1989/90 – 1993/1994.**

The Fifth Five - Year Development Plan (REPELITA V), from fiscal year 1989/1990 through fiscal year 1993/1994, is very decisive as it is the final stage of preparation to enter at the outset of the “*Masa Tinggal Landas* “ (take off) era. Thus, the major question to face during the period is how to strengthen more, consolidate and improve development in every sector of the nation’s life to prepare the nation for entering the Sixth Five - Year Plan Development (REPELITA VI). During this period, development in the field of economy was given top priority with emphasis on development in the industrial sector supported by a reliable growth in the agriculture sector. With an average rate of population growth at 1.66 per cent annually during REPELITA V, the country’s economic growth rate correspondingly reached an average of 6.8 per cent annually. Ascribed to such growth is the increase of production in the sector of non-oil and gas, which has grown by 6.9 per cent annually.

The industrial sector during REPELITA V developed an average of 10.2 per cent annually. The agricultural sector, during this period, experienced an annual growth rate of 2.99 per cent, trade 7.9 per cent, transport and communications 9.8 per cent and sector of construction 11.9 per cent respectively.

Changes in the economic structure were expected to take place continuously and increasingly towards a more balanced proportion: the share of industrial sector in G.D.P rose from 14.4 per cent in 1988 to 22.3 per cent in 1993, while on the contrary the contribution on the agricultural sector decreased from 23.2 per cent to 18.5 per cent. The oil and gas sector which accounted for 19.8 per cent of GDP in 1988 it reduced to 10.8 per cent in 1993.

The volume of the State Budget during 1993/1994 reached Rp. 62.651,- billion. Domestic revenues numbered Rp. 52.279, - billion, foreign assistance funds amounted to Rp. 10.379 billion. In the meantime, routine expenditures reached to Rp. 38.799 billion and development expenditures were Rp. 25.661, -billion. Meanwhile, state savings totaled Rp. 13.480, - billion. This mean a substantial increase compared to the



preceding REPELITA 1988/1989 which was Rp. 32.995, - billion, Rp. 23.004, - billion, Rp. 9.990, - billion, Rp. 20.739, - billion, Rp. 12.250, - billion, and the Rp. 2.265, - billion respectively.

Improvement of the people's welfare was tangible: the number of inhabitants living below the poverty line dropped from 60.0 per cent to 70 per cent million of the total population in 1970 to about 137 per cent or 25.9 million in 1993.

## **VI. Sixth Five – Year Development Plan: 1993/1994 – 1997/1998.**

The Sixth Five – Year Development Plan (REPELITA VI ) 1993/1994 – 1997/1998 prioritizes the development of economic sectors, comprising, agriculture and services, in parallel with the enhancement of human resources quality. Then quality of human resources will influence the solutions to various problems of development, not only those productivity and economic growth, but also inequity, poverty, and national stability. This is reflected in living standard, levels of education health status character and morals' ability to develop and to master science and technology, and self-resilience. In accordance with this effort, labor productivity in agriculture is expected to grow by an average of 2.4 per cent per year, industry by 3.7 per cent per year, and in other sectors including the service sector by 1.7 per cent per year.

Economic growth will reach an average of 6.2 per cent per year, accelerating from 6 per cent in the first to 6.6 per cent in the fifth year. With this overall growth rate, per capita income will increase by 4.7 per cent per year and will exceed to US\$. 1000 by the end of the five year period. Around 22 per cent of economic growth is expected to come from increased total factor productivity, 26 per cent from increased numbers of workers and 52 per cent from increased levels of capital stock.

To achieve a 6.2 per cent average annual growth rate, the contribution of non-oil/gas sectors must rise. National productivity coming from non-oil/gas is estimated to grow on an average by 6.9 per cent per year. Non-oil/gas manufacturing will grow at about 10 per cent per year and agriculture will grow on average by 3.4 per cent. Other sectors, including transport services, telecommunications, trade, finance and mining will grow at an average rate of 6.0 per cent per year. As consequence of these sectoral developments, the share of manufacturing in G.D.P. will rise to 24.1 per cent in constant 1989/1990 prices, and the share of agriculture will decline to about 17.6 per cent. The share of other sectors will decline to 58.3 per cent.

During this period, the annual growth rate of non-oil/gas exports is expected to increase by an average of 16.8 per cent per year. Exports of manufactured products will need to grow by 17.8 per cent per year on average. Foreign tourists are expected to reach 6.5 million people at the end of this period, and foreign earnings from tourism is expected to reach about US\$ 9 billion which represents an average of annual increase of 18.6 per cent over the Five –Year period. Foreign exchange remittances from workers employed abroad are estimated to total US\$ 3 billion.

Besides, poverty alleviation is one of the most important aims of promoting

equitable development. The target on this period is to reduce the total number of people living in absolutely poverty to around 12 million, or 6 per cent of the population. To promote equity, the creation of a productive labor force is an important target. Employment opportunities will be created through integrated efforts across different sectors to reduce open unemployment and under employment. Of the total increase in the labor force of 12.6 million workers, agriculture will absorb 1.9 million, manufacturing 3 million, and 7 million will be absorbed by other sectors.

Meanwhile, various efforts by the government under Pancasila democracy have been made to augment "Domestic Revenues" by among other things encouraging oil and gas as well as outside-oil and gas revenues and by improving tax management and services system. For example in 1995/1996 domestic revenues reached Rp. 71.5 trillion, consisting of the oil and gas sector to the tune of Rp.14.8 trillion and non-oil and non-gas Rp.56.7 trillion, while from personnel and corporate taxes amounted to Ro. 20.5 trillion and value-added taxes amounted to 18.3 trillion.<sup>330</sup> For foreign trade, Indonesia has expanded in trade partnerships such as trade alliances with China, Vietnam, and the former Soviet Union.

In attempt to integrate further South East Asia's combine market of 325 million peoples, economic minister from the ASEAN nations endorsed a plan to form free trade among members-countries over the next 15 years.

Also Indonesia under Democracy Pancasila, has taken vigorous steps to enable it to participate more fully and equitably in the process of world trade through successive deregulation and reform packages. The government fully realizes the benefits of relatively open world markets and better access to the Indonesian market. It is signatory to the G.A.T.T. (General Agreement on Tariff and Trade) and a member of the U.N.C.T.A.D. (United Nations Conference of Trade and Development).

#### **e. Relation between State and Society**

A major characteristic of the New Order under Pancasila Democracy is state dominance over society. According to Anderson, the common wisdom among most Indonesian has long been that political life in Indonesia is overwhelmingly dominated by the state.<sup>331</sup> State surveillance of society is extensive. The Indonesian state is present in almost all sphere of everyday life. Village leaders have been recruited as state client who control and monitor almost all activities.<sup>332</sup>

In this case, Baladas Ghoshal has pointed out:

<sup>330</sup> Ibid, P 44 - 45

<sup>331</sup> Beenedict RO'G. Anderson, Old State New Society : Indonesia's New Order in Comparative Historical Perspective, Journal of Asian Studies, Vol. 42, 1983, No.3, P.496

<sup>332</sup> Hans Antlov, Exemplary Centre, Administrative Periphery, Rural Leadership and the New Order in Java, Surrey Richmond :Curzon Press (Nordic Institute of Asian Studies, Monograph Series, No. 68, 1995, P32. .

