

## INSTITUTE OF CURRENT WORLD AFFAIRS

BRC-17  
A New Cabinet for Indonesia

Djalan Sultan Hasanuddin 29  
Medan, North Sumatra  
Indonesia  
August 7, 1953

Mr. W.S. Rogers  
Institute of Current World Affairs  
522 Fifth Avenue  
New York City 36, New York

Dear Mr. Rogers:

The fifty-eight day crisis is over, and Indonesia has a new cabinet. Ali Sastromidjojo of the Indonesian Nationalist Party (P.N.I), formerly Ambassador to the United States, will lead a twenty man cabinet, containing an odd mixture of left and right wing politicians. It is potentially the least stable cabinet since the transfer of sovereignty in 1949.

Indonesia's largest party, the Masjumi, is not represented in the cabinet and will become a "loyal opposition", according to its chairman Mohammad Natsir. The Indonesian Communist Party occupies no seats in the new creation, but several important ministries have fallen to left-wing friends, an arrangement quite in keeping with the current communist policy of seeking friends and influence rather than immediate power.

In quality of personnel, the Ali Sastromidjojo cabinet generally falls short of the outgoing Wilopo cabinet:

|                   |  |
|-------------------|--|
| Prime Minister:   | Ali Sastromidjojo (P.N.I)                |
| Deputy P.M.       | Wongsonegoro (P.I.R)                     |
| Deputy P.M.       | Zainul Arifin (Nahdatul Ulama)           |
| Interior          | Dr. Hazairin (P.I.R)                     |
| Foreign Affairs   | Sunarjo (P.N.I)                          |
| Defence           | Iwa Kusumasumantri (Progressive Faction) |
| Finance           | Ong Eng Die (P.N.I)                      |
| Economic Affairs  | Iskaq (P.N.I)                            |
| Justice           | Djody Gondokusumo (P.R.N)                |
| Education         | Mohammad Yamin (non - party)             |
| Health            | Lumbantobing (S.K.I)                     |
| Information       | "  |
| Communications    | Abikusno (P.S.I.I)                       |
| Public Works      | Rooseno (P.I.R)                          |
| Agriculture       | Sadjarwo (B.T.I)                         |
| Religious Affairs | K.H. Maskur                              |
| Labour            | Abidin (Partai Buruh)                    |
| Social Affairs    | R.P. Suroso                              |
| National Security | Sudibdo (P.S.I.I)                        |
| Agrarian Affairs  | Mohammad Hanafiah (N.U)                  |

The parties represented have no single characteristic in common

unless it is fear of the Masjumi and the experience of joint opposition to the luckless Wilopo cabinet. The P.N.I. has been in unofficial alliance with the Indonesian left-wing and the P.K.I. during the past months, and it is an open question whether this caper with the left will end now that the P.N.I. has the responsibility of governing an unsettled nation.

The Ministers of Defence, Education, Labor, and Agriculture must be considered radicals, while the representatives of the Greater Indonesian Union (P.I.R), the National People's Party (P.R.N), and the Indonesian People's Alliance (S.K.I) are from conservative but strongly nationalistic organizations. The five minor seats given to the Federated Islamic Party of Indonesia (P.S.I.I) and the Nahdatul Ulama can be considered a concession to Islam as well as an attempt to draw these small groups farther from the huge Masjumi; the P.S.I.I. is the most nationalistic of Islamic groups, while the N.U. is the most conservative.

Indonesian press comment on the new cabinet has been mixed:

Waspada (Medan, P.N.I.) "The new cabinet will have the support of 114 votes in Parliament, certainly a minimal number, but in the light of past experience, the strength of the cabinet will lie in its program... If it takes a firm stand on the problems of land distribution and nationalization of the oil wells in North Sumatra, as already formulated by the P.N.I., then it is certain that its program... will constitute a powerful fortress from which this new cabinet can preserve its solidarity until at least the general election... With the statements from the Indonesian Christian Party, the Catholic



BENDA ANEH APA INI?  
 "What an odd Contraption!" *Indonesian East*

Party, and the Democratic Faction, that these three groups will give the cabinet an opportunity to prove itself, and with the attitude of the Indonesian Communist Party and its friends, which will of course support the program of a P.N.I. cabinet...it can be predicted that the new cabinet will have sufficient backing in Parliament. In a word: this is a strong cabinet!"

