

WHITE BOOK OF THE 1978 STUDENTS' STRUGGLE

Editors' Note:

In harmony with *Indonesia's* long-standing policy of helping to make available political texts of unusual interest or historical significance, a full translation of the *White Book of the 1978 Students' Struggle* is given below. There are three basic reasons for publishing it. First, its intrinsic importance is great. It represents, to our knowledge, the first systematic Indonesian critique of the domestic policies of the New Order regime that has been in power for the past twelve years. Secondly, it was published under the auspices of the Student Council of the Bandung Institute of Technology, the most prestigious and demanding of Indonesia's tertiary educational institutions. In this sense, aside from any intrinsic importance, it is significant as representing the thinking of a sizable element of the Indonesian younger generation's intellectual elite. Thirdly, the White Book was banned by the military authorities within a matter of days of publication, as part of the general crackdown on dissent last January 20 (to ensure the smooth reelection of Suharto to a third term of office as Indonesia's president). Under present circumstances, it is a rare bibliographical item to which readers may not otherwise have ready access.

All footnotes have been added by the Editors.

DECLARATION OF POSITION*

STUDENTS OF THE BANDUNG INSTITUTE OF TECHNOLOGY [BIT]

- I.1. Considering that the lives of the Indonesian People at present are still far removed from the ideals of Independence which formed the basis for the founding of the State of the Republic of Indonesia;
- I.2. Considering that this situation has been caused by incorrect government policies which can in fact be rectified, provided that the government has the political will to do so; considering that this situation has also been caused by deviations and abuses of power by government officials, leading to an erosion of the authority of Government Institutions;
- I.3. Considering that the above situation is an indication of the failure of the national leadership in carrying out its functions; and considering that this failure is its responsibility;

*So far as possible, the translators have tried to preserve the idiosyncratic typography and orthography of the original Indonesian text.

- II.1. Considering that democratic life must be maintained by providing the widest possible opportunity for all social groups in society to participate in determining the national leadership;
- II.2. Considering that a dynamic political life in this country can not possibly develop if the presidency is occupied by the same person for more than two successive terms;

The Students of the BIT declare that:

THEY DO NOT TRUST AND DO NOT WANT SUHARTO TO BE PRESIDENT
OF THE REPUBLIC OF INDONESIA AGAIN

And they demand that:

1. All fractions in the MPR [People's Consultative Assembly] immediately nominate prestigious figures, whose integrity is beyond any doubt, as candidates for President of the Republic of Indonesia;
2. The MPR fulfill the demands of the students as contained in the Indonesian Students' Manifesto of October 23, 1977;
3. The Armed Forces do indeed stand above all groups in the interest of the nation and the state.

Result of the deliberations of the
Student Association - Student Council,
Bandung Institute of Technology
January 14, 1978

ON BEHALF OF THE STUDENT COMMUNITY OF THE
BANDUNG INSTITUTE OF TECHNOLOGY

Heri Akhmad
General Chairman, Student Council, BIT

PREFACE

The White Book of the 1978 Students' Struggle has been compiled by an editorial team consisting of several students appointed by the Student Council of the Bandung Institute of Technology as authorized by the mandate of the Student Council of the BIT No. 017/MDT/DM ITB/1978.

The contents of this book represent the product of discussions and collection and compilation of data conducted either by the team itself or in cooperation with other BIT students. The data are drawn from newspapers, journals, and government publications, such as "The Second Five Year Plan 74/75 - 78/79," and other materials.

We would like to thank our fellow students and the staff of the BIT for their assistance, whether in the form of opinions or in other ways.

May this book be of great significance to all of us.

M e r d e k a !!!!!

Bandung, January 16
Student Council, BIT

I. INTRODUCTION

Merdeka !!!!!!!

The time has come for all of us to outline the struggle of the students amidst the unsatisfactory course the Development our beloved country is taking.

We are not being overly dramatic when we state that all our efforts are a manifestation of our sense of responsibility as the younger generation which will have to give meaning to our country's independence.

This Book of the Students' Struggle, published by the BIT Student Council, endeavors to give a picture to the wider society of: why we have to struggle and what the struggle is all about???

As the tempo and the rhythm of the struggle are growing more and more rapid, we must communicate the principles for which we must struggle, now and in the future.

The problems faced by our country are too grave to be gambled with any longer. The errors in our development strategy over the past ten years must be corrected as soon as possible.

This White Book does not merely discuss negative incidents caused by administrative errors. We want to emphasize rather that the development policies themselves are wrong. The incidents in question are simply the consequences of these erroneous policies.

We hope that through this book we can give a clear portrayal of the problems that we all face together.

We invite all readers of this book to unite in the struggle.

II. THE PRESENT CONDITION OF OUR COUNTRY

The defects that we see today are caused by the *National Leadership* and by the "System of Government" that it has created. Improper mechanisms for the management of the state, which in turn have given birth to erroneous and uncontrolled policies and programs, have bred

restlessness in society. Errors of leadership and in the system have taken place in all fields: Political, Economic, Sociocultural, Legal and other fields of development. All of this has generated a sense of oppression and injustice in society.

A. The Political Field

As a consequence of the political system that has been in operation up till now, government policies have been executed without any "meaningful correctives" from the Political Parties and from Golkar,¹ which are recognized administratively as the official political forces.

The innermost voice of the little people, who live under the oppression and repression of the "elite" forces, never reaches the ears of the government. In turn, the government has never opened its heart to the pure and honest "voice of the common people's heart."² Thus a system in which the city people exploit the villagers, the rich oppress the poor, private cars elbow city buses out into the slow lanes, wealthy idiots kick aside poor bright people, non-native businessmen kill off native businessmen, etc., goes on and on, and the oppressed have no way of stopping it. There aren't even any complaints about it in Parliament any more.

The prevailing situation is such that "the top people" solely direct their eyes and ears further up. They all scramble to enjoy the luxuries that are indeed freely "provided" by the liberal economic system practiced by the government!! These errors could develop to such a disastrous point because control functions have not operated as they should. State Institutions have in fact been "fixed" so as not to interfere with the build-up of "executive power." For the sake of stability in economic development, the whole system and all the activities of the Highest State Institutions have been "harmonized" with the tastes of the executive. Let us observe, one by one, the anomalies that are to be found in the Highest Institutions of our country.

A.1. Parliament

Up till now, Parliament is still not an institution capable of channelling the aspirations of the people, nor is it an effective institution for control. Parliament is simply a spectator to all the irregularities that are taking place within the executive! There have been many incidents, shameful to our nation and state, which have demanded active intervention by the people's representatives, but they have done absolutely nothing. Major cases, such as the reports in the foreign press about bribery in the acquisition of the "Palapa Satel-

¹Golkar--Golongan Karya (Functional Groups): The official name for the military government's electoral machine, which corralled sizable majorities in the parliamentary elections of 1971 and 1977.

²The Indonesian original is *rakyat jelata*, a phrase that is very difficult to translate into English with the appropriate connotations. *Jelata* means impoverished, dispossessed, miserable, and, by implication, powerless. The phrase was very popular during the Revolution (1945-1949), and retains to this day a somewhat leftwing aura.

lite,"³ have degraded our country in the eyes of the world. Actually, Parliament should have been able to conduct an investigation to prove or disprove such allegations. But what did it do in fact? It simply conducted a few hearings for the sake of "appearances," and after that the issue was considered as settled. In the meantime, the Government took the following steps to resolve the matter: first, the Minister of Communications, Emil Salim, announced that he had formed an "investigative team." After some time had elapsed, Minister Salim announced that there was evidently no proof that bribery had occurred in connection with the purchase of the Palapa Satellite. What a joke! In the Palapa case, the *Department of Communications* was the criminal suspect or the party charged with involvement in bribery. But then it was the very same Department of Communications that formed the "investigative team," and declared that the Department of Communications was clean and that there was no "Palapa Scandal," for in legal terms there was no acceptable proof.

.....And this farce took place before the noses of the *people's representatives* in Parliament; yet nothing was done.

Other major scandals suffered "the same fate." Take the Bulog⁴ case, for example. Everyone knows that, next to Pertamina,⁵ Bulog is the Number 2 place for graft. Almost everyone also knows that there are many Bulog officials who live in the style of Budiaji.⁶ But why were the manipulations of the Dolog⁷ of East Kalimantan singled out? And why did Budiaji do his utmost to cover up the wrongdoing of his superiors? And how can one explain that of the Rp. 7,600,000,000 "spirited away" by Budiaji, only Rp. 3,000,000,000 has been traced?

Or was Budiaji tried simply to demonstrate that the Government has *at least once* brought an embezzler to court? Even though, by national standards, Budiaji was a "minnow" and, moreover, a provincial figure far removed from the center of power. But now the government can say to its people that it has eradicated corruption. At the same time, R. O. Tambunan did not get very far when he tried to expose the corruption going on all the way up to the Central Bulog itself. The 1977 Parliament, too, *never followed up* on R. O. Tambunan's efforts!

.....And this farce, too, took place before the noses of the *people's representatives* in Parliament, without any hindrance whatsoever.

³On January 25, 1977, Seymour Hersh reported in the *New York Times* that General Soehardjono, a senior official in the Department of Communications, had demanded \$30,000,000 in bribes from General Telephone and Electronics to arrange a \$330,000,000 contract for launching a communications satellite for Indonesia.

⁴Bulog = Badan Urusan Logistik (Logistics Management Body), a vast state agency with monopolistic powers in the production, purchase, and distribution of basic staples.

⁵Pertamina = Perusahaan Tanah Minyak Nasional, the giant state oil enterprise, dominated for many years by the well-known General Ibnu Sutowo.