The Soeharto Government's enhanced control over society has also been realized through a process of comprehensive organization restructuring and militarization of the government apparatus. What was previously a heterogeneous, ramshackle, and often stubbornly localistic bureaucracy has progressively been remade into a far more cohesive instrument of control.<sup>333</sup>

Even the Soeharto's Government through many institutions of the Army like the existence both "OPSUS – Operasi Khusus" (Special Operation) and "KOPKAMTIB – Komando Operasi Pemulihan dan Keamanan" (Operational Command for the Restoration of Security and Order) helped the government to bow down its critics into silence. Even letters of recommendation from various military and civilian officials are necessary for people who apply for work, enroll in high school, move, get married, etc. "the structure of the New Order regime, with a military surveillance system on national, regional and local levels and a very strong presidency, might be compared to the former Soviet Union. The Indonesian military in many respects resemble the Soviet Communist Party, and the Indonesian presidency its general secretary".<sup>334</sup> On the contrary the government controlled by Army since coup in 1966. Outwardly, consecutive Cabinets since 1966 showed the number of military men declining in Cabinet reshuffles. In the 27 member Cabinet appointed by Soeharto in July, 1966, 6 were from the Army and another 6 from the other Services. Army representatives held key positions like Defence and Security and Internal Affairs. In Development Cabinet of June 1968, representation of the Services was reduced from 9 to 6 (the Army from 6 to 4) in a 23 member Cabinets. The Army's representation declined to three after 1971 elections. But key ministries like Defence and Security, interior, industry and the all-important State Secretariat continued to be held by Army Generals. In 1967, when Soeharto became Acting President the proportion of officers to ministers rose to 43 per cent in June 1968, then decline to 33 per cent, and in September 1971 to 22 per cent. Currently on Development Cabinet VII for 1998 – 2003, in the 34 member Cabinet appointed by Soeharto in March 1998 six members were from the Army in the key position State Ministry Co-ordinator for Political and Security affairs, State Minister Co-ordinator for Economic, Financial and Industrial Affairs, Concurrently Chairman of National Development Planning Agency (BAPPENAS – Badan Perancang Pembangunan Nasional) Minister of Home Affairs, Minister of Defence, Concurrently Armed Forces Commander-in-Chief.

Simultaneously however, all positions of Secretary General, the top administrative posts in each ministry have been filled by Generals, including Inspector General in each ministry. Even with a civilian majority they lacked the political backing to exercise real power.<sup>335</sup>

The role of the Cabinet declined to that of administrative coordination. The real function of policy and decision-making came to be exercised by a selected group of officers who were close to Soeharto. Numerous appellations of "inner Cabinet", "Super Cabinet" have been given to this body of assistants. He set up his personal staff "S.P.R.I. = Staf Presiden Republik Indonesia" (Personal Staff of President Republic of

<sup>333</sup> Baladas Ghoshal, Op.Cit, P. 298

<sup>334</sup> R. William Liddle, *Indonesian Threefold Crisis*, "Journal of Democracy", Vol. 3, No.4, 1992, P. 462.

<sup>335</sup> Nawaz B. Mody, Op.Cit, P.143

Indonesia) in August 1966. Clearly this was an “unconstitutional”. By 1968 SPRI had grown to 12 from 6 Army Officers and was considered the “Invincible Cabinet” wielding real power and accusations of “dualism” in the government because of the presence of personal assistants vested with executive powers were common. Even the Commission of Four by Wilopo attacked the existence of SPRI and the extensive powers it enjoyed.<sup>336</sup>

Finally Soeharto’s response to public criticism against SPRI had been to give illusion of bowing to public pressure and disbanding the 12 member body in 1968. But he kept 5 of the most important members in similar posts and gave the title of “ASPRI – Asisten Presiden Republik Indonesia” (Personal Assistants of the President of Republic of Indonesia). Its most prominent, they are: Maj.Gen. Alamsyah Ratu Prawiranegara, Maj.Gen. Ali Moertopo (Special Affairs), Maj.Gen. Sudjono Humardani Economic Affairs), and Maj.Gen. Surjo (Financial Affairs).<sup>337</sup>

The military has also increasingly usurped the top level of the diplomatic and consular corp. Most of the Ambassadors in Asian and Southeast Asian countries have been/ are Generals. Military also control the official news agency, Antara and the influential papers. “Angkatan Bersenjata News” and “Berita Yudha News” reflect the official viewpoint.<sup>338</sup> But in this case according to Lane, the government uses military force to rule but its first concern is not the interests of the military, but the protection of the political and economic interests of the Soeharto family and the big Chinese conglomerates associated with Soeharto.<sup>339</sup>

Besides, according to Ghoshal, apart from political techniques to strengthen control over each and every aspect of Indonesian society, the Soeharto government has sought legitimacy on the basis of its economic achievements. Political participation in decision-making is denied to the masses on the ground that political competition will lead to chaos and instability and this turn will hamper the government’s pursuit of its twin goals, namely economic development and modernization. In practice, the freedom to plan has meant arbitrary formulation of the objectives and methods of economic development by the professional staff closer to Soeharto.<sup>340</sup>

Furthermore, Nawaz B. Mody has pointed out the associated Soeharto she called “the Cendana Group” (Cendana is a palace of President Soeharto at Cendana Street)

### **The Soeharto group called the Cendana groups is detailed**

Company	Soeharto Family and	Chinese or foreign
<sup>336</sup>	Ibid, P. 145	
<sup>337</sup>	Baladas Ghoshal, Op.Cit, P. 298	
<sup>338</sup>	Nawaz B. Mody, Op. Cit, P. 145	
<sup>339</sup>	Max Lane, “ Openness”, <u>Political Discontent and Succession in Indonesia : Political Developments in Indonesia, 1989 – 1991</u> , (Australia : Griffith University, Centre for the Study of Australia – Asia Relations. (Australia – Asia Papers, No. 56, 1991), P. 7.	
<sup>340</sup>	Baladas Ghoshal, Op.Cit, P. 299	

	Associated shareholding	share holding
1. PT. Rumpun Estate	Mrs. Soeharto with Diponegoro Officers and wives, 6 % each.	-
2. PT. Kartika Chandra Hotel	100 %	-
3. PT. Hunurata Logging	100 %	-
4. PT. Waringin Kencana Trade & Crumb Rubber		Liem Sioe Liong Group
	15 %	85 %
5. PT. Bogasari Flour Milling		Lim Sioe Liong Group
	4 %	96 %
6. PT. Indonesia Cement		Liem Sioe Liong Group
	5 %	95 %
7. PT. Kabel Metal		W. Germany
	49 %	51 %
8. PT. Semen Nusantara		Japan
	30 %	70 %
9. Bank Ramayana		Ong Seng Keng and other Chines
	7 %	93 %
10. PT. Mercu Buana Clove Import	100 %	
11. PT. Mercu Buana Contractors	100 %	
12. PT. Mercu Buana Chemicals		Agus Nursalim
	50 %	50 %
13. PT. Multi France Motors		Hendra Wijaya
	25 %	75 %
14. PT. Buana Estate	100 %	-
15. PT. Kedawung Subur Glass		Agus Nursalim
	35 %	65 %

