

## Lessons of the 1965 Indonesian Coup

# Chapter One: The historical background

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16 May 2009

Table of contents

In October 1965 the international working class suffered one of its greatest defeats and betrayals in the post-World War II period.

Up to one million workers and peasants were slaughtered in a CIA-organised army coup led by General Suharto which swept aside the shaky bourgeois regime of President Sukarno, crushed the rising movement of the Indonesian masses, and established a brutal military dictatorship.

Retired US diplomats and CIA officers, including the former American ambassador to Indonesia and Australia, Marshall Green, have admitted working with Suharto's butchers to massacre hundreds of thousands of workers and peasants suspected of supporting the Indonesian Communist Party (PKI). They personally provided the names of thousands of PKI members from the CIA's files for the armed forces death lists.

According to Howard Federspeil, who was an Indonesian expert working at the State Department at the time of the anti-communist program: "No one cared, so long as they were communists that they were being butchered."

The coup was the culmination of a prolonged operation by the CIA, with the help of agents of the Australian Secret Intelligence Service, to build up and train the Indonesian armed forces in preparation for a military dictatorship to suppress the revolutionary strivings of the Indonesian masses.

At the time of the coup, the PKI was the largest Stalinist party in the world, outside China and the Soviet Union. It had 3.5 million members; its youth movement another 3 million. It controlled the trade union movement SOBSI which claimed 3.5 million members and the 9 million-strong peasants' movement BTI. Together with the women's movement, the writers' and artists' organisation and the scholars' movement, the PKI had more than 20 million members and active supporters.

During the independence struggle against the Dutch in the 1940s and throughout the 1950s and 1960s hundreds of thousands of class conscious workers joined the PKI, believing that it still represented the revolutionary socialist traditions of the Bolshevik Revolution of 1917.

Yet by the end of 1965, between 500,000 and a million PKI members and supporters had been slaughtered, and tens of thousands were detained in concentration camps, without any resistance being offered.

The killings were so widespread that the rivers were clogged with the corpses of workers and peasants. While the CIA-backed military death squads rounded up all known PKI members and sympathisers and carried out their grisly work, *Time* magazine reported:

"The killings have been on such a scale that the disposal of corpses has created a serious sanitation problem in northern Sumatra where the humid air bears the reek of decaying flesh. Travellers from these areas tell us small rivers and streams have been literally clogged with bodies. River transportation has become seriously impeded."

How was this historic defeat able to be inflicted? The answer requires an examination of the history of the struggle of the Indonesian masses, the treachery of the national bourgeoisie led by Sukarno, the counter-

revolutionary role played by the PKI, and the crucial part played by the Pabloite opportunists of the "United Secretariat" of Ernest Mandel and Joseph Hansen in aiding the treachery of the Stalinists.

### The 'Jewel of Asia'

The bloody coup in Indonesia was the outcome of the drive by US imperialism to gain unchallenged control of the immense natural wealth and strategic resources of the archipelago, often referred to as the "Jewel of Asia".

The importance that United States imperialism attached to Indonesia was emphasised by US President Eisenhower in 1953, when he told a state governors' conference that it was imperative for the US to finance the French colonial war in Vietnam as the "cheapest way" to keep control of Indonesia.

Eisenhower detailed: "Now let us assume that we lose Indochina. If Indochina goes, several things happen right away. The Malay peninsula, the last little bit of land hanging on down there, would be scarcely defensible. The tin and tungsten we so greatly value from that area would cease coming, and all India would be outflanked.

"Burma would be in no position for defence. All of that position around there is very ominous to the United States, because finally if we lost all that, how would the free world hold the rich empire of Indonesia?"

"So you see, somewhere along the line, this must be blocked and it must be blocked now, and that is what we are trying to do.

"So when the US votes \$400 million to help the war (in Indochina), we are not voting a giveaway program. We are voting for the cheapest way that we can prevent the occurrence of something that would be of a most terrible significance to the United States of America, our security, our power and ability to get certain things we need from the riches of the Indonesian territory and from South East Asia.

Indonesia is estimated to be the fifth richest country in the world in terms of natural resources. Besides being the fifth largest oil producer, it has enormous reserves of tin, bauxite, coal, gold, silver, diamonds, manganese, phosphates, nickel, copper, rubber, coffee, palm oil, tobacco, sugar, coconuts, spices, timber and cinchona (for quinine).

