

American Policy: The Direction of Indonesia during the Period (1967-1968) in the Light of Documents Regarding the American Ministry of Foreign Affairs

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The United States had excellent relations with Indonesia in the period following the fall of Ahmad Soekarno, the first president of the Republic of Indonesia and the assumption of the rule of General Muhammad Suharto temporarily. Although the latter did not receive training in the United States, the United States relied on him during the period of research, especially as he was acting governor in Indonesia during the period (12 March 1967 until March 1968). The topic of research during the period is the wisdom of the proxy, which was determined only because this period witnessed a change in US policy towards Indonesia and increased economic assistance to them dramatically.

Key words: Soekarno, Suharto, United States,

Introduction

After General Suharto came to power in Indonesia on March 12, 1967 as the provisional president in the country after the People's Assembly deliberation session on March 12, 1967 unanimously voted to remove Ahmed Soekarno from the post of head of state due to his inability to assume his responsibilities as president. The popular debate at the same meeting decided to appoint Suharto as the acting head of state. This marked an important shift in the orientation towards Indonesia after the Indonesian army led by Suharto put down a communist coup on October 1, 1965 (Deh fense MC Namara, 1967). General Suharto succeeded in this and began to deprive former President Ahmad Soekarno of his powers with the redrawing of Indonesian foreign policy and the memorandum from US Secretary of Defence McNamara to US President Johnson (JONHSON). For the past few years, Indonesia has made a significant



contribution to the pro-US military, however six generals have been assassinated by communists in the failed coup. These generals have been trained in the United States. After taking control of the coup and forming the new Indonesian government headed by Suharto, he held key posts in those trained in the United States, making the US defence secretary McNamara contemplate giving more support to Indonesians for training in the United States. He set aside \$ 5 million to train about 1,200 Indonesian military personnel in the United States with the aim of creating a military and political elite that is pro-American.

General Suharto's ascension to power in Indonesia

Ahmad Soekarno was forced to step down in September 1966 after the military sacked him and the confrontation against Malaysia ended. Although the US military assistance was limited to training, it included the supply of spare parts for engineering equipment. The amount of assistance to support the civil work program was \$6 million (Indonesia to the Department, 1967).

According to the researcher, the purpose of sending this American aid to Indonesia was to counter the communist tide in the Indonesian army, especially after the failed coup attempt by the communists to take power, and then later the coup against Sukarno himself. At the same time, US aid has led Indonesian military commanders to believe they can count on US support against communism and communists, while at the same time restoring Indonesia under the new leadership of General Suharto, who would maintain security and stability in Southeast Asia after the United States. The US views Indonesia as a threat to itself and the free world because of the spread of communism. This is why the Indonesian civilians fought alongside the military (they were called hawks). The US ambassador in Indonesia sent a message from the US Embassy in Indonesia to the US State Department expressing his view of a continuous shift in political alliances. Muslims may turn against secularists and Christians at some time when two Java parties form temporary alliances against the organization. From outside the island and in the view of Ambassador Crane, Islamic parties will find them united against the military. The military themselves are divided from time to time in different subjects where each of the two factions of the military take civilian allies for them (Indonesia Department, 1967).

In the face of that political scene in Indonesia, General Suharto, acting president, took the focus of the general election as a choice for the new system. General Suharto's first goal was to build a new parliament as part of his government's electoral plan, issue party laws, and establish an electoral system. They may be affiliated with the military in some places (Abdullah Hasan, 2018). The researcher felt that Ambassador Crane's opinion on the election issue was not for Suharto's policy to interfere with the elections. After reaching parliament, the parties will press the government to get the portfolios, which are an important source of funding, sponsorship and protection, which are required to start the campaign with his electoral agency. In such circumstances, President Suharto has no other choice but to maintain the principle of “working



government". General Suharto and the armed forces in general will enter the next elections and, in an attempt by the parties to exploit any lack of progress in the economic sector, especially after these parties did not get positions in the government, General Suharto will continue to press foreign levies for economic progress (Bondunsaa). Ambassador Crane also predicted that the elections would be postponed for at least six months for administrative reasons and that some would protest. This would require a specific time for the elections: July 1968. Although Ambassador Crane expected the elections to be postponed, General Suharto's political base would be the Armed Forces. US Ambassador Crane pointed out that Suharto would give Adam Malik more political and administrative positions than before (Johnson, 1967).