⁶In early 1977, Budiaji, head of the East Kalimantan Bulog organization, was charged and convicted of embezzling Rp. 7,600,000,000.

⁷Dolog = Depot Logistik, the term for provincial branches of Bulog.

Hundreds of other major cases, such as the Pertamina tanker⁸ affair, the Rp. 200,000,000,000 Bank Bumi Daya credits episode,⁹ and the like, all of which demanded action by the people's representatives, suffered the "same fate."

And so we have to consider why our Parliament is so inactive and why it can no longer be trusted to represent the people????

The reason, of course, is that Parliament has been "fixed" by the national executive leadership to become *so paralyzed!* Even at the time when the official *list of parliamentary candidates* from the Political Parties and from Golkar was being drawn up for the General Election, the individuals listed were picked by the Government. People thought to have *too much courage, integrity, and principle* were considered *dangerous* and were scratched off the list. Those who remained on the list of candidates "blessed" by the government consisted of people who were either *weak* or, at best, *moderates*, ready to swing to the right or to the left; but the *majority*, of course, were *weak*. After they were elected and became members of Parliament, they were welcomed with various special facilities to "soften them up." The first "softener" was a Rp. 90,000 suit, followed by accommodations, transportation (minimally *first class* train tickets, not "*people's class*"), honoraria, a Volkswagen on the installment plan, and other things, such that the total value amounted to approximately Rp. 250,000 a month. Moreover, their time is by no means wholly taken up [with parliamentary duties], so that they can still pursue other lucrative occupations on the side! Remember, too, that no one can *check* the quality of the work of the individual members of Parliament. Whether they are often absent or work diligently, whether they speak frequently or never speak at all--there is not one person who makes an issue of it! The public can evaluate the quality of the work of Parliament as an institution, but it can not do so for the individual members of Parliament, because the General Election [electoral] system follows the proportional representation, not the electoral district, system.

After the members had been selected and "softened up" as individuals, Parliament itself, as a system or institution, was also "softened up." Parliament has been taken care of in such a way that it can no longer make use of its *right of enquête* [investigation], its *right of interpellation*, and its *right to determine the budget*. On utilizing the right of enquête (investigating a problem), a rule was established that the realization of this right would be regulated by a separate law. To prevent Parliament from using this right, to prevent Parliament from becoming a *nuisance*, to prevent Parliament from *making a fuss*, to prevent Parliament from being *nasty* enough to investigate such things as Pertamina, Bulog, the Bank Bumi Daya credits, Tapos,

⁸The prices which Pertamina paid for tankers were far in excess of normal market rates. Vessels were purchased at a cost 50 percent above the prevailing price, and in at least one instance what Pertamina received was a used tanker not a new one. It was charged that Indonesian officials were bribed by the Singapore businessman Robin Loh, an associate of Sutomo and a tanker broker for Pertamina, to allow the deals to go through.

⁹The entire sum was granted as credits to a Chinese, a close friend of the President's family. The director of the Bank Bumi Daya was forced to resign following this episode.

Mangadeg,¹⁰ the wealth of certain officials, etc., establishment of any law regulating the right of enquête was aborted!

So Parliament has never been able to use its right of enquête! To ensure that no such law was enacted was no big problem for Golkar, which holds a majority of parliamentary and which is also reinforced by the Armed Forces fraction appointed personally by the President.

Can the people expect anything from such a Parliament? Consider the General Elections, for instance: the *Election Commission* was formed and appointed, not by Parliament, but by the *Government*, though in fact the *Government*, through Golkar, was also a participant in the General Elections. Excesses, naturally, were unavoidable. Excesses such as referee Amir Machmud¹¹ "joining in the game," followed by *lurah* [village headmen] and *camat* [subdistrict officers], all for the sake of securing victory for Golkar. The little people in the villages were pressured, and not just pressured, but even persecuted, with threats of being kidnapped--especially in crucial areas such as West Java, Central Java, and East Java. Nevertheless Mr. President Suharto¹² declared West Java the best election region! Whereas Jakarta, which had conducted the Election quietly and without incidents, was not declared such a region! Was this because the governor happened to be Marine Lt. Gen. Ali Sadikin?....Or because the PPP¹³ won [in Jakarta], not Golkar?..... They really have no generosity of spirit at all....

....And this farce, too, took place before the noses of the people's representatives in Parliament, without any hindrance whatsoever.

Could the little people in the villages, who were pressured and persecuted during the elections, ask for help from the people's repre-

¹⁰ Tapos refers to the 350-hectare ranch of Sigit Suharto, son of President Suharto (Tapos is a town near the ranch). Credits to develop mixed farming at the ranch were granted to Sigit Suharto as a private individual, a practice contrary to established legal procedures. The Mangadeg Foundation, run by the wealthy Chinese Soekamdani Gitosardjono and with Ibu Tien Suharto serving as advisor, was organized to coordinate the construction and preservation of mausolea for the kin of the Mangkunegara royal family to which Mrs. Suharto claims to belong. Approximately Rp. 4,500,000 has been collected for this purpose.

¹¹General Amir Machmud, long-term Minister of the Interior, gained a certain ambiguous fame as the "bulldozer" of the 1971 Parliamentary elections (and more recently of the 1977 elections), meaning that he used the full power of the Ministry and its territorial bureaucracy to ensure victory for Golkar. As the Minister with prime responsibility for ensuring the smooth and impartial functioning of the electoral process, his "bulldozing" seemed to many rather like a referee participating in a game whose fairness he is supposed to guarantee.

¹²The Indonesian phrase is "Saudara Presiden Suharto." The term *saudara*, normally a polite enough appellation in everyday conversation, is here a frigid substitute for the more usual honorifics "Yang Mulia" or "Yang Terhormat" (Honorable).

¹³Partai Persatuan Pembangunan (United Development Party), a fusion of various long-standing Islamic parties arranged by the military authorities in 1973. In the 1977 elections, to the surprise of some observers, it defeated Golkar, not only in strongly Moslem Aceh, but in Indonesia's capital city as well.

sentatives in Parliament???..... The simple answer is: *No!* Parliament's Committee II, in charge of dealing with the problem of excesses during the General Elections, could never meet to discuss all these incidents because there was never a quorum, since the Golkar members *never attended*.....

Can the people expect anything from such a Parliament? Knowing what they do, the people were not at all surprised that during the work-period of the 1971 Parliament, during all those five years, it was only able to pass 43 laws, all of which were proposed by the government. Parliament was not able to come up with *even one* law on its own! This is a record worse than that of the Gotong-Royong Parliament of the Old Order,¹⁴ which at least was able to complete two laws [of its own]. Some people may still put their hopes in the Parliament produced by the 1977 General Elections; but we should remember that the 1977 Parliament was born via the same process as the 1971 Parliament. The majority of the leadership consists of the same people, and the same internal protocol is still in operation.

A.2. The MPR

The 1977 MPR is *unconstitutional!* According to Article 2 of Section I of the 1945 Constitution, *Sovereignty is in the hands of the People*, and is fully exercised by the People's Consultative Assembly. This means that it is an Institution consisting of the representatives of the people that holds sovereignty. But 61 percent of the members of the 1977 MPR are *not representatives of the people!!* They are appointed. The General Elections, conducted with so much effort at a cost of Rp. 60,000,000,000, in which people flailed at one another till blood flowed, elected only 39 percent of the members of the MPR. So supposing that, in a general session of the 1977 MPR, the 39 percent of the members elected through the General Elections *could not be present*, and those present were only the *61 percent that were appointed*, that session would still be legitimate.

How does this differ from the general sessions of the Provisional MPR?¹⁵ There is no difference. The Provisional MPR, the 1971 MPR, and the 1977 MPR are all *unconstitutional*. That is why their function as bearers of the people's aspirations is highly dubious. Many strange anomalies have occurred. *The Chairman of the MPR doubles as Speaker of Parliament. The President does not account to the MPR that elected him. The composition of the GBHN [Garis2 Besar Haluan Negara--Broad Outlines of State Policy] consists merely of editing the government's draft, and so forth.*

¹⁴The phrase Old Order refers to the period of Guided Democracy under President Sukarno. The so-called Gotong-Royong Parliament was the quasi-legislative body appointed by Sukarno not long after the reimposition of the 1945 Constitution on July 5, 1959. Although many members of this parliament had been elected in the quite free elections of 1955, after 1960 they held office essentially at the President's pleasure.

¹⁵The Provisional MPR was established in 1960 in partial fulfillment of the requirements of the newly reimposed 1945 Constitution. A body whose membership was wholly appointed by President Sukarno, it was entitled "Provisional" in indirect recognition of the fact that by the terms of the 1945 Constitution, it was supposed to select the President, not *vice versa*.

Since the Speaker of Parliament doubles as Chairman of the MPR, the latter office assumes a status equal to the presidency. The fact that the President does *not* give an accounting to the MPR that elected him is more laughable than Srimulat.¹⁶ Presidential accountability means that the President must answer for all his policies and [use of] his executive powers in carrying out the Broad Outlines of State Policy. The body that produced that GBHN is the same MPR that elected him. The body that followed the GBHN's implementation from day to day is also the MPR that elected the President, for his tenure of office coincides with its own term of life. It is for these reasons that the MPR which elected the President will have a better feel for the issues, in order to determine how far the President has carried out the GBHN, and also how far he has deviated from it. But then, all of a sudden, the above farce took place. And the climax of the farce came when the person who ended the debate on whether the President should account to the 1971 MPR or the 1977 MPR was Mr. President Suharto himself, during a visit to Kuala Lumpur, in a speech to the local Indonesian community there. The *constitutional* way would have been for the 1971 MPR to decide whether Mr. President Suharto should be accountable to the 1971 MPR or the 1977 MPR.