By 1939 the then Dutch East Indies supplied more than half the total US consumption of 15 key raw materials. Control over this vital region was central to the conflict in the Pacific between the US and Japan during World War II. In the post-war period the US ruling class was determined not to have the country's riches torn from their grasp by the Indonesian masses.

Following the defeat of the French in Vietnam in 1954 the US feared that the struggle of the Vietnamese masses would ignite revolutionary upheavals throughout the South East Asian region, threatening its grip

over Indonesia.

In 1965, just prior to the Indonesian coup, Richard Nixon, soon to become US president, called for the saturation bombing of Vietnam to protect the "immense mineral potential" of Indonesia. Two years later he declared Indonesia to be the "greatest prize" of South East Asia.

After the coup, the value of Suharto's dictatorship to the interests of US imperialism was underlined in a 1975 US State Department report to Congress which referred to Indonesia as the "most strategically authoritative geographic location on earth":

- \* "It has the largest population of any country in South East Asia.
- \* "It is the principal supplier of raw materials from the region.
- \* "Japan's continued economic prosperity depends heavily on oil and other raw materials supplied by Indonesia.
- \* "Existing American investments in Indonesia are substantial, and our trading relationship is growing rapidly.
- \* "Indonesia will probably become an increasingly important supplier of US energy needs.
- \* "Indonesia is a member of OPEC, but assumed a moderate stance in its deliberations, and did not participate in the oil embargo.
- \* "The Indonesian archipelago sits astride strategic waterways and the government of Indonesia is playing a vital role in the law-of-the-sea negotiations which are vital to our security and commercial interests."

## Centuries of colonial plunder

The Dutch colonial powers mercilessly plundered Indonesia for 350 years, looting the natural resources, establishing vast agricultural estates, and ruthlessly exploiting its people.

In 1940 there was only one doctor per 60,000 people (compared to India, where the ratio was 1:6,000) and just 2,400 Indonesian graduates from high school. At the end of World War II, 93 percent of the population was illiterate.

At the beginning of the 19th century, the rising British bourgeoisie increasingly challenged the Dutch for domination over the region. In 1800 the Dutch East India company collapsed and the British occupied the region from 1811 to 1816. The Treaty of London of 1824 carved up the region between the two colonial powers: the British took control of the Malayan peninsula and the Dutch kept charge of the 13,000 islands in the Indonesian archipelago.

By the turn of the 20th century, the emerging imperialist power, the United States, began challenging the old European colonial power, particularly after the American occupation of the Philippines in 1898.

The US was locked into a trade war with the Dutch over oil and rubber. The Standard Oil Company began to contest the monopoly on the Indonesian oil fields by the Royal Dutch company. In 1907, Royal Dutch and Shell merged to combat the American competitor. Taking advantage of World War I, Standard Oil commenced drilling in central Java in 1914, and in the same year US corporations also moved into the rubber plantations. Goodyear Tyre and Rubber opened estates and US Rubber brought the largest rubber estates in the world under single ownership.

US strategy in the region during this period was summed up by Senator William Beveridge:

"The Philippines are ours forever ... and beyond the Philippines are **China's illimitable markets**. We will not retreat from either. We will not repudiate our duty in the archipelago. We will not abandon our duty in the Orient. We will not renounce our part in **the mission of our race, trustee under God, of the civilisation of the world** ... We will move forward to our work ... with gratitude ... and thanksgiving to Almighty God that he has marked us as his **chosen people**, henceforth to lead in the regeneration

of the world ... **Our largest trade henceforth must be with Asia**. The Pacific is our ocean ... **and the Pacific is the ocean of the commerce of the future. The power that rules the Pacific, therefore, is the power that rules the world**. And with the Philippines, **that power is and will forever be the American Republic**." (Emphasis in the original)

The rise of Japanese imperialism and its expansion into Korea, Manchuria and China led to increasing conflict with US imperialism over control over the region, culminating in World War II. The drive by the Japanese bourgeoisie to contest US, British, French and Dutch hegemony brought into sharp focus the value of Indonesia as the South East Asian gateway to the Indian Ocean and as a source of natural resources.