Ambassador Crane added that General Suharto should not forget the impact on the students and raised problems from time to time. The military wants to remove them and put them aside. Clashes broke out as they did on November 3, 1966.

Ambassador Crane pointed out that the President's concern, and General Suharto's second and permanent concern, is the inherent threat from the left, where additional military operations will be carried out against troops in Java as well as against Mabah Soro in Jakarta by order of Suharto himself or by order of the army.

Ambassador Crane explained the situation in Indonesia, which is represented by the Islamic parties on the one hand, and student demonstrations on the other. The bad economic situation was also countered by their waiting for external assistance to improve the economic situation. However, Ambassador Crane saw General Suharto's focus on the Indonesian military as a strong support base in the upcoming elections.

Another letter sent by US Ambassador Crane in Indonesia to Assistant Secretary of State for East Asian and Pacific Affairs Samuel Berger, dated April 25, 1967, with Ambassador Crane commenting on the original text of the letter, was the first paragraph of Berger's letter. General Suharto has shown the wisdom and political rebellion at the same time dealing with former President Ahmed Soekarno and other problems during the past 20 months and considered him a professional figure of the political scene in Indonesia. At the same time, Bergs saw that there is no political figure comparable to Suharto's leadership Indonesia, which, over the coming months, will even extend to the coming years.

Ambassador Crane commented that Malik was the one who pushed Suharto to confront the United Nations on other issues. He also agreed with Suharto that he had a good political instinct that made him the right man for this task, namely the administration of Indonesia for eighteen months. In his view no one can replace him.



The second paragraph of the letter of Burgess pointed out that General Suharto's next effort is to be a more efficient and impartial government, while dealing with economic chaos and the need to lay certain foundations for the political future of Indonesia. This was commented by Ambassador Crane, who was in agreement with Gharbirbz. They expected that major ministerial changes will open the door to new problems in political party representation in the government. Suharto will revive government and manage sub-ministerial posts to remove corrupt and incompetent people.

The third paragraph of the report of Burgess relates to the way to return to normal politics and old parties and to elections based on them and create a government formed by those elections. This will not solve any of Indonesia's problems and will not give Indonesia an efficient government that will return to the ball of democratic process. There will be more chaos that may end in a total coup. Ambassador Crane commented on this paragraph that he is sure that the elections will not be held until Indonesia is rehabilitated and that the rehabilitation has taken place. Suharto needs to be sure that the election result will not overthrow the new system as well, and that the old parties will not be removed. Suharto, Crane suggested, might try reach a political solution that is supported by the old parties.

The fourth paragraph of the report of Burgess is that he knows that the owner can build a new political party on a civilian basis, and that this party, according to Berger, will not be a political force because of the presence of enemies in religious, military, national, and political circles. Ambassador Crane commented that Malik would not have been credited with either account now that many conditions have created Malik's emergence as an important political force.

The fifth paragraph of the report of Bergs expressed fear that the withdrawal of the army from the cycle of large and effective political life would be disastrous for Indonesia as the military will take over all power. The greatest danger is that the army will seek more power and the problem for Suharto is to maintain his leadership. At the same time, however, he should have the cooperation of civilians. Ambassador Crane fully agreed with Greens.

In the fifth paragraph, Bergs stressed that the key to the future and to political stability is efficient government and a successful transition to an elected government by Suharto. If he could succeed in the next year or two, his government would become the foetus of a future government and would also become the natural person to lead that government. This will require the creation of a new political party that only he can lead. This was the experience of General Bacakos (Greece, 1952), and the General (Pak, 1963). Ambassador Crane commented that there are people other than Suharto, for example, Abadmasters. However, only Suharto can create a civilian base for his government by collecting guaranteed seats in parliament for the militarization and the work between political parties.



The sixth paragraph of the report of Burgess suggested that Malik is the natural leader of the young elements but cannot walk away without the support of the military. Thus, the goal is to lead an alliance led by Suharto. Ambassador Crane supported this and realized Malik's need for Suharto was more than Suharto need for Malik. However, (Malik, 2002) relations between the two are good and one of the most important steps that would be useful in maintaining such a relationship is the appointment of Malik as prime minister under the leadership of Suharto. This makes Malik already Suharto's deputy in all matters including the economy (Affairs Malik, 1967). In the final report, each political party must have military support and civilian leadership. It must also rely on young, new, progressive civilian and military forces, who are eager for change at the same time. The new political party must rely on more progressive elements of the old national and religious parties. The new political party received the support of those groups I mentioned.