In formulating the GBHN for 1977-1983, the clown-show put on by the 1977 MPR has been funnier than Srimulat, in fact even funnier than Charlie Chaplin! The executive committee of the 1977 MPR, which is currently concocting this GBHN, is in fact merely editing the draft drawn up by Team II of the Council for Defense and National Security. It has never been made clear why the MPR is now suddenly discussing its own GBHN. Has anyone ever *evaluated* the previous GBHN? Why is the MPR hastily formulating a new GBHN? If the previous GBHN was adequate, why should we write up a new one? Do we in fact need a new one? Are the present deviations the result of defects in the previous GBHN?

In fact, the *first* task of the executive committee of the 1977 MPR should be the evaluation of the previous GBHN. And this is no easy task! Such an evaluation should be all-encompassing so that the whole relationship between the concepts of the GBHN and state policies and their implementation becomes clear. If we do not relate the GBHN to its execution, how will we ever know whether the previous GBHN was good or bad, wrong or correct? This, then, is what the executive committee of the 1977 MPR should do first; then and only then should it decide whether it is necessary to write up a new GBHN. Only if really necessary should this be done. *Not the other way round.*

A.3. The Accounting Office [BPK]

The Chairman of the BPK should be appointed by the MPR. The BPK is the institution that scrutinizes the finances of the Government. So it is anomalous if its chairman is actually appointed by the Government [itself]. On appointment, he is supposed to start scrutinizing. Experience shows there are two subsequent possibilities. Either the appointee is a close friend [of the Executive], or, if he scrutinizes too vigorously, he will be fired. Possibly things will not turn out quite this badly. But to avoid even the possibility, the Chairman of

¹⁶Srimulat was a famous comedienne from Surabaya. After her death her name continued to be used by her troupe.

the BPK should be appointed by the MPR. Moreover, the BPK should report on its programs and their implementation to Parliament.

A.4. The Supreme Court

The Supreme Court is the Judicial Body in the governmental system of a country. Accordingly, it must not be influenced by the executive to the slightest extent! But, in our country, the fate of the Chairman of the Supreme Court lies in the hands of the President. So he is forced to play along in safeguarding the authority of the government!!

But political errors are not only present among the Highest Institutions of State. They also exist in the system of the Political Parties and Golkar.

A.5. The Political Parties and Golkar

In reality, the present official political forces, namely the Political Parties and Golkar, are not genuine political forces. It is true that they are classified *administratively* as official political groupings, but real political power lies in the hands of the *Government*. The Political Parties and Golkar have to follow the will of this government, whether they like it or not. If they are obstinate, the government will immediately interfere and manipulate them to ensure that they no longer pose a threat to the government. The most obvious example at present is the "disaster" that has befallen the PDI.¹⁷ Possibly because the PDI was a bit recalcitrant towards the *Government*, it was "coup"-ed [by the government] via Isnaeni and Sunawar.¹⁸ From now on, it will be manipulated in such a way that it will no longer be so "recalcitrant." The Government has [here] conducted an "amoral" policy of expediency!!! And Mr. President Suharto has *not refused to allow* all this to happen.

In addition, the parties are not allowed to operate in the villages, yet the villages are where 80 percent of Indonesia's inhabitants live!! If the parties are not allowed to operate in the villages, this means that *only 20 percent* of the inhabitants of Indonesia will have their aspirations represented. Yet the Political Parties and Golkar always claim to speak for the entire People of Indonesia. This is not true! This is what we call manipulation! This is why so many "incidents" which have happened in the villages have never gained the attention of Parliament. The reason why widespread famine can take place without the "higher-ups" knowing about it is that the Political Parties and Golkar are not allowed to operate in the villages.

¹⁷Partai Demokrasi Indonesia = Indonesian Democratic Party, a fusion of various nationalist and Christian parties arranged by the military authorities in 1973.

¹⁸Isnaeni and Sunawar have been active in the leadership of the PDI since its inception. After 1975, they lost influence in the party, in part because they were regarded as being too close to the government. In November 1977, the men unilaterally formed a rival party leadership with obvious government backing, and at the February 1978 party congress they returned to power.

B. The Economic Field

There are many policies in economic development which do not benefit the common man. The government is *only* interested in achieving a bigger GNP and in the process has forgotten everything outside that target. It has forgotten the principles of social justice, self-respect, national culture, etc.

Seventy percent of foreign capital is invested in the "city" of Jakarta. The other thirty percent is spread out all over Indonesia. Where is the social justice in that? Who is really un-Panca Sila-ist,¹⁹ the students or the government? And Mr. President Suharto has *not refused to allow* the anomaly of such policies. In other words, he has given it his blessing.

Most government credit falls into the hands of non-natives. Most of those who embezzle these credits are also non-natives. Of the Rp. 200,000,000,000 Bank Bumi Daya credits that disappeared, most again was taken by non-natives. But it is the people who have to suffer the burden of it all. The people bear the consequences, but the non-natives enjoy the fruits. Those who enjoy the fruits of development most of all are the non-natives. In fact, it is their per capita income that has increased many times over. Not the people's.

Ten years ago the Astra group, the Panin group, the Central Asia Bank, Liem Soei Liong and other *cukong*²⁰ were nothing to what they are now. But the people of Krawang still starve. The government proudly aggregates the incomes of these cukong with the incomes of the people of Krawang, Boyolali, and Gunung Kidul,²¹ and then averages them. Next the government loudly proclaims that "per capita income has sky-rocketed." Is this not manipulation?? The people of Krawang, who have been reduced to eating water-hyacinths, have become the victims of a manipulation of the numbers that the government always worships. The people of Krawang have become the victims of statistics. It is said that in 1967 per capita income was \$US 80, while by 1977 it had increased to \$US 130. But the fact remains that Krawang, which always

¹⁹Panca Sila consists of five principles originally formulated by Sukarno on June 1, 1945. Taken initially as expressing a philosophical consensus underlying modern Indonesian nationalism, it has become, under the New Order, the core of regime ideology and claims to legitimacy. The military authorities have frequently tried to put their critics on the defensive by denouncing them as un-Panca Sila-ist (i.e., virtually treasonous).

²⁰Cukong is a term for the vastly wealthy Chinese financiers of key Indonesian political figures. The Astra group is a cukong business empire headed by William Suryajaya (Tjia Kian Tie) and widely believed to have close ties to Mrs. Suharto and Ibnu Sutowo. The Panin group stands for the cukong controllers of the Pan Indonesia Bank empire. Concerning the Central Asia Bank, we may note that Prof. Ismail Suny was arrested on January 3, 1978, for telling a University of Indonesia panel that he had learned on reliable authority that a very senior Indonesian official [obviously referring to the President] had a personal account with this bank to the tune of Rp. 130,000,000,000 [\$US 336,000,000]. Prof. Suny was imprisoned shortly thereafter. Although released within a few days, he was again imprisoned after the January 20 crackdown. Liem Soei Liong is widely regarded as the key cukong behind the Suharto family.

²¹Boyolali and Gunung Kidul (especially the latter) have traditionally been poor, food-deficit areas of Java.

used to be a rich rice granary where people never suffered hunger, has today declined into a famine-area, where people are reduced to eating water-hyacinths! Do you know, friends, what water-hyacinths are? Water-hyacinths are feed for pigs.

But, in the meantime, it is true that the income of the people of Glodok and Pintu Kecil,²² as well as of other non-natives, has increased many times over. Is Development indeed reserved for them? Those who contributed nothing during the war for Independence are now enjoying most of the benefits of development. How come?

On the other hand, the government's debts are piling up. We owe \$US 8,000,000,000 to the IGGI.²³ Pertamina's debts amount to \$US 10,000,000,000. And over and above IGGI aid, there are many projects such as the Palapa Satellite for which we owe money.

C. The Sociocultural Field

Do we still have pride as a nation?????? Do we still have a sense of nationhood?????? Yes, do all these things still exist, if it can be officially admitted that we are still not "*masters in our own country*?"

We have no power to stop foreign factories and industries from operating in our country, even though they emit effluents that endanger our breathing, pollute the water of our rivers, and destroy our hearing with deafening noise.

In the Garut area of West Java, a foreign industrial concern has sunk wells that have drained off all the water from the wells of the people nearby. For the sake of the "development" of industrial centers, luxury hotels, real estate projects, etc., the people have to "permit" their homes and their rice-fields (their working capital) to be razed. They have not been able to stop all this, even though they are the legitimate owners of this country!!!!!!!

Still worse, we have now become perfect "copycats." In establishing "development policy" we have swallowed hook, line, and sinker the data and analyses made by foreigners, even though they obviously have interests of their own. To determine the number of people who are below the poverty line, we use the data and analyses of the World Bank. To measure the success of development, we employ foreign measures of growth, such as GNP, GDP, per capita income, and so forth.

There are now many groups making a show of their regional characteristics. The Indonesian language being used (even in official speeches!!!) is tainted with regional expressions. It is as if today there is only region A and ethnic group B, no longer one Indonesian people who speak the Indonesian language.

²²These are quarters of downtown Jakarta where, traditionally, Chinese (especially China-born Chinese) financiers have established themselves.

²³IGGI = Inter-Governmental Group on Indonesia, the consortium of Japan, the U.S., and various Western European states that has been the New Order's financial mainstay since the late 1960s.