Pedoman (Djakarta, Indonesian Socialist Party) "When the Masjumi declared that it would not participate in this cabinet, Wongsonegoro said that he would attempt to form a cabinet without the Masjumi... A cabinet without the Masjumi cannot be called a "national" cabinet... Although officially the Indonesian Communist Party does not sit in the cabinet, in practice it will have a very strong position in determining the cabinet's orientation. As is known, the formateur hopes for the support of 114 votes in Parliament for this cabinet, but it is no secret that the Democratic Faction, the Labor Party, etc. will not be unanimous in their support of the cabinet. In such a situation, the P.K.I. will always be able to get its way and continually threaten the withdrawal of its support at critical moments. Moreover, there are several men in the cabinet..Iwa Kusumasumantri, Yamin, Abikusno..who are well known for playing the "progressive" game and will be very easily used as tools by the P.K.I."

Abadi (Djakarta, Masjumi) "Prime Minister Ali Sastromidjojo has stated several times to a U.P. correspondent in Washington that he doubts that his cabinet



tends to the left. He pictures himself as a middle-of-the-road politician, and Deputy Prime Ministers Wongsenegoro and Zainul Arifin as conservatives. If we look at the individuals in this triumvirate, there is certainly no ground for contesting Prime Minister Ali's statement... But we are afraid that Prime Minister Ali does not yet know the whole story behind his cabinet's formation... And it also seems that he does not realize that several important seats in the cabinet are occupied by men who always flirt with the left-wing, although they are not from the left-wing itself. In addition, he evidently does not yet realize that the program of the new cabinet (for example, the re-opening of all questions that have been pigeon-holed) is in conformance with the wishes of the left-wing.

"Ali Sastramidjojo's position in this cabinet will be peculiar. He is well known as a supporter of the Frisco treaty, while the cabinet if consistent will refuse to sign that treaty... The cabinet if consistent will refuse to return the North Sumatra oil wells to Dutch Shell, a step obviously inconsistent with Ali's efforts abroad to attract foreign capital to Indonesia".

Harian Rakjat (Djakarta, Communist) "...some people...do not like the Ali - Wongsenegoro cabinet because it will not satisfy the western nations, the source of foreign capital in Indonesia... In the last few years, Indonesia has become more and more closely tied to western markets. Construction projects have not advanced well, and this has given rise to an inferiority complex among some leaders who even propose that the oil fields in West Sumatra should be handed back to Dutch Shell (B.P.M). Export regulations have cut down the export of people's products and placed exporting almost entirely in the hands of foreign companies. Little has been done to repeal colonial laws and replace them with national ones. Wages are even worse than during colonial times... A cabinet must be judged from the standpoint of whether it will implement a national program; every pro-people's cabinet will necessarily be opposed by the West... It is strange that some papers which claim to be national are expressing opinions similar to those in Dutch papers which reflect the opinion of monopoly capital".

Press speculation should not be taken too seriously until the cabinet has presented its program to Parliament for approval, yet there can be no doubt that Prime Minister Ali faces a challenging task within the cabinet itself. Ali Sastramidjojo is considered a member of the moderate wing of the P.N.I., similar to his predecessor Wilopo in outlook and temperament. Yet if the cabinet is "consistent" with recent P.N.I. policy, it will do the following:

- (1) Nationalize certain Dutch Shell (B.P.M) oil properties in North Sumatra.
- (2) Amend or eliminate the import restrictions instituted by former Finance Minister Sumitro in his drive to control the flow of hard currency from Indonesia
- (3) Put its stamp of approval on the position of Colonels Warouw and Sudirman, who gained control of the East Indonesia and East Java military regions by peaceful coups last fall.
- (4) Carry out a vigorous military campaign against the Darul Islam rebels in West Java.