(The Data written in 1987, a Part of the Company of the Cendana's Groups)<sup>341</sup>

As Mody, has stated:

“ Since the Soeharto group is so clearly involved in business activities, Soeharto himself has often condoned the ‘excesses’ among those close to him. His philosophy is that ‘excesses’ can only be

<sup>341</sup> Nawaz B. Mody, Op. Cit, P. 138 139

committed by the higher echelon, while 'corruption' persists among the lower levels and must be dealt with".<sup>342</sup>

As Ghoshal has pointed out by quoting the White Book of the 1978 Student's Struggler, (issued by Ithaca and New York 1970):

" The life style of the family of Mr. President Soeharto has had a great great socio-cultural impact on the majority of our people. Many government officials of all ranks have copied his nepotism towards his children and younger siblings. The fact that the family of President Soeharto has become vastly wealthy since he became Head of State some years ago has given the impression to lower officials that they too have right to act like their President. In this way, the wealth of President Soeharto has exerted a great influence on the development of a 'culture of corruption' in Indonesia."<sup>343</sup>

In this case, Ricklefs has pointed out, that the legitimacy of the New Order was increasingly called into doubt as knowledge of corruption spread Indonesians generally distinguished between low-level corruption, the pay-off to functionaries who could not live on their salaries, to which no one much objected, and the high -level corruption of the elite, which was intensely disliked. Senior military figures who administered state agencies were believed to be milking these for their personal profit. The national oil company PERTAMINA (Perusahaan Pertambang Minyak dan Gas Bumi Negara – State Oil and Natural gas Mining Enterprise) established in 1968, run by Lieutenant General Ibnu Soetowo, was believed to be massive nest of corruption. Throughout the economy, political patronage seemed a surer path to profit than business acumen. Most ominously, the elite of the Presidential Palace was accused of running the nation's affairs as a private source of economy. In particular, rumors identified the President's wife, Siti Hartinah Soeharto, born in 1923, better known as Ibu (mother) Tien, as the nation's leading corrupter.<sup>344</sup>

On the contrary, Mody found another important fund under Soeharto's regime that raising agency was the "BULOG – *Badan Urusan Logistik Nasional* " (National Logistic Board Affairs), which was dominated by military officer responsible up to in 1995 responsible only to Soeharto. It traded in essential commodities like rice. Bulog emerged as the sole purchaser of basic food and commodities, both from overseas and domestic sources and allocated their domestic distribution. Its operations were financed by credit from the Bank of Indonesia. In 1970s scandal involved its head Budiadji in malversations at his trial amounting to Rp. 7 billion (at the time US\$.1 = Rp. 2000) in East Kalimantan. Accusations at his trial that Budiadji had not acted alone were ignored and he was sentenced to life imprisonment. Moreover Budiadji could only account for Rp. 1 billion during his trial and apparently no further investigation of the remaining amount was made.<sup>345</sup>

In PERTAMINA's activities, Mody has pointed out, that " to illustrate, Pertamina's activities expanded in to field outside oil production. They included the

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<sup>342</sup> Ibid, P. 141  
<sup>343</sup> Baladas Ghoshal, Op.Cit, P. 287  
<sup>344</sup> M.C. Ricklefs, Op.Cit, P.276  
<sup>345</sup> Nawaz B. Mody, Op.Cit, P. 135

Far East Oil Trading Co, In Japan and the Tugu Insurance Co., in Hongkong, which extends its activities into petrochemicals, PT.Krakatau Steel, Tankers, tourism, and even a restaurant in New York. Pertamina's funds have been used for non-economic purposes like a television studio in Medan, a \$, 2.5 million sport stadium in Palembang, a travel office, two Hotels in Jakarta, the Bina Graha Building for Soeharto's Office among others. Undoubtedly, it supplemented the funds available to the Army Forces and military leadership.<sup>346</sup> Ibnu Soetowo himself, after saddling Pertamina with a debt of US\$.10.5 billion in 1976, was merely put under 'house arrest'.<sup>347</sup>

Actually, the government does not consider corruption to be misuse of power, and therefore punishable, among higher officials. It considers corruption as dishonesty among minor officials. "Pungli – Pungutan Liar" (illegal exaction) of money, "Kommersialisasi Jabatan" (Commercialising of government posts) and bribes in the economic and financial fields will undoubtedly increase.<sup>348</sup>

Besides, according to Soedardji, a DPR member of PPP faction openly stated that every year the amount of state money being squandered and corrupted comprises 30 per cent of the budget. Based on the 1977/1978 Budget, this means a loss of money to the amount of 1.2 billion rupiah.<sup>349</sup>

Even I.G.G.I. (Inter Governmental Group in Indonesia) aid and G.N.P. (Gross National Product) about 30 per cent disappear into private pockets.<sup>350</sup> Finally, the conclusion of the situation of the economy is "corruption under the New Order prevails on a scale unknown before. Soeharto has been accused of spreading a 'culture of corruption'".<sup>351</sup>

## 2. Foreign policy

The principle underlying Indonesia's foreign policy were expounded for the first time by Mohammad Hatta: 1902 – 1980, on September 2, 1948 at Yogyakarta in Central Java.

In a session of the Working Group of the "Komite Nasional Indonesia Pusat" – K.N.I.P." (The Central National Committee of Indonesia), forerunner of Indonesian Parliament, Vice-President Mohammed Hatta, concurrently Prime Minister and Minister of Defense of the young Republic, clarified the government's stand on various domestic and international issues. Refuting the premise of the People's Democratic Front of the Indonesian Communist Party – PKI, that in the Cold War between USSR and USA the best foreign policy for Indonesia would be to side with USSR.

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<sup>346</sup> Ibid, 134 – 135

<sup>347</sup> Ibid, P.203

<sup>348</sup> Ibid, P. 142

<sup>349</sup> Loc.Cit

<sup>350</sup> Ibid, P. 203

<sup>351</sup> Loc.Cit

According to Michael Leifer, that in principle, Indonesian foreign policy, as it emerged after the internal transfer of power, reinstated a former course rather than pursuing a novel one. Novelty obtained but it arose, in part, from a change in style and not from the reintroduction of an idiom identified with the view of former Vice-President Mohammad Hatta. The rhetoric of Soekarno as was repudiated and membership in anti-imperialist exist revoked, buy an underlying continuity was maintained because the new political leadership, although fervently anti-communist, had given up neither opposition to membership of military alliance nor an aspiration to a pre-eminent role in regional affairs. That continuity was qualified in a novel form by a progressive economic association with industrialized capitalist states which was, in effect, an alignment. The traditional idiom of foreign policy served to blur the features of that alignment.<sup>352</sup>

As Mohammad Hatta has argued, that the government is of the firm opinion that the best policy to adopt is one, which does not make us the object of an international conflict. On the contrary, we must remain the subject who reserves the right to decide our own destiny and fight for our own goal, which is independence for the whole of Indonesia".<sup>353</sup> The above statement was in indication of the golden mean Indonesia would apply in International relations, which later became known in Indonesia as "Mendayung antara dua karang" (rowing between two reefs). The change of style and emphasis owed much to the leadership of Soeharto under Pancasila Democracy who whittled away the political base of President Soekarno under Guided Democracy. Soekarno was obliged to give up office in March 1967.