The way of thinking and the style of life that are dominant today seem to take us back centuries to feudal times. Not hard work, but status and prestige are highly esteemed. An official must have more than one house and one car. Costumes for the inauguration of members of Parliament (who supposedly are representatives of the people!!!) must cost Rp. 90,000. If VIP wives go shopping, it has to be to Singapore, Hong Kong or Paris. Family mausolea must be made as sumptuous as possible (and, naturally, as expensive as possible).²⁴ All simply for the sake of prestige.

A great campaign to stupidify the people is taking place today. The people are being swamped with vague terminology or terminology made vague on purpose. When people are starving, they are said "not to have enough to eat" or "possibly may not have enough to eat," etc. Criticism is answered by being termed "a danger to stability" or "evidently being exploited,"²⁵ and so forth. Numbers of government officials, from village headmen right up to the highest officials of all, have become administrative bosses and no longer leaders of the people.

There is no more solidarity with fellow-countrymen afflicted by poverty and natural disasters!!!!

A group of people celebrating New Year's Eve charged Rp. 35,000 for admission to the party, while at the same time their fellow-countrymen in Krawang have been reduced to eating water-hyacinths. Rp. 35,000 is equal to the wage earned for ploughing one hectare of wet rice land. It is enough to provide for a family for a whole year.

Some officials (and also their children) own hundreds of hectares of land, while the fields of the peasants are getting smaller day by day. Naturally Mr. Sigit Suharto can talk expansively about his 350-hectare "ranch" at Tapos, in the *kabupaten* of Bogor, West Java.²⁶

Giant dragnets are permitted to operate at will (because they "make money," of course), and shove to one side the fishermen in small boats without motors. The fishermen of Cilacap, the north coast of Central Java, North Sumatra, Aceh, Riau, and other coastal areas of Indonesia, can, of course, say a lot on this question!

Social justice and solidarity with suffering fellow-countrymen survive only as words and meaningless gestures. What we have are only speeches, visits to orphanages, and "observation tours" to disaster areas, accompanied by massive publicity to demonstrate the "generosity" of high officials.

D. The Field of Law

The law actually functioning in this country today is "legal sanctions for ordinary people, legal protection for bigshots." You don't

²⁴The reference is to the elaborate mausoleum under construction for President Suharto and his wife.

²⁵Literally, *berindikasi ditunggangi*. Bureaucratic shorthand for *berindikasi ditunggangi Gestapu/PKI*, i.e., exploited by underground communist subversives.

²⁶A son of President Suharto (see note 10).

believe it?????? Let's review certain cases. Has Ibnu Sutowo been made to give a final accounting in the Pertamina affair? What ever happened to the Rp. 4,600,000,000 of state money embezzled by Budiaji that vanished into thin air? Killings (no matter what the justification, killings are still killings!) committed by the children of high officials are never tried impartially. The son of "the Honorable" Ali Murtopo²⁷ was eventually acquitted. Police-General Widodo even became head of the State Police after his son shot someone to death. Whatever the rationalizations put forward, these were all murder cases, the taking of human life with illegal weapons. Nineteen smugglers have been released without judicial process from Nusa Kembangan.²⁸

In the meantime, how many people are still in "temporary detention," wasting away for so long without any legal resolution of their cases?????

But indeed, the law can not be fully operational at this time, because our legal institutions, including the very highest, are not free to carry out their functions properly, making no distinctions between government bigwigs and everyone else!! How can the Supreme Court genuinely act as the highest judicial institution if the Chairman of the Supreme Court is appointed by the President???????

III. THE REASONS FOR THE PRESENT CONDITION OF THE COUNTRY

All aspects of the national condition apparent today are the result of two central factors, namely: 1. The National Leadership; 2. The Development Strategy.

1. The style of a national leadership that has concentrated all power in its own hands has crippled the official constitutional political forces. The Political Parties and Golkar can not convey the voice of the people because they have no real power. Thus the channeling of the people's aspirations through Parliament is just a farce. And this centralization of political power is done simply to safeguard its own continuation.

In addition, the life style of the family of Mr. President Suharto has had a great sociocultural impact on the majority of our people. His [Suharto's] nepotism towards his children and younger siblings has been copied by many government officials of all ranks, such as Governors, Bupati, village headmen, and so forth. The fact that the family of President Suharto has become vastly wealthy since he became Head of State some years ago (see, e.g., Tapos, Mangadeg) has given the impression to lower officials that they too have the right to act like their

²⁷General Ali Murtopo, currently Minister of Information, has long been regarded as President Suharto's top political operative and trouble-shooter. The murder referred to was committed by Ali Murtopo's son, a high school student in Jakarta. According to the Murtopo family, the son was assaulted by other teenagers and defended himself with his father's pistol, which he always carried.

²⁸A "maximum security" penal colony on a small island off the south coast of Central Java.

President. In this way, the wealth of Mr. President Suharto has exerted great influence on the development of a *culture of corruption* in Indonesia!

On the other hand, if we look at the leaders of our struggle for Independence, did Bung Karno, Bung Hatta or Bung Syahrir have "super-abundant wealth"? Did Bung Karno, who was "put away" in prison for years, ever demand superabundant wealth in payment for his sacrifices? Even though he had the opportunity to enrich himself, when he was so very powerful as President, he did *not* do so.

Bung Hatta, Bung Syahrir, and other genuine leaders of the people never demanded superabundant wealth to compensate for their long years in prison, in exile, or being persecuted. They "loved Indonesia," not themselves. If today Suharto's tomb is being constructed at untold cost, Bung Karno's is small and inexpensive. But that is exactly why it is so revered.

And this is why the individual Suharto is deviating further and further from the true identity of the Armed Forces. As the years go by he is becoming an ever larger stain on the Armed Forces' good name.

2. The second factor that is influencing the present condition of our country is our "development strategy." In order to safeguard this development strategy, the whole system of government, politics, culture and society is being sacrificed. The rottenness of Parliament and the unconstitutionality of the MPR, described earlier, *have been plotted by the government precisely* to safeguard its development strategy. Parliament has been put to sleep. The Parties are weak. The BPK is inoperative. Cultural values are no longer maintained. All of this is for the sake of achieving a rapid increase in GNP. That is why, with the exception of a 7 percent increase in GNP, we have suffered a decline in every other respect, even worse than under the Old Order.

Take, for example, our sense of nationhood: we dare to guarantee that if today a kind of "Trikora"²⁹ were sounded, only a handful of young people would enlist as volunteers. This amounts to a *devastating setback*. In fact, such non-economic issues can not be expressed by numbers, as GNP can be. So a development strategy oriented solely towards increasing GNP is a *stunted strategy*. The ruinous condition of our country is precisely a consequence of this *stunted development strategy*!

IV. THIS IS WHY THE STUDENTS STRUGGLE

Observing all the suffering of the "common people,"³⁰ whose lot has not changed since the Old Order, indeed in some cases has become even more wretched, students can not remain unmoved. Peasants are

²⁹Trikora = Tri Komando Rakyat (Three People's Commands). The reference is to Sukarno's famous speech of December 19, 1961, calling for mass mobilization of volunteers to achieve the integration of West Irian into Indonesia.

³⁰Rakyat jelata--see note 2.

being strangled with Bimas debts.³¹ Agricultural laborers have lost their livelihood because of the penetration of Japanese tractors and Japanese rice-hullers. Traditional fishermen have been shoved aside by giant dragnets. Hundreds of villages suffer from famine and floods. Jobs are difficult to find. Illegal levies are exacted everywhere. Corruption is rampant. The homes of the little people are razed to make way for the projects of bigshots. Meanwhile, the cukong are doing better and better, officials are getting wealthier and wealthier, and the President and his family are amassing riches. The VIPs are protected by the law, while the little man is punished by it. These are the reasons why *the students feel it is unbearable not to struggle*, especially since it has been proven that the Political Parties, Golkar, and Parliament remain silent in the face of all these realities. They are all broken-down, impotent, and simply political puppets.

The widening abyss between the rich and the poor is a grave danger. *It invites the resurgence of communism in our country!* In fact, unconsciously we have become trapped in a situation that the communists want, a situation in which the poor are getting poorer and the rich are getting richer. That is why the situation must be *saved!* We all know that the communist threat is very great. Vietnam has started to intervene in Cambodia. Their armed forces number 700,000 men. They have 600 tanks, more tanks than all the ASEAN countries combined.

So the condition of our country must be changed!! Justice must replace injustice. The law must be upheld equally for all citizens. The consumer-oriented way of life must be wiped out. Corruption must be eradicated so that we can have a clean and authoritative government that is trusted by the people.

These are the goals for which the students are fighting!

Since the whole situation must be drastically changed, we have set two goals for our struggle, namely, *to replace Suharto via the general session of the MPR in March 1978 and to change the national development strategy.*

However, the students have no intention whatever of creating anarchy. Anarchy will only victimize the little people, who are uninformed [politically] and tend to act on their emotions.

After the General Session of the MPR in March we must have *a new President and a new government*, capable of eradicating the present shortcomings. May we remind you that the students are fighting for the establishment of a clean government that is based on the 1945 Constitution and the true Panca Sila!

May God give us all his blessing

Student Council, BIT

³¹Bimas = Bimbingan Massal (Mass Guidance), programs started as early as 1963-64 to bring new seeds, fertilizers, and cultivation techniques to "traditional" farmers.

**VARIOUS INDICATORS OF THE FAILURE
OF THE SUHARTO GOVERNMENT**

"Many people are of the opinion that the defects and the failures of the development carried out by the Suharto government have been caused simply by errors on the part of its *executors*--incompetence, corruption, etc. But in fact the biggest error does not lie in the element of execution. Rather, it lies in the *development strategy* and in the *development policies themselves*."

