

Re-Examining US Intervention in Indonesia

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EMMA KAST, APR 19 2013

Re-Examining US Intervention and Manipulation in 1965 Indonesia

Much of the literature on United States (US) and Indonesian relations prior to the 1965 clash between the military and the Communist Party of Indonesia (PKI) sets out to explain whether the US was responsible for the outbreak of this devastating conflict. Many theorists claim that the CIA had a role in planning the coup; others say that the US was not responsible at all. While we arguably may never reach a consensus on whether the US had a role in directly *planning* the coup, there is ample evidence that the regional effects of military and monetary aid to Indonesia prior to the violent outbreak of the short civil war were instrumental. The US' donation of millions of dollars' worth of arms to the anti-communist majority of the Indonesian army, its utilization of economic aid to Sukarno as a manipulation tactic and CIA propaganda are all crucial interventions that can help explain the clash and subsequent overthrow of Sukarno. These actions were also immensely revealing of the US' underlying agendas: to halt the spread of communism, or even to pre-empt it before it became a direct "threat", and to protect its oil fields in Indonesia. Ultimately, examining the effects of US involvement will not provide causal evidence to determine US responsibility, but rather help to explain the clash and its outcome.

Peter Weir's film *The Year of Living Dangerously* is a portrayal of Indonesia in the 1960s that highlights the attitudes among the Indonesian military, the PKI and Sukarno's supporters who ultimately feel betrayed by him[1]. The theme of Western hatred is introduced immediately with the arrival of Guy Hamilton, an Australian Journalist landing in Indonesia to document the PKI movement. The turning point occurs when Hamilton is informed that the PKI will be receiving an arms shipment from the Chinese. He is strongly advised to leave because once they receive the shipment, civil war will break out and all remaining Westerners will surely be killed.

It is difficult to understand the loyalties and relations among parties active in Indonesia during this time because they were most certainly not clear-cut, at least initially. Sukarno's policy of Guided Democracy was supported by a complex set of alliances with the PNI (the Indonesian Nationalist Party), the PKI, and a major Muslim party[2]. Along with these parties, a largely anti-communist military existed. For most of Sukarno's reign, beginning with when he gained Indonesia its independence from the Dutch in 1945, Sukarno was able to keep peace among these groups. As *The Year of Living Dangerously* depicts, his supporters believed him to be highly skilled at balancing the left and the right, likening him to a great puppet master of the *Wayang*[3]. However, by the end of the film, Hamilton's friend and advisor, an avid supporter of Sukarno, feels deeply betrayed by Sukarno's new policies. He is killed by the PKI when protesting with a sign reading "SUKARNO FEED YOUR PEOPLE."

So what could have fed the flames of the famine and severe economic problems that lost Sukarno many of his supporters in the years leading up to the 1965 clash? A specific set of key events prior to the coup are crucial to understanding US involvement in this crisis. First, from 1964-65, there is ample evidence that Sukarno increasingly supported the PKI[4]. As US ambassador to Indonesia from 1965-69 Marshall Green asserts, the US was initially pre-occupied with Vietnam, despite Indonesia's greater size, wealth of resources and its increasingly communist agenda[5]. It is only when Sukarno took on an increasingly anti-American agenda, one that more closely aligned to that of the PKI, that Indonesia attracted significant attention from Washington, who saw it as a serious threat to its anti-communist agenda in Vietnam.

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This leads us to an intriguing set of questions: which came first, Sukarno's leaning to the left or the US' overwhelming support of the right? Was the US responsible for throwing off the balance of the "great puppet master" largely unprovoked, or did Sukarno's foreign policy change significantly and aggravate the US to do so? From the available research, it still does not seem clear. But the remaining US-Indonesian relations to be examined may bring us closer to an answer.

A second threat to US interests that may have led to coercive action is the security of US oil fields in Indonesia. In 1965, before the coup, Sukarno threatened to expropriate two major US oil companies in Sumatra: Caltex and Stanvac[6]. Furthermore, as a means of completely eradicating the legacy of Dutch colonialism, Sukarno wanted to rewrite the laws governing exploitation of the country's resources[7]. These potential new oil laws were seen as a great obstacle to US companies' investment plans, and this perceived threat is often overlooked when examining US foreign policy toward Indonesia during this fateful year.