Foreign policy under Guided Democracy, however, which evoked a nationalist response gave Soekarno great freedom of political manouvre without arousing internal discord. " In this respect, his motives were undoubtedly mixed. Personal vanity and position co-existed with a concern to promote national unity, and there could be no better in the context of Guided Democracy than foreign policy".<sup>354</sup> Even in his autobiography, he alludes this priority, and he said, " Indonesia must overcome self-consciousness and inferiority. She needs confidence. That I must give her before I'm taken away. Today Soekarno alone is the island together will be their national pride".<sup>355</sup>

Besides, Soekarno's practice of foreign policy attempts to transform a limited international role to attain a position of eminence and leadership among other post-colonial states. His dreams were never realized, because the Western world was never prepared to accept him on his own term.

In general, foreign policy objectives under guided Democracy, Soekarno set out to challenge the successor to Dutch colonialism described as the forces of "Nekolim" : an acronym for Neo-Colonialism, Colonialism and Imperialism, coined by Army

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<sup>352</sup> Michael Leifer, *Indonesia's Foreign Policy*, ( London, Boston and Sydney : The Royal Institute Affairs by George Allen & Unwin, 1983), P. 111

<sup>353</sup> M. Hatta, *Mendayung Antara Dua Karang*, "- Rowing Between Two Reefs, ( Jakarta, 1976). P.3.

<sup>354</sup> Michael Leifer, Op.Cit, P. 55 – 56

<sup>355</sup> Ibid, P. 56



Commander Lieutenant General Ahmad Yani. According to Soekarno, “ that Nekolim was the 1960s version of the anti-imperialism of the 1920s, designed to fit a situation where direct colonial rule had been thrown off but where imperialism in the form of economic domination or of Western spheres of influence still existed. In posing this challenge, Soekarno demonstrated that he was a decade ahead of his time.”<sup>356</sup>

On the contrary Soeharto was a very different public personality from Soekarno. He was an authentic son of Java in spiritual outlook and his ability for political manipulation. A field Commander of distinction during the national revolution, his formative experience had contributed to strongly held views about the need for the Armed Forces to play a central role in political life in order to sustain a fragile national unity. In contrast to his predecessor, he rejected a flamboyant and heroic style of leadership for quiet dignity. As mentioned earlier on Chapter II, “*Super-Semar : Surat Perintah Sebelas Maret*” ( 11 March Letter of Command), giving General Soeharto sweeping power to take action as he saw fit to restore as the basis of Soeharto’s legitimacy, enabling him to reverse many of Soekarno’s policies.

According to Dewi Fortuna Anwar, “ with Supersemar in hand, Soeharto and his associates were able to reverse major aspects of Soekarno’s foreign policy, both at the international and regional level. The New Order ended Indonesia’s special link with the PRC, allowed attacks against the Chinese and PRC (People’s Republic of China) property in Indonesia, and officially ‘froze’ diplomatic relations with Beijing by October 1967”<sup>357</sup>.

In its practice of foreign policy, the Soeharto government under Pancasila Democracy sought to maintain a viable balance between continuity and change which would serve to reconcile the imperative of development and the element of aspiration in the independent and active formula. For the new military leadership, repudiation of the rhetoric and affiliations of the New Emerging Forces did not mean any less concern for the integrity and unity of a geographically fragmented and socially diverse archipelago.<sup>358</sup>

After the first stage in the process of ending confrontation with Malaysia, the constitutionally supreme People’s Consultative Assembly promulgated in July 1966 a revised statement of foreign policy which all associations with Soekarno’s international outlook were excluded. Foreign policy was deemed to be based on Pancasila and the 1945 Constitution; its character was described as: “ Independent and active, opposed to imperialism and colonialism in all their forms and manifestations, and participating in implementing a world role based on independence, abiding peace and social justice”<sup>359</sup>

This statement combined a traditional formulation with the idiom of Bandung. In practice, foreign policy would be geared to the repair and refurbishment of the economy

<sup>356</sup> Ibid, P. 57

<sup>357</sup> Dewi Fortuna Anwar, Op.Cit, P. 40

<sup>358</sup> Michael, Op.Cit, P. 128

<sup>359</sup> Departement Information, Indonesia’s Foreign Policy As Based on the Pancasila Principles, (Jakarta., 1966), P.5.

and the sustained assertion of a regional role devoid of the bombast and belligerency of Soekarno. These principles of the independence and active foundation of the foreign policy of Indonesia meant:

- a). The policy is “independent” because Indonesia does not side with world powers. As a matter of principle, so doing would be incompatible with the country’s national philosophy and identity as implied in Pancasila.
- b). The foreign policy is “active“ to the extent that Indonesia does not maintain a passive or reactive stand on international issues but seeks active participation in their settlement.<sup>360</sup>

In other words, Indonesia’s independent and active policy is not a neutral policy, but it is one that does align Indonesia with the super powers nor does it bind the country to any military pact. Essentially, it is a policy designed to serve the national interest while simultaneously allowing Indonesia to cooperate with other nations to abolish colonialism and imperialism in all their forms and manifestations for the sake of world peace and social justice. This explains why Indonesia was one of the founding members of the Non-Aligned Movement.<sup>361</sup>

Actually, the primary objectives of any country’s foreign policy is a reflection of its national aspiration vis-a-vis the rest of the world. Because it is a component of the country’s geopolitical strategy. Based on these premises, the primary objectives of Indonesia’s foreign policy based on the Preamble of the 1945 Constitution republic of Indonesia are:

1. To support national development with priority on economic development, as set out in the Five - Year Development Plans;
2. To preserve internal and regional stability conducive to national development;
3. To protect the territorial integrity of Indonesia and safeguard the people’s place of abode.<sup>362</sup>

Furthermore, the pursuit of the above objective, MPR’s Decree, No. II/MPR/1993 outlines Indonesia’s foreign relations as follows:

Foreign relations shall be conducted on the basis of the independent and active foreign policy and dedicated to the national interest, especially to supporting national development in all spheres of life, and for the purpose of establishing a world order based on freedom, lasting peace and social justice.

International relations should aim to strengthen international and regional friendly relation and cooperation through various multilateral and regional channels, in

<sup>360</sup> Indonesia 1997, Handbook..., Op.Cit., P.53

<sup>361</sup> Ibid, P. 53

<sup>362</sup> Ibid, P. 53-54

accordance with the national interest and potentials. In this regard, the positive image of Indonesia abroad should be enhanced such as by way of cultural activities.

Indonesia's role in settling international problems, particularly those threatening peace and contrary to justice and humanity, shall be continued and intensified in the spirit of the "Dasa Sila " (Ten Principles) Bandung. Any international developments and changes shall be watched carefully in order that appropriate steps can be promptly taken to protect national stability and development from any possible negative impact. At the same time, international developments that provide opportunities to assist and speed up national development should be seized and fully exploited.

Indonesia's international role in promoting and strengthening friendly relations and mutually beneficial cooperation among nations should be intensified. The country's effort to achieve national targets, such as the realization of the Archipelagic Principle and expansion of its export markets, should be continued.

In order to help in the establishment of a New World Order, based on freedom, lasting peace and social justice, greater efforts should be made to strengthen solidarity and develop a common stand and cooperation among developing nations through various international organization, such as the United nations, ASEAN, the Non-Aligned Movement, the Islamic conference Organizations, etc.