This paper is an effort to analyze [our] development strategy, especially as it relates to development policies. It has become evident that the policy followed at present has deviated from the direction and goal of true development. From a series of discussions and analyses carried out by the authors of this paper, we have reached a very startling conclusion: Namely, the designers of our present development, Bappenas and the Departments of the government, are in fact aware and do realize that there are defects and errors in the present development strategy. But why do they remain silent? Why do they remain mute although their policy errors have made millions of people suffer? Perhaps they remain silent because they are intellectual prostitutes who do not have scientific integrity! Or do they belong to the group who enjoy the "fruits of development" precisely because of their policy errors??

Before we continue our discussion, may we remind those who, consciously or unconsciously, have joined that small group of people who determine the development policies in our country, that:

"The poor man's conscience is clear; yet he is ashamed....He feels himself out of the sight of others, groping in the dark. Mankind takes no notice of him. He rambles and wanders unheeded. In the midst of a crowd, at church, in the market...he is in as much obscurity as he would be in a garret or a cellar. He is not disapproved, censured, or reproached; *he is only not seen*. This total inattention is to him mortifying, painful, and cruel. He suffers a misery from this consideration, which is sharpened by the consciousness that others have no fellow-feeling with him in this distress."

John Adams
[Discourses on Davila, III]

For the past few years Indonesia has begun to carry out *planned* development. The essence of a plan is a policy based on the "*political will*" of a government in power: If the government in power is not genuinely committed to improving the welfare of the masses,³² it will throw together a hand-me-down plan to guarantee stability in the short run and to prevent popular uprisings. But such a plan will ignore long-term benefits. It will only produce short-term benefits for the sake of keeping the regime in power.

³²The Indonesian is *rakyat banyak*. In contrast to *rakyat jelata*, this phrase has faintly elitist and rightwing overtones. "The masses" is not a wholly satisfactory translation.

Many cases have shown that the government will always blame *policy errors* on poor execution or on natural disasters (a very primitive way of thinking!!).

A simple example: the Honorable Minister of Agriculture, Professor Doctor Thoyib Hadiwijaya, has stated that efforts to increase rice production have failed because of natural disasters, such as irregularity of seasons, and pests. Domestic production can not meet food needs because per capita consumption of rice....etc., etc. But has he ever observed that a major error in agricultural strategy and policy has been committed? Committed, in fact, by the Honorable Mr. Thoyib Hadiwijaya and Mr. Wijoyo of Bappenas.³³ To facilitate our discussion of the government's policy errors, we hope that the reader will first study the definition of "policy" appended to this paper.

I. Agriculture

In Pelita I and II and also in Repelita III³⁴ the government has screamed from the rooftops that the major emphasis of economic development lies in the field of agriculture (in line with Tritura³⁵ and the GBHN). In accord with the above, [our] agricultural development strategy should be directed at:

- a) Fulfilling domestic needs for food;
- b) Creating employment opportunities for and increasing the income of the masses;
- c) Increasing sources of foreign exchange.

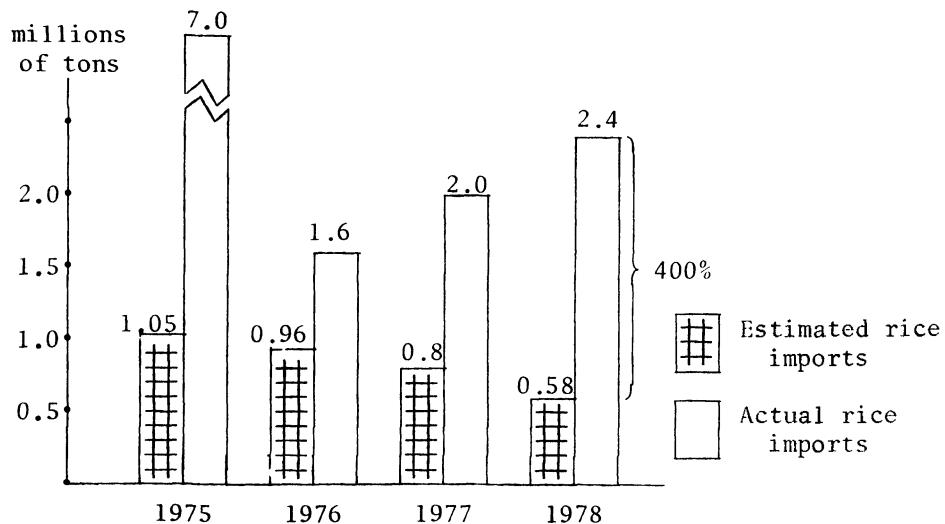
But let us now see what has happened in the field of Agriculture after two five-year plans.

<u>Rice Import Projections</u> (in millions of tons)	<u>Year</u>	<u>Actual Rice Imports</u> (in millions of tons)
1.05	1975	7.0
0.96	1976	1.6
0.80	1977	2.0
0.58	1978	2.4

³³Bappenas = Badan Perancang Pembangunan Nasional (National Development Planning Body).

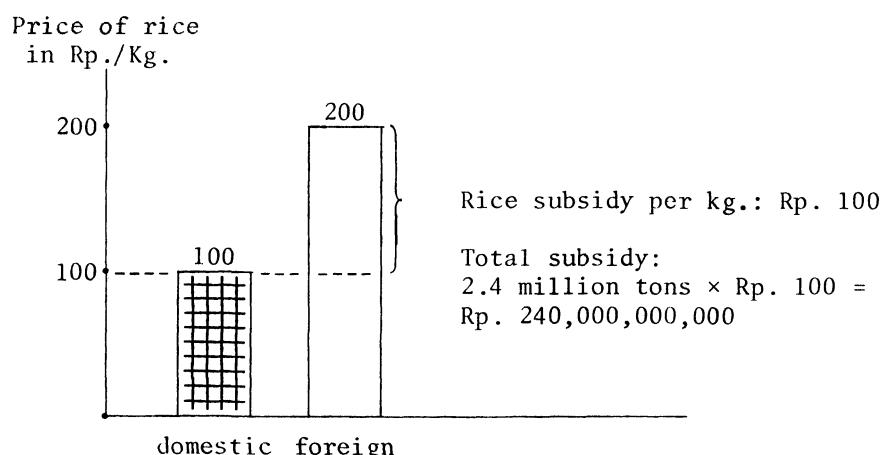
³⁴(Re)pelita = (Rencana) Pembangunan Lima Tahun, national five-year development plans which have run in succession since 1969.

³⁵Tritura = Tri Tuntutan Rakyat (Three People's Demands). These were the prime slogan of the student activists who helped overthrow Sukarno in the spring of 1966. The demands were: 1) dissolution of the Communist Party; 2) dismissal of the cabinet; and 3) reduction of prices.



If we look at 1978, it transpires that actual imports exceed estimated imports by 400 percent. Well...well...imagine that, Mr. Thoyib Hadiwijaya!!!

Anyone who has ever been to college will know that the maximum tolerable margin of error is 20 percent. What do we do now with the 400 percent error of Mr. Thoyib and the gentlemen³⁶ in Bappenas?? To fool the public, Mr. Thoyib, the Head of the Logistics Body, Bustanul Arifin,³⁷ and Wijoyo have stated that the increase is caused by the seasons, pests, and also by the increase in population. Let's try to refute the statements of these gentlemen, as follows. You see, to compensate for its *errors of projection and policy*, the government has imported rice from South Korea, Japan, the United States, Australia, and the Philippines with the following price comparison:



The reader will of course notice that the price of the imported rice is Rp. 100 per kilogram more expensive than domestic rice. This means that the Indonesian government is *feeding* (subsidizing) farmers

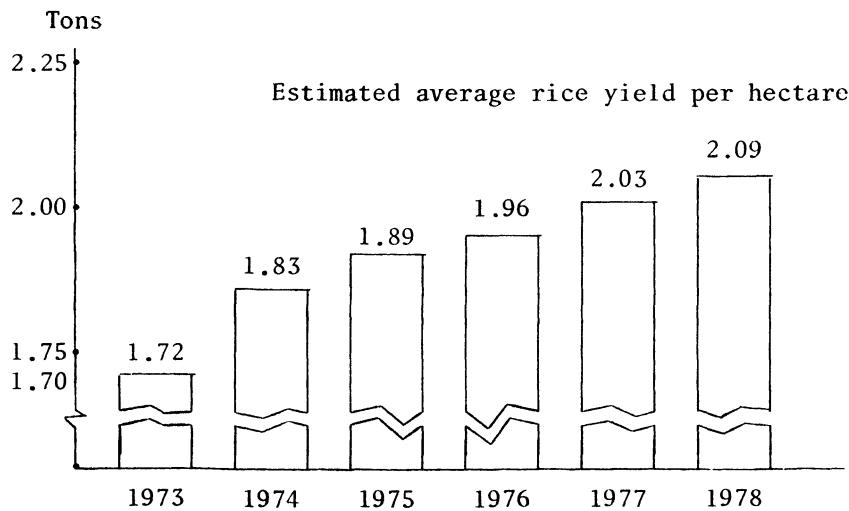
³⁶The authors sarcastically use the "colonial" honorific term *tuan* (master).