In 1942 the Dutch colonialists surrendered control of Indonesia to the Japanese rather than allow the Indonesian people to fight for their independence. All the imperialist powers had good reason to fear the oppressed Indonesian masses.

As early as 1914 the best representatives of the Indonesian toilers had turned to Marxism when the Indies Social Democratic Association was founded on the initiative of the Dutch communist Hendrik Sneevliet. In 1921 it had transformed itself into the Indonesian Communist Party in response to the Bolshevik Revolution in Russia.

The PKI had won great authority among the masses by taking the lead of the struggle against Dutch colonialism, including the first major uprisings, in Java and Sumatra in 1926 and 1927.

While the Chinese masses were rising up in the second Chinese Revolution of 1926-27, the Indonesian workers and peasants also came forward in a rebellion, led by the PKI. However, the Dutch colonial authorities succeeded in quelling the revolts. They arrested 13,000 suspects, imprisoned 4,500 and interned 1,308 in a concentration camp in West Papua. The PKI was outlawed.

## National liberation struggle betrayed

At the end of World War II the oppressed masses in Indonesia, India, Sri Lanka, China, throughout South East Asia and internationally came forward in revolutionary struggles to throw off the yoke of imperialism.

At the same time, the working class in Europe and the capitalist countries engaged in convulsive struggles. These were only contained through the treachery of the Soviet bureaucracy headed by Stalin and the Stalinist parties worldwide. The betrayal of the French, Italian and Greek workers in particular and the imposition of bureaucratically controlled regimes in Eastern Europe allowed imperialism to stabilise itself.

By the 1930s, the emergence of a privileged caste in the Soviet Union, which usurped political power from the Soviet proletariat, had destroyed the Communist Parties. From revolutionary internationalist parties they became transformed into counter-revolutionary organisations, suppressing the independent struggles of the working class.

In the colonial countries the Stalinised parties, including the PKI, systematically subordinated the masses to the national bourgeoisie led by figures such as Gandhi in India and Sukarno in Indonesia who sought to reach settlements with the colonial powers in order to maintain capitalist rule.

The post-war settlements did not achieve genuine national liberation from imperialism but imposed on the masses a new set of agents of imperialist rule. This was clearly the case in Indonesia where the national bourgeoisie, with Sukarno in the lead, entered into a series of reactionary deals with the Dutch.

Sukarno, the son of a Javanese school teacher of aristocratic family, was a young architecture graduate, part of a very thin layer of educated petty-bourgeois. He had been the founding chairman of the Indonesian

Nationalist Party (PNI) in 1927 and had suffered imprisonment and exile at the hands of the Dutch for campaigning for national independence.

During World War II Sukarno and the national bourgeoisie worked with the occupying Japanese forces in the hope of achieving a degree of national self-government. In the dying days of the war Sukarno, with the reluctant support of the Japanese, declared the independent Republic of Indonesia on August 17, 1945.

The perspective of the national bourgeois leaders was not to lead a proletarian uprising against imperialism but to establish an administration and strengthen their hand for negotiations with the Dutch, who had no forces in the region.

But the response of the Dutch ruling class was to launch a brutal war to suppress the new regime. They ordered that Indonesia be kept under Japanese command until British troops could arrive. The British and the Dutch then used Japanese troops to attack the ferocious resistance of the Indonesian workers, youth and peasants. Thus all the imperialist powers united against the Indonesian masses.

As armed opposition erupted throughout Indonesia against the Dutch forces, Sukarno, backed by the PKI leadership, pursued a policy of compromise with the Dutch and signed the Linggadjati Agreement in March 1947. The Dutch nominally recognised Indonesian control over Java, Madura and Sumatra and agreed to evacuate their troops. But in fact the Dutch used this as a breathing space to build up their forces and prepare for a new attack of unsurpassed brutality in July and August 1947.

Throughout this period, hundreds of thousands of workers and peasants joined or supported the PKI because of their disillusionment with the bourgeois leaders and because they viewed the PKI as a revolutionary party. They were also greatly inspired by the advances of Mao Zedong's Chinese Communist Party in its war against Chiang Kai Shek. In the war against the Dutch, workers and peasants repeatedly seized property and mass unions were formed.