For the specific objective of building a New World Economic Order steps should be continued with other developing nations, to speed up the realization of an international agreement on commodities, to remove trade barriers and restriction imposed by industrial countries, and to broaden economic and technical cooperation among developing countries. Efforts to establish a new information and communication order should be continued.

Cooperation among the public and private sector of ASEAN on economic, social and cultural cooperation. This, in turn, would reinforce the national resilience of each member-country and the regional resilience of ASEAN, thus enhancing the common endeavor to build a Southeast Asian Zone of Peace, freedom, neutrality and prosperity. Furthermore, greater cooperation should be fostered among the countries of the Southeast Asian and the Southwest Pacific regions.<sup>363</sup>

The most important foreign policy departure was in Indonesia's relation with the West. The New Order officially abandoned Soekarno's NEFOS Versus OLDEFOS ideology, which had set Indonesia on a collusion course against the West. The Government then took steps that would restore Indonesia to the fold of the international community and the good graces of the Western countries. Indonesia re-entered the United Nations in September 1966 and renewed its membership in the various UN agencies and other important international bodies such as the International Monetary Fund (I.M.F.) and World Bank. Soeharto and his associates also reversed Indonesia's confrontative policy in the region by normalizing relations with Malaysia and actively promoting and participating in a new regional association, ASEAN. All these measures were taken to facilitate the government's policies in the pursuit of domestic political

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<sup>363</sup> Ibid, P. 54

stability and economic development, the win objectives used by the New Order leaders to legitimize their political domination.<sup>364</sup>

Earlier 1964 the army had initiated secret moves to end the confrontation against Malaysia. At the official level, however, the “Ganyang Malaysia” campaign continued unabated. Even after the “GESTAPU” affair the confrontation policy under Soekarno regime was not immediately abandoned, though the activities were mostly confined to verbal attack against Malaysia. In February 1966 Soekarno denied the rumors as announced by Radio Malaysia that Indonesia had been extending peace feelers towards Malaysia. On 23 February he announced the Transformation of “KOTI – Komando Teringgi”(Highest Command) into “KOGAM – Komando Ganyang Malaysia” (The Crush Malaysia Command), with himself as the Commander –in-Chief, and Soeharto as the Staff Commander<sup>365</sup>

But things changed dramatically after 11 March. With Authority of “Supersemar” the New Order leaders were finally able to admit publicly that Indonesia was moving towards a peaceful end of the confrontation. Maybe due to pressure from the Army, or because he realized the futility of his stance, Soekarno’s attitude softened and he admitted at a KOGAM meeting that “Konfrontasi” could be ended peacefully.<sup>366</sup> Adam Malik then made a more definite announcement that Indonesia was going to normalize its relations with Singapore.<sup>367</sup> From then on events move rapidly, with formal diplomatic negotiation led by the foreign ministry dominating the scene. An Indonesian diplomatic mission went to Bangkok to confer on 30 April with Philippines officials who acted as mediators in the Indonesian – Malaysia dispute. In May, a high-level delegation led by Adam Malik had a meeting with an equally high-level.

On 6 June 1966 Indonesian officially recognized Singapore, which had been separated from Malaysia in the previous year, and 11 August, the normalization agreement between Indonesia and Malaysia was signed by Adam Malik and Tun Abdul Razak in Jakarta. KOGAM was abolished a week later. Nevertheless, full diplomatic relations between the two countries were only resumed in the following year after the establishment of ASEAN. Soeharto and his associates, who were engaged in various other ideological adjustments at the same time, did not want the move to seem to be too precipitous. They also wanted to ensure that a face –saving formula could be worked out that would enable Indonesia to recognize Malaysia without invalidating the former’s justifications for opposing the federation.<sup>368</sup>

In ending the confrontation the army played a very important role, although the final negotiations and agreements were undertaken mainly by Adam Malik and his assistants from foreign ministry.<sup>369</sup>

The speedy process by which Indonesia and Malaysia finally normalized their bilateral relations after “Super Semar” was mainly due to the ground work that had been

<sup>364</sup> Dewi Fortuna Anwar, *Op.Cit*, P. 40

<sup>365</sup> *Ibid*, P. 40 – 41

<sup>366</sup> *Berita Yudha News*, 4 April 1966, P. 1

<sup>367</sup> *Berita Yudha News*, 12 April 1966, P. 3

<sup>368</sup> Dewi Fortuna Anwar, *Op.Cit*, P. 41

<sup>369</sup> *Ibid*, 102

laid by “OPSUS- Operasi Khusus” (Special Operation), particularly by Lieutenant Colonel Ali Murtopo, Major L.B. Benny Moerdani, and Captain A. Ramly, assisted by Brigadier General Soepardjo Roestam, an Army man with long experience in the Foreign Affairs Department who had been Indonesia’s military attache in Kuala Lumpur before “Konforantasi”. OPSUS had kept the foreign ministry in the dark about its Malaysian contact before March 1966, since the ministry was dominated by pro-Soekarno nationalist who had been at the forefront of the “Crush Malaysia” campaign. After Adam Malik’s appointment to the foreign ministry structure as a whole was still by pass until some time later when it had been purged of Soekarnoist elements. It was the OPSUS people, assisted by Soepardjo Roestam, who visited Malaysia in secret to collaborate with Kuala Lumpur on a face-saving formula that would be acceptable to Soekarno and Government as a whole.

After “Supersemar” and before the high-level diplomatic activities took place, Soeharto also instructed KOGAM to establish semi-official contacts with Malaysia. The involvement of KOGAM, the official military organ created for the “Crush Malaysia” campaign, in the peace initiative more than anything else of the seriousness of Indonesia’s intention to end the confrontation. Brigadier General Soenarso, Head of KOGAM’s political section, headed the KOGAM mission. The diplomatic activities led by Adam Malik, therefore, only formalized initiatives taken by the various army groups. Moreover, the diplomatic mission always included army personnel from both OPSUS and KOGAM.

Although the same people were involved in the negotiations to end “Konfrontasi” and the formation ASEAN, it cannot be said that regional co-operation was already part of the negotiating agenda of the ending confrontation. Ideas for a new regional organization were the offshoots of the normalization talks between the Indonesian and Malaysian foreign ministers and their host, the Thai foreign minister, in Bangkok on 1966. The activities of OPSUS were kept secret even from the rest of the Army command. For, instance, Yoga Soegama, Ali Murtopo’s superior at “BAKIN - Badan Koordinasi Intelejen” (Intelligence Co-Ordinating Body) was not kept fully informed by his subordinate. Finally Adam Malik was given a central role to play at the official level, leading Indonesia’s diplomacy mission, while his special link with the Permanent Secretary of Malaysia’s Foreign Ministry, Datok Ghazali bin Syafei, was out to good advantage.<sup>370</sup>

At the time that confrontation was about to end, Thailand, Malaysia and the Philippines were on the point of reviving the A.S.A. – Association of Southeast Asia, established on July 1961 in Bangkok. The New Order leaders saw several benefits in Indonesia participating in regional cooperation immediately in the wake of confrontation. ASA, constituted a feeble substitute for the S.E.A.T.O. – South East Asia Treaty Organization, with which regional members had become increasingly disillusioned.