³⁷General Bustanul Arifin is married to Mrs. Suharto's niece.

from South Korea, Japan, Australia, etc. at a rate of Rp. 100 per kilo. Well, well, Mr. Thoyib Hadiwijaya, Mr. Bustanul Arifin, and you gentlemen in Bappenas, how come you actually help to increase agricultural production in other countries?? Isn't there something funny here?? Did you get your palms greased, maybe?? It's not only that you are unable to increase domestic production, but....hey! you're actually helping to increase someone else's agricultural production. You'll pay for it some day, friends!!!!³⁸

The subsidy provided by the government for rice imports during 1978 amounts to 2.4 million tons multiplied by Rp. 100 per kilo, i.e., Rp. 240,000,000,000. If we compare this to the amount of credit given the farmers through the Bimas program in 1974, which amounted to only Rp. 44,000,000,000, it becomes obvious that the subsidy to [Indonesian] farmers is much smaller than the subsidy for rice imports from abroad. Readers, do you know what measures the government apparatus takes against farmers who can not pay back their Bimas credits? Officers of the local KORAMIL (Komando Rayon Militer [Military Zone Command]) will confiscate the farmers' stoves, bicycles, and household goods as collateral until the debts are paid off. Pretty sadistic, huh? Especially when you compare it to the amount given to farmers abroad (Rp. 240,000,-000,000).

Now let us analyze the Government's policies (planner: Bappenas; executor: the Minister of Agriculture) in the field of agriculture. In an effort to meet domestic rice needs, the government has carried out the Agricultural Intensification Programs (Bimas and Inmas).³⁹ They are the main programs of the government in its effort to increase rice production. If we study the following graph,



it is obvious that the agricultural intensification effort has only been able to increase rice production by a maximum of 2.09 tons per

³⁸The Indonesian phrase is "kualat nanti, mas." Here the Javanese term of address *mas* (elder brother) is used to indicate the writers' skepticism of these top officials' competence and integrity.

³⁹Inmas = Intensifikasi Massal (Mass Intensification), a program very similar to Bimas, but voluntary.

hectare. In other words, agricultural intensification has a definite productive limit. If all the wet ricefields in Indonesia were fully "intensified," with a maximum production of 2.09 tons per hectare, would domestic rice needs be met?? We are sure they would not!!!

Especially not when we consider future needs. In other words, we can say that agricultural intensification programs can never meet domestic rice needs in the long run. But strangely enough...the Government is still doggedly determined to carry out intensification programs?????

There are several possible ways to explain why the Government is so adamant in pushing through programs such as Bimas and Inmas.

- i) The Bimas and Inmas programs are programs that introduce new technology and equipment to the farmer. Can the reader calculate how much in the way of fertilizers, insecticides, and modern agricultural equipment will be needed to "Bimas" all the wet rice land in Indonesia? Fantastic....a multi-million project....wow!... Who'll clean up???⁴⁰....Obviously the capitalists and foreign capital and their stooges in Indonesia.
- ii) The existence of programs such as Bimas and Inmas will shower "the fruits of development" on many executive institutions in the forms of commissions and incentives per ricefield acreage.

Agricultural development was also meant as an effort to provide jobs. But this is nothing but daydreaming, since the farmer's average landholding is so small (0.16 hectares per family head). Considering the scale of landownership, how could agricultural intensification possibly be able to absorb the 80 percent of the annual increase of manpower (1.2 million people) living in rural areas?

What the government (the Minister of Agriculture and Bappenas) should have done, once they realized that intensification programs would never be able to meet domestic rice needs, was to undertake a program of extensification or expansion of agricultural acreage on a broad national scale. In the long run, the extensification of agriculture will fulfill domestic rice needs, absorb increases in manpower, and spread economic activity over the whole country. Not just in Java. In case you are interested to find out....what has been done by Mr. Thoyib Hadiwijaya with regard to agricultural extensification, the answer is.....almost nothing!!!!!

Let us now scrutinize the concept of price stability and its relationship to farmers' income. As we know, the development "trilogy" that has been bandied about for so long--economic development, equalization of the fruits of development, and stability--forms the basis of Government policy. But this policy has already inflicted great losses on the masses. The freezing of a "rice price" for nine major staple commodities is a policy that is based on the concept of stability. What do they expect will happen to the price of these nine major staple commodities which, by the way, are the product of the farmers, of village people? They are only allowed to sell their products up to a certain price maximum. They are not allowed to sell at prices higher than this maximum.

⁴⁰These phrases are in Sundanese.

They face a fixed-price barrier. Yet if the villagers who produce these nine major staple commodities want to buy capital goods or production equipment from the cities, they have to pay for these materials at the "market price" prevailing in the big cities. *There are no price maximums for goods that are sold in the cities.* The price of these goods follows the principles of "liberal economics" and depends on demand, on need.

Here we see a basic anomaly, an anomaly that emerges as a consequence of the policy errors of the Government. The *village people*, the producers of these nine staple commodities, should enjoy benefits from the pattern of economic relationships between the village and the city, since they are the group in society that [most] ought to be protected--they are the majority of the Indonesian nation. But what actually has happened? As a result of a policy that is based on the stability principle, it is precisely the majority of the people, the rural villagers, who are most hurt. All of this for the sake of stability. If we also calculate transportation costs, the result is.....disaster!! *What the villagers receive is the maximum price minus transportation costs, while what they have to pay is the market price plus transportation costs.*

What ever happened to the land-reform law? Has it ever been put into effect?? It is evident that this law to protect farmers exists only on paper. In other words, it has never been implemented. What is even worse, new landlords have recently emerged, consisting of high Indonesian officials and money-men. (Would somebody please ask Mr. Sigit Suharto how many hectares of land he owns?) The government-organized improvement of irrigation and building of dams quite often has the effect of evicting the farmers near those installations from the wet riceland they formerly owned--eviction under pressure from the capitalists. The fatcats have unleashed their money to buy up thousands of hectares of land. This has become a kind of status symbol. Go to the villages and the villagers will tell you right away that this land belongs to General So-and-So, and the land across the river belongs to Mr. Such-and-Such. These are facts. Dams are also used to generate electric power. But what has actually happened? In Jatiluhur, under the network of transmission and distribution lines there live thousands of Indonesian people who have no access to electricity. Is this development for the masses?????....

II. Finance

The Government often boasts that it pays great attention to the small and weak entrepreneur. These Government efforts are reflected in the provision of credits such as K.I.K., K.M.K.P., and Candak Kulak.⁴¹ But what the proportion of credits given to small and weak entrepreneurs is when compared to the total volume of credit remains a big question. Is it 2 percent.....1 percent.....or even less???? As a matter of fact, this proportion can be used as a measure of the

⁴¹KIK = Kredit Industri Kecil (Small Industry Credits), KMKP = Kredit Modal Keperluan Pribumi (Credits for Native Capital Needs), and Candak Kulak: are programs designed to provide credit for small industry and small merchants, particularly in rural areas.

sense of Nationalism of Suharto and Co.⁴²

Shall we ask who has received hundreds of billions worth of credits??? The answer is easy to guess, namely the non-native businessmen. If the credit problems of the Bank Bumi Daya (Rp. 200,-000,000,000) and other government banks are ever scrutinized in court, it will become obvious that these problems have been caused by close cooperation between certain high officials and non-native businessmen or businessmen who enjoy an informal and close relationship with officials. We can draw the conclusion from such cases that consciously or unconsciously the Suharto regime has given great opportunities to non-native businessmen to dominate the economic life of Indonesia. From the above, readers can determine for themselves the degree of Nationalism of the Suharto regime.

So far we have not heard of any action taken against the elements who were to blame for these credit manipulations. Compare this to the forceful actions taken by government officials against farmers enrolled in the Bimas and Inmas programs. They have been compelled to surrender their stoves, pressure lamps, and bicycles as collateral for late payments worth only some tens or hundreds of thousands of rupiah.

The Government has still not fully implemented a progressive tax system, i.e., one where the rich must pay higher taxes than those who are not so well off. Example: movie houses, most of which are owned by non-native businessmen, often demand an entrance fee of up to Rp. 35,000 per person. Are the taxes paid by these movie-house operators the same as the taxes of those who only charge Rp. 400??? In this case, the government has not fully followed the principle of progressive taxation.

Direct and indirect taxes are some of the sources for the state's development budget and routine budget. Direct taxes appear to contribute 2.5 times more than indirect taxes.

In reality, the individuals and corporations who are subject to [direct] taxation keep two sets of books. One set, showing a high rate of profit, is used to guarantee their bona fides in dealings with banks. Another set, showing a small profit, is used in dealings with the Revenue Service to lower their taxes. There is no need to conceal the fact that today one can negotiate the amount of one's taxes.

A Revenue official will first fix a high rate of tax. For instance, he might determine that Mr. Probosutejo⁴³ should pay: Rp. 10 million. After negotiations of the kind mentioned above, it is agreed that Rp. 4 million is enough. But the story does not end here. Of this Rp. 4 million, Rp. 2 million will be paid to the Revenue Service, while the other Rp. 2 million is earmarked as "negotiation costs" and given to the individual official by the Revenue Service as his formal share.

⁴²The Indonesian is "Suharto dkk." The absence of the title President and the use of the brusque acronym for "dan kawan2nya" are clearly deliberate.

⁴³Probosutejo, one of the wealthiest men in Indonesia, is a brother of President Suharto.

In the eyes of the world, Indonesia is a *developing country* (that is, the contribution of the agricultural sector is larger than that of the industrial sector). To finance development plans we have a *policy of borrowing from abroad*. While not everybody knows how much money has been borrowed, we know of terms such as "government commitment loans." Figures on this type of loan are easy to find. But there are still other types of loan, such as for the Palapa Satellite project, and other non-commitment loans, the precise figures for which are difficult to discover--indeed they may actually be hidden. There are also funds that are named "Project Support Funds."⁴⁴ The value of these funds runs into billions of U.S. dollars. The cost calculations are far above market rates and quite often no spare parts are provided.