The researcher saw the exchange of messages between the US ambassador in Indonesia, Ambassador Crane, and the deputy assistant and secretary of state for East Asian and Pacific affairs. The new attempt to establish a political party that reconciles old and modern groups and is based on the army will be possible with the help of Malik and would create a good economic situation for Indonesia in line with the political situation.

Contacts continued between the US State Department and the US Embassy in Jakarta. The document dated June 27, 1967, dealt with the issue of US assistance to Indonesia, especially after Suharto used the internal political situation to ask for more aid. As the government group agreed to provide \$200 million to fill the gap in the balance of Indonesian payments on the proposal of the World Bank, Indonesia had to deal with the international community in order to obtain it. This was led by Indonesia's economic team, which developed Indonesian policy in the new system. General Suharto supported the Indonesian economic team with a group of highly qualified economic advisors, in order to access foreign aid (Airgram, 1968).

For its part, the United States deferred payment of \$51 million for a debt owed in the 18-month period from July 1, 1966 to December 31, 1967. The United States also provided \$77 million in new assistance, including direct assistance to the Indonesian armed forces. In addition, the United States committed an additional \$32 million as part of its share in meeting its commitments at the Amsterdam and Shevchen meetings, bringing total US assistance until December to one hundred and sixty million dollars (Rostow, 1968).

The letter from the US State Department to the US Embassy in Indonesia, dated June 27, 1967, included US financial assistance to Indonesia. The United States had known Indonesia's need for rice and assured General Suharto of their understanding of Indonesia's needs. The harvest begins in the United States in July (Airgram, 1968).



The telegram itself pointed out that the United States seeks to invest in Indonesia and that investment was at the highest levels during the month of June 1967. At the forefront of the points set by the United States is the arrangement to deal with businessmen in an orderly and responsible manner and maintain an investment climate. Efficient performance in stabilization and the promulgation of the new investment law and the US Investment Guarantee Program, have also been stipulated to provide the Indonesians with uniforms and forest boots (Al-Khaled, 2017).

The researcher said that American assistance and support was not limited to the financial side, which reached 160 million dollars, or the delay of debts payable to Indonesia during 1967-1968 (within eighteen months), which deferred a repayment of twenty-one million dollars. Their economic assistance also included rice. It is the main food for the Indonesian people and has also opened up US investment in Indonesia by promulgating a new investment law. This was all support for the new Indonesia under General Suharto's unified command.

Meeting between Ambassador Crane and General Suharto

In light of the increased cooperation with Indonesia, the US Ambassador to Indonesia, Mr. Crane, met with President Suharto, with the exception of the presence of the interpreter. The meeting was held on July 7, 1967 at 9:30 pm. The meeting lasted for three hours and involved American Aid for 1967-1968. During the meeting, General Suharto endorsed US policy in Vietnam. The extent of the world and the problems faced by the US administration in obtaining assistance with the approval of Congress was seriously questioned in the United States regarding the priority of Indonesia, especially when taking into account major problems including the challenge of Net Sukarni forces,.

The researcher saw that Suharto wanted to get more support and other economic assistance from the United States, and took advantage of the situation in Indonesia, the internal situation, and the international position of the Russians, to pressure the United States. US Ambassador Crane responded to Suharto's words: "We admire Suharto's moderation of dedication and practicality to meet the needs of a division and his desire to balance military and civilian elements in government" (Maher Hatem, 2010).

Acting President General Soeharto also raised a number of other points for the US ambassador, including the issue of US assistance, which will include loans and imports. He assured him that raw cotton is needed at the end of this year. Ambassador Crane told him that the United States is aware of Indonesia's need and that during this early year in the new harvest year, which begins in July, we will tell Suharto if we can help. As for the need of the Indonesian people for rice, Suharto explained that he would like to change national food habits so that bread will replace rice in the breakfast menu. General Suharto explained that Indonesia will need 150,000



bales of raw cotton, which was expected to arrive before April 1968. I also object to finished fabrics that have an impact on the national textile and knitting industry (Ahmad Sukarno, 2010). It is evident that Suharto was struggling to seek US assistance in the field of rice and cotton, while at the same time taking into account the quality of national production as the basis for a strong national industry.