Soeharto’s regional vision expresses longstanding view, held particularly within the Armed Forces, about the management of inter-state relations within South East Asia and also about Indonesia’s assumption of primary role in promoting a system of

<sup>370</sup> Ibid, P.42-43

regional order. In 1966, enthusiasm for regional cooperation was combined with a determination to ensure any such venture would be established on Indonesia's terms, if within a framework of reconciliation. Hence, the reference by Soeharto to reviving the idea of MAPHILINDO = Malaysia, The Philippines and Indonesia (the brainchild of an incarcerated Dr. Soebandrio Ex. Minister of Foreign Affairs in Soekarno's regime). The governments of Thailand and the Philippines responded vigorously to Soeharto's expression of interest and sought, initially, to promote a "South East Asian Association for Regional Cooperation- S.A.A.R.C.". But a part from the problem of devising appropriate terms of reference, it took a little time to convince Malaysia's Prime Minister Tunku Abdul Rahman, of Indonesia's good intent, especially as the two states had not yet restored diplomatic relations. The Indonesian government, the object as well as the beneficiary of this logic, was fully conscious of both intended functions of regional cooperation from the outset.<sup>371</sup>

Finally, on 8 August 1967 in Bangkok negotiations culminated in the establishment of a new ASEAN - Association of South-East Asian Nations, comprising Indonesia, Thailand, Malaysia, Singapore and the Philippines. Today, ASEAN consists of nine states inter alia: Indonesia, Thailand, Malaysia, Singapore, the Philippines, Brunei Darussalam, Vietnam, Laos and Myanmar. In the Preamble to the ASEAN Declaration that the five governments committed themselves to the Indonesian-inspired view that:

"The countries of South-East Asia share a primary responsibility for strengthening the economic and social stability of the region and ensuring their peaceful and progressive national development, and that they are determined to ensure their stability and security from external interference in any form or manifestation in order to preserve their national identities in accordance with the ideals and aspiration of their peoples".<sup>372</sup>

Moreover, in his report to the MPR in March 1968, President Soeharto was explicit in stating the ASEAN had been formed 'at Indonesia initiative'. So, within ASEAN, initial relationships were mixed, as exemplified by the different quality of contact with Malaysia and Singapore. And with the formation of ASEAN in August 1967, Soeharto's government had set well in train a process of international rehabilitation. It had attracted the special consideration, benefaction and economic appetite of the Western world, especially Japan and the United States, while seeking to avoid an obtrusive political relationship. This revision of the external affiliations had come as a direct consequence of the internal political changes flowing directly from the outcome of the abortive coup in September 1965. Correspondingly, external affiliations with the communist states revised adversely.<sup>373</sup>

Relations with the USSR had deteriorated visibly during the course of confrontation against Malaysia. The high point of Indonesian-Soviet 'entente' had been reached during the earlier confrontation against the Netherlands but gave way to a less cordial association as both the PKI and the government in Jakarta entered into close

<sup>371</sup> Michael Leifer, *Op.Cit.*, P.120.

<sup>372</sup> *Ibid.* P.102

<sup>373</sup> *Ibid.* P.122-125.

alignment with the Communist Party and the Government of China respectively. Indeed, Soviet annoyance with Soekarno's regime became increasingly evident during 1965 because of its unwillingness to support Moscow's participation in the abortive Afro-Asian Conference.

Finally, Indonesian participation in a regional association also emphasized the fact the government had abandoned the NEFOS versus OLDEFOS ideology, since the country was now willing to co-operate of being neo-colonies. In short, participation in a regional association, on top of its new anti-communist credentials, could be expected to make Indonesia bask in the West's favor, thus making the United States and its allies willing to undertake a large-scale economic rescue operation for Indonesia.

Furthermore, political co-operation was only incorporated into the formal ASEAN activities at the first Summit in Bali, Indonesia, in Februari 1976. During this Summit the ASEAN heads of government signed the Declaration of ASEAN Concord on 24 February 1976, in Bali –Indonesia, which became the framework for ASEAN political co-operation in the future. At this meeting, the aims and purposes embodied in the Bangkok Declaration of 1967 were reaffirmed. Two major documents were signed: the Declaration of ASEAN Concord and "Treaty of Amity and Cooperation in South East Asia. The Summit also endorsed the concept of "ZOPFAN – Zone of Peace, Freedom and Neutrality," for South-East Asia, introduced in Kuala Lumpur on 27 November 1971, as the objective of ASEAN political cooperation. Another important by Indonesian supported on political document that was produced by the First ASEAN Summit was the "T.A.C.- Treaty of Amity and Co-operation" in South East Asia. This treaty sets out the rule of conduct for countries in South East Asia in their relations with each other. The signatories of this treaty agree to renounce threat or the use of force to settle disputes, and only to resolve conflicts through peaceful means.<sup>374</sup>

Despite the lack of consensus on ZOPFAN, which made in difficult for ASEAN to campaign that some progress should be made towards the creation of ZOPFAN in the region. It vigorously campaigned for the recognition of South East Asia as a " Nuclear Weapons, Free Zone" (NWFZ), which it argued was a component of ZOPFAN. The 1971 Kuala Lumpur Doctrine had noted the trend towards the establishment of nuclear-free zones, such as in the " Treaty for the Prohibition of Nuclear Weapon in Latin America" (Tlateloco Treaty) in 1972 and the same year the "Lusaka Declaration", proclaiming Africa a nuclear-free zone.<sup>375</sup>

The matter came to the fore again after the ASEAN Task Force, at Indonesia's suggestion, recommended that ASEAN should strive for the attainment of a NWFZ in South East Asia. The recommendation was accepted by ASEAN foreign ministers in 1983 and was discussed again at the foreign ministers' A.M.M. (ASEAN Ministers Meeting) in Jakarta July 1984. The International acceptance of the N.W.F.Z. concept was regarded by the Indonesian government, particularly the Foreign Ministry, as an

<sup>374</sup> Departement of Foreign Affairs, Op.Cit, P. 57.

<sup>375</sup> Mutiah Alagappa, Towards a Nuclear-Weapon, Free Zones in South East Asia, "ASEAN series", ( Kuala Lumpur : Institute of Strategic and International Studies, 1987), P. 1.

important step towards realization of ZOFPAN.<sup>376</sup> As Soedjati Djiwandono from the CSIS – Central Strategic International Studies, has written, “ a NWFZ for South East Asia would help prevent horizontal proliferation of nuclear weapons and reduce the likelihood of the region becoming a target attack.”<sup>377</sup>

Equally important, however, it is no secret that Indonesia sees, “the NWFZ scheme as a means to reinforce the Archipelagic Principle and further ensure its implementation.”<sup>378</sup> Indonesian Foreign Minister Prof.Mochtar Kusumaatmadja succeeded in persuading ASEAN to adopt the NWFZ issue in the agenda of the Third ASEAN Summit in December 1987.