A third factor leading up to the tension between Sukarno and Washington was Sukarno's proposed ambitions for Muslim Malaysia. Although the Eisenhower administration may have recognized Sukarno as a neutralist, it feared that his international ambitions and potential loss of control over the PKI might destabilize the region[8]. H.W. Brands claims that these fears came with Sukarno's 1963 campaign against British neo-colonialism in Malaysia as well as against Malaysia itself. This contributed to the worsening of the economy, and by the end of the year, the Jakarta government was verging on bankruptcy and the PKI was becoming increasingly militant.

Arguably the most drastic shift in the role of the US during this time came with Lyndon Johnson's accession to the Presidency after Kennedy in 1963. While Kennedy had initially increased economic aid to Sukarno and Indonesia, it began to decrease when Johnson came to office with a much more anti-Sukarno approach, under pressure from Congress[9]. In fact, from 1962-65 there was a gradual but complete cutoff of all economic aid from the US to Indonesia. However, this cutoff in economic aid was accompanied by an increase in military aid: \$39.5 million went to the Indonesian army during these four years as opposed to the \$28.3 million of US military aid during the thirteen year period of 1949-61[10]. Furthermore, extensive CIA support and training of the paramilitary anti-PKI groups was also happening during this time[11]. As Robert McNamara boasted, the government invested \$5 million in bringing approximately 2,100 Indonesian military personnel to the US for training[12].

Sukarno's 1964 declaration to the western powers, "Go to hell with your aid"[13] is indicative of the brewing tensions between Washington and Sukarno. This famous speech expressed Sukarno's extreme anger at the US' aid-with-strings-attached approach to economic assistance, for instance threatening to stop aid unless Sukarno called off the confrontation with Malaysia[14]. This rhetoric inflamed Washington and fed the western perception that Sukarno was moving significantly further toward the left, and therefore toward the PKI.

The turning point that sparked the massacre began with the Gestapu, an acronym of the "Indonesian September 30 Affair"[15]. The "official" understanding of this event is that it was carried out by the PKI, although more recently the research points to a General in the Palace Guard who started it in order to pre-empt an expected coup against Sukarno[16]. In the early hours of the morning on October 1st 1965, six generals of the Indonesian Army High Command were murdered[17]. This prompted a US-backed movement to exterminate the PKI and all communists affiliated with them. It resulted in the burning of the Chinese embassy and the slaughtering of over 500,000 Javanese civilians[18], as well as the complete destruction of the PKI as a competitor for power in Indonesia[19]. It was a short-lived catastrophe, lasting from this incident to March 1966[20]. Bradley Simpson asserts that although there is no evidence that directly implicates the US in the September 30th movement or in the ousting of Sukarno, it unquestionably sought to encourage the PKI in a coup attempt in order to provoke a violent reaction from the military, who would presumably put it down[21].

Brands, however, argues that the US had almost no role in the downfall of Sukarno, and agrees with Harold Crouch's notion that the events of 1965 and following were merely a display of a trend toward a politicization of the military[22]. Although it may or may not be true that US organizations did not directly plot the Gestapu and removal of Sukarno, it is absurd to claim that they had almost no role in Sukarno's downfall. Supplying a vast sum of money and extensive training to the Indonesian military, which in effect represented *one* party, while simultaneously cutting off economic

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assistance to the Sukarno government as a form of blackmail for noncompliance were nothing short of manipulation tactics, with profound consequences on the region. The training and aid created a strong military that was able to respond quickly and violently to the Gestapu and cause the deaths of half a million people. Therefore, this aid was likely a contributing *cause* of the proposed politicization of the military.

As Peter Dale Scott explains, it would be foolish to assign all the blame to one group—the US, the Indonesian military, the PKI, or Sukarno[23]. Of course, intelligence in Britain, Japan, and Australia had a significant and similar influence on the Indonesian military. On the opposing side, the Chinese were supplying arms directly to the PKI and the Soviet powers were providing them with economic assistance. But US organizations, most notably the CIA, seemed to most directly manipulate the political stage in the region. In addition, Scott asserts that there is extensive evidence of CIA propaganda that aided in instilling a sense of fear of communists and stirring up militaristic attitudes against them that may have led to the coup[24].