There are two important factors that greatly influence the National economic system, namely the rate of inflation and the external exchange rate. The Government has recently declared that the inflation rate for 1977 amounted to 11.82 percent. The facts, however, show that the buying power of the rupiah has declined much faster than the stated rate of inflation. This proves that the rate of inflation claimed by the Government is much smaller than the actual rate of inflation.

Example: As soon as Opstib⁴⁵ was launched, transportation costs rose (because the amount of freight carried by a vehicle was kept in line with its tonnage, i.e., it could no longer carry goods above its official capacity). What happened then to the price of goods????? Everything went up. Possibly Opstib-related price-rises are a better measure of the real rate of inflation.

III. Transmigration, Cooperatives, Industry, and Regional Development

In line with the goal stated in Pelita III, it was hoped that the industrial sector would be one of the fields capable of absorbing increases in manpower. There are guidelines for the investment of foreign capital and the investment of domestic capital. But what is the reality???

Over the past eight years, the industrial sector has only been able to absorb 1.2 million people. This is an absorption rate of only 12.5 percent of available manpower. This proves that the present policy in the field of industry will never be able to absorb the increases in the labor force. The picture becomes worse if we also take into account the loss of job opportunities in national companies that have had to close down because of the influx of foreign capital. The only local raw material used by the Indo Milk Company, for instance, is water. The milk concentrate itself is imported from Australia. While the job market has not expanded, the side effects are wrecking the life of the nation.

The Government's industrial policy should have been geared towards the development of industry designed to support agriculture, because

⁴⁴Soft loans for specified projects.

⁴⁵Opstib = Operasi Tertib (Operation Control), a much-vaunted anticorruption campaign launched by Kopkamtib in the fall of 1977.

agriculture is the [main] source of income for 60 percent of the Indonesian people. Yet what we now see is the rapid growth of consumer-oriented industries, such as the motorcycle and car industries, not of agriculture-supporting industries.

In the field of regional development, it quite often happens that the development plan for a particular area is influenced by big city and foreign interests. Everybody realizes that the areas outside the island of Java must be developed to solve the problems of increasing food production, expanding job opportunities, and safeguarding the ecology. The example given below will show that the development planners in Indonesia (Bappenas) do not yet have a regional development strategy that is appropriate for areas outside Java, because they blindly follow the criteria laid down by foreign countries.

Example: The influx of foreign loans has forced us to accept the stipulations of the creditor countries. No matter whether it is the World Bank, the IGGI, the ADB [Asian Development Bank], or other parties, they will only lend their money if the particular project is seen as feasible in quantitative terms. And so a lot of "feasibility studies" pop up. It has also been stipulated that the cost-benefit ratio [*sic*-should be benefit-cost ratio] must be greater than 1 and with a rate of return based on the requirements of the World Bank. In monetary terms, there are two types of benefit that are projected: first, direct benefits, and second, indirect benefits, which are abstract in character. Among various determining factors are the levels of development of particular areas. It has often been found that the benefit-cost ratio of development outside Java is less than 1. Is the feasibility study REALLY THE ONE AND ONLY MEASURE TO DETERMINE THE ACCEPTABILITY of a particular development project??

But that is the only way to satisfy the taste of the creditor.

Whether we admit it or not, we are faced with what is called the Regional Index.⁴⁶ The cost of land acquisition for the Jagorawi project⁴⁷ reached more than Rp. 2,000,000,000. Of this, almost two-thirds was used to buy land in the Jakarta region. To improve the "ring road" in Jakarta, Rp. 3,000,000,000 were needed per kilometer. But what is the budget for Aceh, or South Sumatra, or Central Kalimantan???????????

The government's transmigration policies, i.e., the transfer of populations from Java to the outer islands, are carried out only in a *sectoral and partial way*. This means that transmigration policies are not clearly integrated with efforts to distribute economic activities and welfare evenly across the country.

The capacity of the Government to move people out of Java amounts at most to 100,000 families per year (1978 plan). This means moving a

⁴⁶The Regional Index is a measurement used to rate the comparative socio-economic development of a given region. The implication here is clearly that areas which are already highly developed are still receiving far more than their rightful share of development funds.

⁴⁷The Jagorawi (Jakarta-Bogor-Ciawi) project is the construction of a by-pass road connecting these cities, with the ostensible goal of facilitating the distribution of agricultural supplies and produce.

mere half a million people per year, while Java's population increase by births alone is approximately two million per year. These data show that a transmigration effort which is handled in a sectoral and partial way *will never be able* to solve the population problem. So long as the majority of economic, social, and cultural activities are centered on Java, the urbanization rate can not be slowed down and thus the transmigration effort is doomed to total failure.

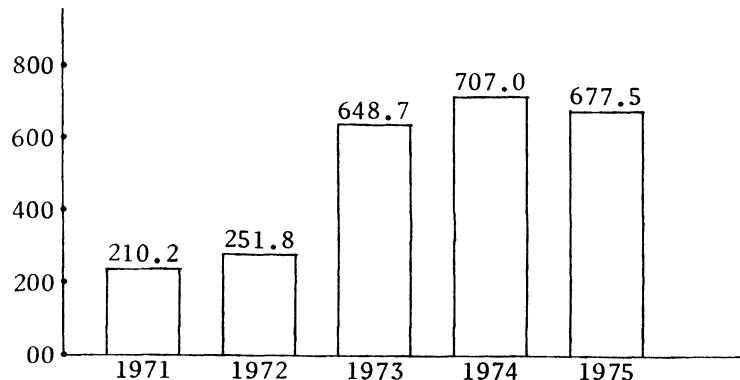
The development of areas outside of Java into new centers of growth (centers of economic, social, and cultural activities) will help the *natural* movement of people, without the need for transmigration.

IV. Trade

We would like to ask the Honorable [Tuan] Radius Prawiro whether the function of the Department of Trade is limited to acting as a "middleman" and to introducing luxurious life-styles to the Indonesian people???? It seems we have to remind Mr. Radius of the following figures and graphs:

Year	Imports of Consumer Goods (in millions of \$US)
1971	210.2
1972	251.8
1973	648.7
1974	707.0
1975	677.5

Illustrated graphically:



Mr. Radius, you can surely see that Indonesia's imports of consumer goods have been constantly increasing. So we would like here to raise the question whether you are really aware of the goals of Indonesian development as outlined by the GBHN and the 1945 Constitution. For this increase in the import of consumer goods, Mr. Radius, obviously means you have helped to lower the sense of pride and self-confidence of the Indonesian people. Tiny groups within Indonesian society will demonstrate the "superiority of imported goods" to the masses so that they too will develop an addiction to imported goods. Now, how does one reconcile this with the concept of development of a *complete*

Indonesian human being????? This deviation is only possible because, Mr. Radius, you are accustomed to thinking with a cost-benefit, not a value-benefit, orientation. Is this really for the sake of the people and for the sake of Indonesia's future????

Considering the above, Mr. Radius, would you admit that your trade policy is not helping to create an atmosphere and a *leadership* oriented to developing creative and productive attitudes for the sake of the long-term interest of this nation?????

We should also inform you, Mr. Radius, that foreign goods are being imported, not through official channels, but through smuggling. As Minister of Trade, you should see to it, shouldn't you? that smuggled goods do not circulate on the open market, since this means a *disguised increase in the volume of imports*. Meaning that your official figures are much too low.

As native [*pribumi*] Indonesians, the majority of the people of this country, we of course also want your policy to benefit the native population, and precisely not merely to benefit the non-native population. We very much hope, Mr. Radius, that you will reveal the percentage of the volume of trade activity handled by native Indonesians. And what have you done to increase that percentage???? If your efforts are insignificant, too bad! You'll pay for it some day, friend Radius.....⁴⁸

V. Public Works and Electricity

The minister is Mr. Sutami, who also owns a row of academic titles. He is a Professor, a Doctor, an Engineer, and a Hajji. Mr. Sutami often claims that development in the fields of housing, drinking water, gas, city planning, road building, irrigation, and the expansion of water and electric power resources is all for the benefit of the little people. Is this really so????? In fact, the little people, the majority of the Indonesian population, still can not enjoy the fruits of development in the fields cited by Mr. Sutami.

With regard to electricity, there are now "X" number of megawatts of electricity available so that Jakarta, West Java, and their environs will not suffer blackouts as happened in 1972. But let us not forget..... Beneath the grid of transmission and distribution lines from Jatiluhur to Jakarta or West Java lives a large proportion of the Indonesian people who are not able to enjoy electricity. Cables simply pass by them, the use of which they will not understand to their dying day.

City people????? Every house has a refrigerator, a television, a rice cooker, an electric sewing machine, and the like. So these are the people who are enjoying the results of the expansion of electric power, costing millions of U.S. dollars. The funding comes from Foreign Loans and....will have to be paid for by the masses. And what's Sutami's position???? Is what you are doing still on behalf of the People? Think it over carefully. Electricity is managed by the

⁴⁸Again the faintly contemptuous use of *mas* from a group of students to a cabinet minister.

State Electric Company (PLN) which is said to be in the red every year, and thus has to be subsidized by the government. Well....what else is new? The money of the people has to be used to subsidize you! It would be better, Sutami, if you withdrew your statements about "on behalf of the people."