Despite the formal adoption of the NWFZ concept, however, the ASEAN countries also remained divided about the desirability of its realization. It was even reported that Singapore, Thailand and the Philippines were basically opposed to the NWFZ idea. Thailand and the Philippines were tied in a military alliance with the United States, while Singapore (as has already been seen earlier) had no interest in reducing the presence of the major powers, particularly the United States, in the region, and the United States had made no secret of its opposition to the NWFZ idea. Moreover, Singapore is a port that is basically dependent on international traffic and it obviously did not want to prejudice potential customers by supporting the NWFZ idea. On the contrary, a Malaysian security analyst argued:

“The security benefits that are likely to accrue from declaring South East Asia nuclear-weapons free zones are rather marginal. Should the United States react in an unfriendly manner, it could complicate ASEAN-USA relations which adverse political, security and economic consequences for individual member countries of the association as a whole.”<sup>379</sup>

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<sup>376</sup> Dewi Fortuna Anwar, *Op.Cit.*, P.181.

<sup>377</sup> Soedjati J.Djiwandono, South East Asia as a Nuclear-Weapons Free-Zones, "ASEAN Series", (Kuala Lumpur : Institute of Strategic and International Studies, 1986), P. 6.

<sup>378</sup> Ibid, P.4.

<sup>379</sup> Ibid, P. 19



## CHAPTER IV

### CONCLUSION

It has been generally believed that democracy is interpreted as government of the people, by the people, and for the people. To be sure, the modern concept of democracy prevailing in Western countries are not quite identical with the original concept, insofar as the latter has been modified by political liberalism, the tendency of which is to restrict the power of government in the interest of freedom of the individual.

But, in fact, each country has its own way and characteristics in implementing the concept of democracy. The way of implementing it is open to debate as the interpretations of democracy vary in accordance with:

- (a) The way the government of the country should and wish to govern the state,
- (b) The system of government has been adopted,
- (c) The country or state's formal philosophy adopted and practiced
- (d) Historical values, tradition, religion, and cultural background of the country.<sup>392</sup>

Furthermore, democracy is a pattern of government in which an authority and power derives from the people to govern the people. Conceptually all members of the society are expected to participate in governing a state. The participation of the people is made through a general election to elect a head of state, representatives in the legislative bodies (parliament) in the Lower House of Representatives and the upper house of the Senate or Assembly. In case of Indonesia according to the 1945 Constitution, the lower house is known as "D.P.R. = *Dewan Perwakilan Rakyat*" (People's Representatives Council) and upper house is known as "M.P.R. – *Majelis Permusyawaratan Rakyat*" (People's Consultative Assembly).

What is unique in Indonesian political history is that both "Guided Democracy" under Soekarno's regime and "Pancasila Democracy" under Soeharto's regime claimed that both democracy system used and adopted the Indonesia's 1945 Constitution including the Five Principles of Pancasila as formulated prior to the Indonesian independence in August 1945.

The system of both Guided Democracy and Pancasila Democracy are based on the Five Principles of Pancasila, especially the fourth's Sila stated "Democracy Guided by the Inner Wisdom in the Unanimity Out of Deliberation Among Representatives". Pancasila's fourth principle asserts that the state should abide by a commitment to Indonesian –style of democracy. This principle incorporates idealized concepts of traditional village governance. The concepts are known as "Musyawarah" (consultation) and "Mufakat" (consensus). The ideal is that decisions are reached only after all members of a community have had an opportunity to present their opinion

<sup>392</sup> BP.7 Pusat, P.115

(consultation) and then, only after all participants unanimously agree, is a consensual, harmonious decision reached. As interpreted by both Soekarno and Soeharto, this principle implicitly argues the Western forms of parliamentary or party democracy are incompatible with traditional processes of Indonesian political decision making.

Soekarno claimed that Guided Democracy in the Indonesian system was based on the family principle, without the anarchy of liberalism and without the autocracy of dictatorship. From the family principle was born the five principle of Pancasila.<sup>393</sup> On the contrary, Soeharto claimed that the New Order is the pure implementation of the 1945 Constitution.

But the implementation of the both the Guided Democracy and the Pancasila Democracy depended on the leadership style of Soekarno and Soeharto respectively. Actually, both Soekarno and Soeharto emerged as major political power wielders in a crisis situation, but the nature and character of the crisis differ. In case of Soekarno, the crisis was constitutional and the battle was fought at the initial stage within the framework of Parliamentary Democracy. The crisis as perceived by him was : political competition among the parties led to political instability; party competition also coincided with other conflicts in the Indonesian society, i.e, regional, ethnic and religious, Soekarno, allying himself with the P.N.I., and radical nationalist splinter groups, the communists, and a dominant group in the army, and acting sharply against the Masyumi and P.S.I., move to establish a new form of government in which liberal or "50-plus one" democracy would be replaced by "Guided Democracy". The reaction to Soekarno's move was the rise of army officer, led movements in several of the island out side Java, movements which combined anti-Communist and anti-Soekarno sentiment with demands for greater autonomy for the outlying areas. By the middle of 1958 the rebel officer who had led regional movements and had proclaimed a counter government were militarily crushed, the Masyumi and PSI that had either participated or sympathized with them had been eclipsed (later to be banned), and a new regime had been established on narrower foundation, with Soekarno sharing power with the leaders of the army. The new system was formalized on 5 July 1959 with the return of the 1945 Constitution, which replaced the more liberal Constitution of 1950 and provided a legal foundation for strong Presidency.

Soekarno's regime was by no means a democratic one. With the help of the army, which played a very significant role during the period of "Guided Democracy" following the declaration of Martial Law in late 1957, Soekarno was successful in reducing the role of the political parties in the political process of the country. Moreover, he imposed a firm check on various divisive debates by insisting that all who participated in public life should be active adherents to political manifesto. The constant theme during Soekarno's Presidency was the continuation of 'revolution'; heroic and inspirational leadership were the order of the-day and large sections of the worker and peasant population were mobilized for participation in the government's patriotic causes. The important role played by the PKI during this period was due to variety of factors, namely, its organizational ability, unity within the party and sense of dedication ; its needs as a balancer against the growing strength the army ; finally its identification with Soekano's ideology.

<sup>393</sup> Departement Of Information Of Republic of Indonesia, Independent Day, 1959, P. 19.

Furthermore, prior to President Soekarno's issuance of the Manifesto Politic, he issued a Presidential Decree on July 1959. Then became Soekarno's political doctrine, which then became a "blue-print" of Indonesia's Guided Democracy. Finally, the Manifesto Politic stipulated by Soekarno as Overall Development Planning in 1960-1961, not based on the 1945 Constitution, especially Article 23, point (1), states:

"The estimates of revenue and expenditure shall be fixed each year by statute. Should the DPR not agree to the estimates proposed by the Government, the government shall work to the estimates of the previous year. It means, beside the President there is the DPR, and the President should be agreed by the DPR to make laws and decide the state's budget"