What ensued was a severe tension between the CIA and Sukarno, or a “war of words”[25]. We now have evidence that a committee whose mission was to review and authorize covert operations sent a telegram to Jakarta proposing a clandestine liaison with anti-communist groups in Indonesia, political action within existing organizations, and an exploitation of PKI factionalism[26]. It is impossible to ignore the evidence of US infiltration in Indonesian political organizations that was used to carry out an anti-PKI, anti-Sukarno agenda. In fact, Sukarno was even convinced that the CIA was plotting to kill him—an issue the CIA took so seriously, it felt compelled to publicly announce otherwise. Again, without assigning a causal role to the US’ involvement in the coup, this can help explain the extent and consequences of US intervention by suggesting that this propaganda played a larger role in throwing off the balance of power in Indonesia than is traditionally recognized.

In the conclusion of the *The Year of Living Dangerously*, we see a polarization of ideology, representative of the cold war, which had disastrous consequences for Indonesia. The US and Indonesia’s contradicting interests came out into the open in 1965 with Sukarno’s declaration of the Jakarta-Beijing axis on Indonesian Independence Day in 1965[27], as this publicly ended the non-alignment movement and neutralist policies of Sukarno.

The short coup resulted in General Suharto taking power with the US behind him. Although extremely corrupt, Suharto’s regime ended the famine and initially contributed to the growth of the Indonesian economy—so it is difficult to judge whether US involvement was on some level ultimately helpful, or if the famine would have never happened in the first place if it had not been for the US. But at the very least it is important to acknowledge the prominent role of the US in what Sukarno declared the “year of living dangerously” and the events leading up to it that completely changed the face of Indonesia. Most importantly, examining these events can tell us a great deal about the role of covert government operations in developing countries that often end in massive loss of life and are purely driven by US interests. These operations are often overlooked when explaining the outbreak of chaos in these regions, including civil war.

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[5] Marshall Green, *Indonesia: Crisis and Transformation*, 31.

[6] Marshall Green. *Indonesia: Crisis and Transformation*, 77.

[7] Bradley Simpson, *Economists with Guns*, 101.

[8] H.W. Brands, "The Limits of Manipulation: How the US Didn't Topple Sukarno," 790.

[9] Peter Dale Scott, "The United States and the Overthrow of Sukarno 1965-67," 252.

[10] Peter Dale Scott, "The United States and the Overthrow of Sukarno 1965-67," 253.

[11] Mark Berger "The End of Empire and the Cold War," in *Contemporary Southeast Asia*, ed. Mark Beeson (New York: Palgrave Macmillan, 2009), 43.

[12] H.W. Brands, "The Limits of Manipulation: How the US Didn't Topple Sukarno," 805.

[13] Peter Dale Scott, "The United States and the Overthrow of Sukarno 1965-67," 253.

[14] H.W. Brands, "The Limits of Manipulation: How the US Didn't Topple Sukarno," 794.

[15] Donald Weatherbee, "Interpretations of Gestapu, the 1965 Indonesia Coup," 305.

[16] Mark Berger "The End of Empire and the Cold War," in *Contemporary Southeast Asia*, ed. Mark Beeson (New York: Palgrave Macmillan, 2009), 43.

[17] Bradley Simpson, *Economists with Guns*, 172.

[18] Owen, *The Emergence of Modern Southeast Asia*, 435.

[19] Donald Weatherbee, "Interpretations of Gestapu, the 1965 Indonesia Coup," 305.

[20] Marshall Green, *Indonesia: Crisis and Transformation*, 97.

[21] Bradley Simpson, *Economists with Guns*, 174.

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[22] H.W. Brands, "The Limits of Manipulation: How the US Didn't Topple Sukarno," 805.

[23] Peter Dale Scott, "The United States and the Overthrow of Sukarno 1965-67," 262-263.

[24] Peter Dale Scott, "The United States and the Overthrow of Sukarno 1965-67," 261.

[25] Howard Jones, *Indonesia: The Impossible Dream*, 320.

[26] Bradley Simpson, *Economists with Guns*, 157.

[27] Owen, *The Emergence of Modern Southeast Asia*, 434.

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