With regard to irrigation, we mentioned above that those who know how to profit from improved ricefields are the rich. The farmers, the original owners of the land around the newly-developed irrigation areas, are forced to move out for good and are degraded into agricultural laborers for the new well-heeled landlords. It is true that.....on paper what the Department of Public Works and Electricity builds is for the masses. But the reality the masses actually experience is bitter indeed. The new highways also can not be fully enjoyed by the masses. Some people may think that the opening of new roads will help the farmers to sell their products to the city. Yet.....try swallowing this "bitter pill": What actually happens is that city people with savings are the ones who reap the benefit from these roads. The new roads make it easy for them to "go down" to the villages and buy up village produce cheaply. Thus.....once again it is the bigshots who benefit.

The same is also true of drinking water. Canal water or river water is good enough for the little people, while the city people enjoy the benefit of clean water drawn from wells in the rural areas.

In the last analysis, almost everything that has been developed is only of use to and is only enjoyed by a small minority of the Indonesian people. This reality sufficiently refutes Mr. Sutami's statements that the development undertaken by his Department is for the benefit of the masses.

And what about the desire to develop the areas outside Java? Still far below expectations. To safeguard the Solo River basin, the Department of Public Works and Electricity has calculated a budget of Rp. 200,000,000,000. And how much for the road called Jagorawi? And so on and so on. Is Indonesia just the island of Java and can the other islands be neglected?? It is true that a great number of Indonesians live on Java. But the more that goods and services become available on Java, the more the Government's own policies will be undermined. For the population will be further concentrated there with its accompanying need for sustenance.

Since Mr. Sutami's Department has the largest budget, we have a right to expect that the benefits will accrue as much as possible to the masses.

VI. The National Development Planning Board (Bappenas)

In this beloved country there is a body that coordinates the activities of all departments: it is called the National Development Planning Board. It is here that decisions are made concerning the sources of development financing and the priorities for the development of the motherland. Approval for a project budget is obtained by means of the so-called Project Proposal List. After approval by Bappenas, a Project Content List, which includes the relevant budget,

is issued. There is actually more red tape involved, since an Activities Proposal List must also be drawn up. If there is a movie titled "King of Kings," then Bappenas could also be called the King of all departments of the Government, or let's just call it the *Super-Department*. At present, its chairman also doubles as the State Minister for Economics, Finance, and Industry (EKUIN). He is Prof. Dr. Wijoyo Nitisastro. If the wayang world knows the term *dalang*, then the *dalang* of Indonesian development is *Wijoyo*. From his role it is rather obvious that the *dalang* of Indonesian economic development is also responsible for the operational strategy of Indonesian economic development. This means that those who plan and give shape to Indonesian development must be held primarily accountable for the errors and deviations in Indonesia's development. In planning Indonesian development, Tuan *Wijoyo* naturally pays especially close attention to the whispers of his bosom friends, the gentlemen⁴⁹ from Harvard and Berkeley, who naturally have interests of their own in Indonesian economic development. One of the more interesting episodes in the plot prepared by our *dalang* is the matter of "borrowing abroad."

In the eyes of the world, Indonesia is classified as a *developing country* (the contribution of the agricultural sector is larger than that of the industrial sector). To finance development in such countries, a policy of "borrowing abroad" has been laid down. While not everybody knows the magnitude of the sums that have been borrowed, we do know the term "government commitment loans." Figures for this type of loan are easy to find. Yet there are other loans, such as the loans taken out to finance the Palapa Satellite and other projects, which are not *government commitment*. Figures for these loans are either very hard to come by or they are hidden on purpose. There are also so-called "Project Support Funds." The sums here go into the billions of U.S. dollars, but the goods provided are way above market prices and quite often no spare parts are provided by them.

In determining whether we can still borrow from abroad or not, Tuan *Wijoyo* and friends have concluded that if $X \leq 20\% Y$, then we STILL CAN. [By this, they mean that:]

X = annual payments on foreign loans

Y = foreign exchange earnings (export)

It is a simple matter to interpret these figures. It is just as simple to demonstrate that *this whole policy is wrong*. From a mathematical point of view, X is the most basic element in the equation, it is the "fixed" factor, while Y is the "variable" factor. What happens if the price of lumber, one of our sources of foreign exchange, drops? What happens if one day the contribution of oil, which is so dominant in the foreign exchange earnings of the state, declines? Mr. Sadli, Minister of Mines, has stated: "This year the contribution of non-oil exports has reached \$US 3,500,000,000, and that of oil exports, \$US 6,000,000,000. It is true that so long as oil exports remain sizable we will benefit. But this situation will not last forever, for in the next 10, 20, or 30 years oil exports will certainly decline. The decline of oil exports is based on the research findings of tech-

⁴⁹The authors sarcastically use the Dutch-derived word *meneer* for these American academic worthies.

nical experts. Over the past two years, exploitation and new finds have no longer been in balance."

Is this still a correct long-term borrowing policy?? Since 1969, actual foreign loans in the form of commitments have reached a figure of \$US 4,900,000,000 (including estimates for 1976-1977 realizations). One example of non-commitment debts which at the same time has given us all a tremendous shock is the \$US 10,000,000,000 that Pertamina owes. Who has to bear the consequences for this error in policy? The masses. Yet in fact they were never informed about the size of these "non-commitment" loans. In measuring the success of established policies, Tuan Wijoyo and his friends use several statistics, such as increase in GNP, GDP, per capita income, the rate of inflation, etc. Using these figures, the Policy-Makers claim that.....[only] 3 out of 10 Indonesians live below the poverty line. This is amazing progress. There is also the criterion which determines that a per capita income of over \$US 75.00 per annum is above the poverty line.

Take the case of a poverty-stricken, unemployed vagrant. He picks up cigarette butts; he scrounges for his daily food in the garbage-cans of restaurants; he sleeps under a bridge or under the eaves of shops; he wears whatever he can find. He makes Rp. 300 a day. In a month, that amounts to Rp. 9,000, and in a year to Rp. 108,000 or \$US 250. This is well above the poverty line.

Is this the way to measure the success of a policy? In that case, the more vagrants we have, the more prosperous our country. Long live Pak Wijoyo!!!!

AN APPEAL TO THE WIVES OF OFFICIALS

Dear Ibu⁵⁰.....we would like to express our innermost feelings, and especially to Ibu Tien Suharto, because we know that you have great influence on the wives of other officials.

Dear Ibu.....we are happy that in having an active role in development, women are no longer bound to the smoke of the kitchen. You, Ibu, have been active both in encouraging the diligence of your husbands and in improving your own individual selves. We can observe this from your activities. You are leaders or members of philanthropic organizations, of sports associations such as golf, tennis, or badminton clubs, of art societies, of orchid-growing societies, and of antique-collecting societies. Most eye-catching of all are your activities in mutual aid groups, where you can freely discuss everything, especially matters that have to do with the family.

However, the movement of women out of the kitchen, and the opportunity to do so, have created in women, including you, Ibu, new needs that did not exist before. Dear Ibu....it is exactly in the increase

⁵⁰The Indonesian makes clear that this word is to be understood in the plural, and, in harmony with colloquial Jakarta speech, to refer to "elite" wives.

of these needs that we see consequences very damaging to the public interest.

We observe certain negative consequences, especially in connection with the activities of your husbands, who by chance happen to occupy key positions. While there are positive consequences, too, these relate to the enjoyment of your own personal lives, while millions of other women continue to live in want and apprehension.

Dear Ibu.....in talking about the role of women in development we often also talk about women's emancipation. Emancipation, however, does not mean that the wife must take part in her husband's official functions or that she must exploit her husband's position. It does not mean that the wife must take part in determining her husband's policy in matters concerning his office or that she should make use of the facilities and perquisites to which her husband is entitled. We feel, too, that there are many other matters related to character and behavior that can have a negative effect on the activities of her husband.

We say this because in fact we have the impression and we observe that there are many of you, Ibu, who have gone astray in playing your roles, many who have misunderstood the meaning of women's emancipation.

Dear Ibu.....the conditions prevailing in Indonesian society that have become the target of criticism by us students and some honest brothers⁵¹ consist of the misappropriation of funds, official corruption, obtuse policy decisions, and the excessive life style of various officials and their families, who show off their wealth in front of millions of suffering people, etc., etc.

Forgive us for saying it....but to a large extent these negative symptoms are caused by your own behavior, because you are the wives of such officials.

Why.....? Many of you interfere in your husbands' functions. Among you there are those who show off as the Governor's wife, the Bupati's wife, the Director-General's wife, etc. Many of you are emotionally involved in the office of your husband and even have a hand in determining office policy. How would it be if the wife of a doctor also took part in deciding whether a patient ought to be put in the hospital or not? We get the same impression when we observe other ladies whose husbands occupy important positions. Many officials misappropriate state funds because their wives, due to emotional factors, demand things that are in fact beyond their husbands' means.

The impulse to be conspicuous, the impulse to show off and to live luxuriously, the impulse.....to be greedy, and other irrational impulses are the reasons why your husbands have deviated from the proper performance of their duties.

Ibu.....although not all wives act in the way we have outlined above, nevertheless, observing the reality in society, we are convinced that you, and especially the wives of officials, are to a large extent

⁵¹The Indonesian is "beberapa saudara kami yang jujur." "Brothers" is clearly meant in the quite general sense of comrades or sympathizers.

responsible for the decay of our society. Forgive us if we sound too accusing and if it seems as if we are too unsympathetic towards upper class women. Nevertheless, it is reality that forces us to state what we have above. To end our complaints: let us remind you how bad the situation will be, how chaotic society will be if you do not change your behavior for the betterment of yourselves as individuals and for the good of your respective husbands as well.

We appeal to your sense of nationalism, [asking you] to consider the future of Indonesian womanhood and to raise the status of Indonesian women. We would be much happier if your support were not limited to the donation of money or materials but represented a personal commitment that could inspire Indonesian women to attain a high degree of integrity.