General Suharto also stressed the need for air support as well as an inventory of minerals in Indonesia. At the end of the talks, Ambassador Crane said that Suharto and his ideas had matured a lot: "At that time, I considered the stabilization program as the backbone of national economic policy, and during my talks with him, Suharto spoke as a national leader, not as a military commander, and mentioned ideas parallel to those of the United States in general." After this meeting with General Suharto, the issue of US assistance to Indonesia was seriously discussed in a memorandum sent by President Rostow's Special Assistant to President Johnson on July 22, 1967. This memorandum indicated that Indonesia should receive the priority it demands in our foreign aid materials, especially after the serious problems involved in fulfilling the US commitments to Indonesia for the year 1967. To face the problem of our commitments made last year, we must get 100,000 tons of rice to Indonesia. This will leave us with 10 million tons (Mohammed Suharto, 2004). Indonesia is expected to receive more US aid in a more formidable way than we expect.

The memorandum was followed by the minutes of the lunch meeting of President Johnson during his lunch. The minutes of the President's lunch with Minister Rusk, Minister Makniamaria, Walt Russo and George Kretzan on July 25, 1967, was the same day that the previous memorandum was written. The memorandum asked President Johnson about what America would do to Indonesia. Minister Rusk said that \$ 200 million will be provided to Indonesia with a group of donors because Indonesia needs facilities and basic transportation and communications facilities. To flow of aid to Indonesia continued (Omar Adnan Dawood, 2017).

The researcher believes that it can be concluded from these memorandums that President Johnson and the US administration really desired to provide more assistance to Indonesia, especially after the request of President Suharto, in addition to the fact that the United States did not abandon its commitments to Indonesia, including the 100,000 tons of rice for emergency assistance.

In the context of US economic assistance to Indonesia, a paper prepared by the US Department of State was presented to the National Security Council on August 4, 1967, outlining the amount of effort exerted by the United States of America to help Indonesia economically. It pointed out that in August 1967 economic reform took place. Internal inflation in Indonesia was greater than expected from August the last year, as the prices of major consumer goods, and government agencies have produced efficiently and reduced the military share in the



general budget of Indonesia. The Central Bank of Indonesia began to exercise control over foreign currency gains and internal loans, as a new investment law brought in foreign currency and the coordination of internal loans (Nedon Johnson, 1969).

The paper also pointed out that these large productions are the result of a group of young economists from the University of Indonesia, who were trained at the University of California at the Berkeley Institute and the Institute of Massachusetts. They participated in international negotiations that led to the rescheduling of debt and new aid. General Suharto unreservedly supported them. (42) The United States supported Indonesia after Tanzania organized its domestic situation and also cooperated with other friendly countries in the non-communist world in a joint effort to help Indonesia. In 1967 nearly \$ 300 million of debt was to be rescheduled and amortized for an 18-month period ending on December 31, 1967. As Indonesia's friendly nations in Amsterdam agreed to provide \$ 200 million in new aid in 1967 to fill the currency problem, the United States pledged a third of the total amount required for Indonesia to continue its stabilization, although donor countries provided the remaining two-thirds and Japan contributed about a third.

Although the Soviet Union refused to participate in these conferences, Indonesia reached through side negotiations a preliminary understanding that will lead to the rescheduling of debts owed to the Soviet Union and other communist countries. The IMF played a central role in advising the Indonesian government on the stabilization program. A representative in Jakarta participated in all international meetings on new debt and aid, and the World Bank for Reconstruction. A preliminary inventory of Indonesia's import priorities for 1967 was carried out at the request of the Indonesian government with a mission in Jakarta.

US military and economic aid to Indonesia has faced two fundamental problems: the first is how to achieve the United States' share in supporting the government's stabilization program in 1967, which is still short of \$ 27 million from a \$ 65 million pledge. The second is how to help catalyse rapid and sufficient development progress in Indonesia to sustain general military support for the promising trend in Indonesian political orientation and its leadership towards long-term stability. These studies will not be ready by the end of 1967 and business has eight loans of thirty million dollars (Omar Adnan Al-Khaled, 1989).