To head off this development, Sukarno's Republican government, led by the then Prime Minister Amir Sjarifuddin (a secret member of the PKI), signed the January 1948 Renville Agreement (so called because it was negotiated aboard the USS Renville in the harbour). This pact gave the Dutch control of half the sugar mills in Java, 75 percent of Indonesia's rubber, 65 percent of coffee, 95 percent of tea and control of Sumatran oil. Moreover, this US-imposed settlement provided for the withdrawal of guerrilla forces from Dutch-occupied territory and created the conditions for the liquidation of the PKI-led "people's armed units" in favour of the bourgeois "Indonesian National Armed Forces" controlled by Sukarno and his generals.

In 1948 a series of strikes erupted against the Republican government, now headed by right-wing Vice-President Hatta as Prime Minister, demanding a parliamentary government. These strikes were suppressed by Sukarno who appealed for "national unity".

At the same time, the exiled PKI leader Musso returned from the Soviet Union and a series of prominent leaders of the Indonesian Socialist and Labor parties announced that they had been secret PKI members for many years. The announcement revealed a far wider base of support for the PKI than previously realised by the imperialist powers.

In July 1948 the bourgeois leaders, including Sukarno and Hatta, held a secret meeting with US representatives at Sarangan where the US demanded, in return for assistance to the government, the launching of a purge of PKI members in the army and the public service. Hatta, who also held the post of Defence Minister, was given \$10 million to carry out a "red purge".

Two months later, in an attempt to crush the PKI, the Maduin Affair was launched in Java. A number of army officers, members of the PKI, were murdered and others disappeared, after they opposed plans to demobilise the guerrilla units of the army that had been at the forefront of the fight against the Dutch.

The killings provoked an uprising at Maduin which was suppressed bloodily by the Sukarno regime. Prime Minister Hatta proclaimed martial law. Thousands of PKI members were killed, 36,000 were imprisoned and PKI leader Musso and 11 other prominent leaders were executed.

The US Consul General Livergood cabled his superiors in the US that he had informed Hatta that "the crisis gives the Republican government the opportunity (to) show its determination (to) suppress communism".

Encouraged by the anti-communist pogrom, the Dutch launched a new military attack in December 1948, arresting Sukarno. But widespread resistance forced the Dutch to capitulate within six months.

Even then, the 1949 Round Table conference at the Hague imposed a new betrayal on the Indonesian masses, involving still more concessions by the Indonesian bourgeoisie.

The Sukarno regime agreed to take over the debts of the former colony, and gave guarantees to protect Dutch investments. The Dutch were to keep control of West Papua and the Indonesian Republic was to continue to cooperate with the Dutch imperialists within the framework of a Netherlands-Indonesian Union. The Sukarno government kept all the colonial laws intact. A new army was formed by incorporating the former Dutch troops of Indonesian nationality into the "National Armed Forces". In other words, the old colonial state apparatus and laws were retained beneath the facade of parliamentary government in the new Republic.

The PKI leadership supported the betrayal of the national liberation struggle and determined to confine the working class and peasantry to "peaceful democratic" forms of struggle. This was a continuation of the PKI's position throughout World War II when the PKI leadership (as well as the Communist Party of the Netherlands) had followed Stalin's line of cooperating with the Dutch imperialist government against Japan, and called for an "independent Indonesia within the Commonwealth of the Dutch Empire". This call remained PKI policy even during the post-war fighting against the Dutch.

But for the Indonesian masses, the fraud of "national independence" under the continued domination of Dutch, American and world imperialism became ever more apparent. The natural resources, principal industries, agricultural estates and financial power remained in the hands of the foreign corporations.

For example, 70 percent of the inter-islands sea traffic was still controlled by the Dutch firm KPM and one of the big Dutch banks, the *Nederlandse Handel Maatschappij*, controlled 70 percent of all Indonesian financial transactions.

According to the Indonesian government calculations, in the mid-1950s, Dutch investments in the country were worth \$US1.5 billion. The Sukarno government declared that even if it wanted to nationalise the Dutch possessions it did not have the money to indemnify the former colonial rulers. And to nationalise without compensation would be labelled "communism".

The growing disillusionment of the masses was reflected in the 1955 elections when the number of seats held by the PKI increased from 17 to 39.

Within two years the mass movement was to erupt in the seizure of Dutch, American and British factories, plantations, banks, shops and ships.

Table of contents | Chapter two



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