Will Ali dare face the consequences of any one of these strong measures? If he does not, he will certainly lose support of the left-wing groups which teamed up with the P.N.I. to topple Wilopo.

As the time for general elections draws near, the army policy of the new cabinet will become increasingly important, for it is Indonesia's partially disciplined, political-minded army which poses the gravest threat to fair and peaceful elections. The appointment of Iwa Kusumasumantri of the Progressive Faction as Minister of Defence represents a final defeat for the army reorganization plan of former Minister of Defence Hamangkubuwono and a clear victory for the Sukarno "line", which favors the maintenance of a large army commanded by leaders directly accountable to Sukarno as President and possessed of an indefinable national "spirit".

Pedoman, the Socialist Party organ, charges that Iwa was appointed with the backing of Colonels Warouw and Sudirman, a claim that was promptly and irrelevantly denied by the Army General Staff on the grounds that specific army regulations forbid political activity by army personnel. The rumour does not sound implausible in view of the stand taken by the Progressive Faction during the army crisis last year.

One of the interesting additions to the Indonesian cabinet is a Ministry of National Security, created especially to combat corruption in government. The new minister claims that his task will not be limited to wiping out corruption of a criminal nature, but will also extend to "political corruption, which is not so evident but can be felt just the same". An active campaign against corruption is badly needed in the Indonesian government, but it can be wondered what a new ministry can accomplish where the Indonesian State Police have so obviously failed. If the new ministry is given a free hand, it will be a control organ of potentially great power.

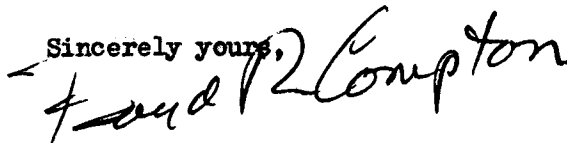
Possibly the most important developments during the incoming cabinet's period of tenure will take place on the sidelines, in the ranks of the Masjumi Party. Through his great spiritual power and practical leadership, young Mohammad Natsir has been able to establish working unity in the party. Under his guidance, the Masjumi has been a moderating and stabilizing factor in national politics, one of the few political groups that has refused to use that ominous word "provocation" in defining actions of the opposition.

The great danger now is that an all-out military campaign against the two groups of Moslem rebels (West Java, South Sulawesi), coupled with an increase of left-wing influence in the government, could bring the extremist elements in the Masjumi to the top. There is little doubt that the extreme right-wing of the Masjumi maintains a sympathetic view of the Darul Islam movement, while the Natsir wing generally condemns the movement as illegal. Natsir's own policy was expressed in his August 7 statement condemning illegal actions against the government and urging patience among Masjumi Party members. The continued influence of Natsir's moderate policy within the Masjumi will now depend to a large extent on the actions of the new cabinet. If the government moves vigorously against the Moslem rebels, while refusing to hasten the general election which would give the Masjumi a greater voice in Parliament, Natsir's control will almost certainly be threatened.

Indonesians will be paying close attention to the first steps taken by the new cabinet in the months ahead. If its policies are to be as mixed as its

composition, it can hardly be expected to survive in the currently stormy political atmosphere. The development of real team-work between its extreme left- and right-wing members will be a minor miracle, a miracle that can only be brought about by constructive P.N.I. leadership. Index issues will be the nationalization of North Sumatran oil wells, the maintenance of strict financial controls, and the hastening of the general election. As more and more Indonesians long for a Naguib, it is the task of Ali Sastromidjojo and the P.N.I. to prove that a parliamentary form of government can be effective in Indonesia.

Sincerely yours,

A handwritten signature in black ink, reading "Boyd R. Compton". The signature is written in a cursive style with a large, prominent "C" at the end.

Boyd R. Compton

Received New York 7/4/53.