On the contrary, the crisis under which Soeharto emerged as a the leader of the country was a violent one, resulting from a pro-Soekarno and pro-Communist Coup by Lieutenant Colonel Oentoeng on the night of 30 September 1965 and its successful suppression by (then) Major General Soeharto on 1 October 1965. Soekarno's authority was undermined by his inability to restore the pre-coup co-operation between the parties under the Nasakom concept and the killing of the six Generals on the PKI. Soeharto used this and the army in collaboration with the Islamic groups, who had suffered privations during the later years of Guided Democracy, to gradually erode Soekarno's power. Side by side, the army began a massive campaign to destroy the PKI, arresting a large number of its cadre and allowing local anti-Communists to deal with their Communist enemies as they deemed it. The extermination of thousands of Communist cadres and hundreds of thousands of party followers and symphatizers is the fundamental factor of the New Order. Students consists of *Kesatuan Aksi Pemuda Pelajar Indonesia - K.A.P.P.I.*(Indonesian Graduates' Student and Youth Action Front) and *Kesatuan Aksi Mahasiswa Indonesia - K.A.M.I.*(Indonesian Student Action Front) sometimes on their own and sometimes at the instigation of the army, played a very important role in bringing about the fall of Soekarno. Their demonstration organized by the military, forced Soekarno on 11 March 1966 to entrust General Soeharto with the power to maintain law and order and bring about the country's stabilization. This mandate was, used by Soeharto to take over Soekarno, s political prerogatives and through a series of stage-managed actions both inside the MPRS decision-making body under the 1945 Constitution, and out side it, he was able to ease Soekarno completely out of power. On 12 March 1967 Soeharto became the acting President and after the lapse of another year, on 27 March 1968 President. By that time, the MPRS had been thoroughly overhauled so as to remove those who had any association with the earlier regime, not to speak of those who had close connections with either Soekarno or the PKI. The same was done in regard to Parliament.

Both Soekarno and Soeharto tried to create a political system, which was designed, regulated and directed and imposed from above. Both curbed activities of the parties, denied the scope of any dissent to their system of government, curtailed Press freedom and imprisoned their opponents. Soekarno banned the Masumi and PSI, as Soeharto banned the Communist.

During Soekarno's period between 1959 – 1965 the President enjoyed at least

formally all powers of the States and the Government. Both the Cabinet and the DPR-GR were appointed by him and continued in office during his pleasure. Number of Government institutions were created with the President as the Head of State. Differences among the three wings of the Armed Forces provided a further opportunity to the President to concentrate still more powers in his hands. On 16 December, 1960, the President extended for indefinite period, the State of Emergency proclaimed in 1957. On January 12, 1960, President promulgated the Law Parties Decree, No. 7/ 1960, gave the President or executive wide direction in licensing or prohibiting parties. Another Presidential Decision, No. 13 / 1960, was promulgated in order to dissolve political parties having less than 150.000 members. Also in January 1960, President issued Decree No. 12/1960, establish the new 'temporary' structure of the Constituent Assembly under 1945 Constitution, with the President appointing all members. In May 1965, the ' Angkatan V' (The Fifth Forces) established beside Army, Navy, Air Force and State Police, and on July 1965 it began giving short training courses to civilian from PKI's mass organizations at Halim Perdana Kesuma. He thus became a virtual dictator of Indonesia. On 5 March 1960, President Soekarno dissolved the elected parliament because of parliament's rejection of the President Soekarno' Government budget. On 25 June 1960, a new "Gotong Royong " Parliamentary was sworn, and about half of its members were from political parties, the Masyumi keeping out. The rest were from Functional Groups including the Armed Forces. On 17 August 1960, the Masyumi and PSI were banned. And through MPRS Decision No. III/ MPRS/ 1963, appointing Soekarno as President for Life.

In 1964, on orders of President Soekarno ' a Revolution Fund " had been formed, in which it could only be drawn and controlled solely by the President. The funds were raised collecting contribution from businessmen who had received import by permit with a special deferred payment. The goods imported using this special deferred payment system were not goods needed by people or by the industries, but mostly goods useful for speculation by the importers. In this period, the failure in economic sphere and instability made direction of political development was unclear and galloping inflation, which were over 650 % per annum.

In the Guided Democracy all decisions were made solely by the President without regard with due process of parliament, according to 1945 Constitution. However, PKI misused President's trust and miscalculated the general feeling of the public including ABRI and Students. The miscalculation was resulted in failed coup d'etate in September 30, 1965. Seen from that point, PKI in some degree involved in engineering the introduction of the Political Manifesto that led to creation of the Guided democracy. At the same time, PKI was also directly involved and responsible for the ending of old Order era and the Guided Democracy. The end of the Guided democracy signified the beginning of the New Order with the introduction of the Pancasila democracy.

The main task of President Soeharto under Pancasila Democracy as an effort to create stability, and success in coping with inflation, as mentioned about 650 % annually before present government earlier 1966 and was brought down to 112 % in 1967, reduced to 85 % in 1968, and below 10 % since 1969 up to present time in 1995. But every year 30 % of IGGI and GNP disappears into private pockets.

Besides, Soeharto's regime launched Ministerial Regulation No. 12/ 1969, stating that all members of Functional Groups ( including Civil Servant ) in provincial and local bodies would be replaced if they were affiliated to political parties. Another Government Regulation, No.60/1970, the concept "Mono-loyalty" in order to prohibiting civil servants from carrying out political activities conflicting with their position as civil servant and concept " Floating Mass," stating that no political party would be allowed to operate at the village in order to that the mass were to be de-linked from political parties, was designed to ensure that divisive party-based politics linked communal, religious, and ideological issues did not surface and distract the nation from development.<sup>394</sup>

Another Government Rule, Act No.2 /1985 launched in order to govern the composition of the membership of the MPR and DPR. 100 members of the 1000 membership of the MPR (upper house) appointed by President, and 75 members of the 500 membership of the DPR (lower house) appointed by President for Armed Forces seats. Besides, based on Act No. 3/ 1985, the Government under Pancasila democracy only allowed PPP, PDI and Golkar as the contestant in general election, and through Act. No. 8/ 85, stating that all political party and social organization shall adopt Pancasila as their sole basis principle. In other words , that the 1973 consolidation (simplification) of the nine existing political parties into two parties plus Golkar became the structural realization of Pancasila Democracy and Indonesian had given their approval to the New Order, which in turn promised the people that the government would faithful implement Pancasila, and the party structuring was carried out because of the people's wish to follow Pancasila.

Indeed, all the government's regulations under Soeharto's regime was launched above, the current government argued that was based on the 1945 Constitution ,especially article 5, stated :

(1). The President shall hold the power to make statutes in agreement with the DPR. (2). The President shall determine the government regulations necessary to implement statutes.

In generally, the way of the regulation process based on "Musyawarah " (Consultation ) and "Mufakat" (consensus), referred to the (Decree of MPR, No. I /1978, Article 87(2), stated :

" Consensus and/ or decision taken is based upon majority voice as result of deliberation, must have high quality that can be accounted for and not in contradictory with the state principle of Pancasila and ideal of Indonesian declaration of Independence of 17 August 1945 as written in the Preamble of, body of, and explanation of the 1945 Constitution."

Finally it can be stated that the basic differences between the Guided Democracy under Soekarno and Pancasila Democracy under Soeharto are that where the implementation and operationalisation of the Guided Democracy was not based on the

<sup>394</sup> . Nawaz B.Mody, Op.Cit,P.218.

1945 Constitution and in fact it contradicted various articles of the 1945 Constitution which gave undue coverage to socialist rhetoric to the the Pancasila Democracy tried to implement the 1945 Constitution with due emphasis on development. Furthermore, in Guided Democracy all decisions were centralised under Soekarno but in the Pancasila democracy under Soeharto parliament was actively involved in making various decisions and laws for the state as initiated by the Government based on : Musyawarah” (consultation) and “Mufakat” ( consensus ).

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