There are also some proposals of a rice loan of \$20 million and tobacco loan of \$2 million. The conditions of a cotton loan involved the payment and return of the loan in dollars over a period of forty years. The interest during the ten-year period would be only 2%, which was approved by the US Department of Agriculture. This year, Indonesia became a high priority and will require the approval of the Minister to provide 100,000 tons of Pl.480 rice to Indonesia before 550000 tons rice would to be delivered to the Congo, Ghana and Liberia. Therefore, we conclude that the United States has given importance to Indonesia to provide 100,000 tons of



rice, despite its commitments with other countries, in addition to providing loans at a low interest rate over forty years.

In this context, the National Security Council met on Indonesia on the ninth of August 1967. The meeting opened with great importance to Indonesia and summarized Katupnach (Kalzenbach). The Under Secretary announced the need for 100 million dollars to be provided to Indonesia to cover the requirements of the next year, 1968, Mr. Bondi noted. As for the attendees of the meeting, Indonesia organized the neighbouring countries of the Association of Southeast Asian Nations (ASEAN), which met in Bangkok. Forty million dollars was involved.

At the same meeting, Gaud, a member of the National Security Council, spoke of the need to set priorities in Jakarta. He wants to see Indonesia with great potential and is one of the few places in the world that has moved in our direction and the president wondered if we are doing all we can to make oil production flourishing. (Johnson, 1967). Gawad and others assured him that US oil companies such as Tex and Stanfak were moving forward. C is on the rise, especially as Japan will buy more oil with changes in its refineries. The Japanese were concerned about the increasing dependence on Middle East oil and Rosto talked about the importance of tissues and the need to rehabilitate the Indonesian textile industry, and how it will provide a large market for our cotton. Wheeler, on the Indonesian military forces, said that the ground army is American-oriented and that the naval and air forces are Soviet-oriented and that the army is capable of achieving internal security and does not see the need for surplus military equipment, which was the main need to support civil and service work and equipment Training. McNamara replied that Indonesia would receive about six million in training assistance and that Indonesia was a top priority. The President during his talks with Murtopo and Sudjono, two of the President's senior advisers, both emphasized the vital importance of internal transport and the need for spare parts. In line with the issue of aid, Marshal Wright (Hall Wright Mars) from the National Security Council staff to the Special Assistant to President Rosto sent a memorandum on September 27, 1967, regarding the expectations of Indonesian aid in 1968 and stated that this year there will be real problems. In this context, Suharto told US Ambassador to Indonesia Crane on September 18, 1967 that unless the United States exceeds the one-third formula, the new system in Indonesia will be a real problem and that hope of the President is that the United States will contribute \$ 100 million in addition to another \$ 50 million in rice grants and equipment in 1968. Indonesia's budget is based on receiving 325 million dollars in foreign aid, even if the United States sticks to the one-third formula, our share would be \$ 108 million.

US Treasury Secretary Seda announced a press conference on September 20 that Indonesia will request \$350 million from donors, and I believe that donor countries will increase their contributions proportionately to reach that figure for the United States, which means that \$117 million will pay for this. General Suharto sent his finance minister to Washington to express



Suharto's personal thanks to President John N. for the assistance provided by the United States and express hope for future assistance. There are 150,000 bales of cotton and 100,000 tons of rice, or about \$39 million worth. Indonesia can also be helped with cooking oil, in addition to cereals for \$ 5 million. Some of our aid for FY 1969 can be used to meet FY1968 commitments. Eighty million dollars. This amount will be lower than Indonesia required, according to the estimates of US Treasury Secretary Seda, (Marshall Crane, 1998). It is noticeable that the United States played a major role in providing assistance to Indonesia and has pressed itself and tried to take aid in 1968 in an attempt to fill the budget deficit of Indonesia.

To support aid to Indonesia, the Council of Ministers met in Washington on October 18, 1967, and discussed the anti-communist political scene in Indonesia with the US position in Vietnam and China. "We are lucky that we now have in Indonesia at this sensitive time," he said. One of our best experts is Ambassador Crane (Luncheon, 1967).

President Johnson commented on the report prepared by Crane: I am very impressed with the personal report of Ambassador Crane and I want to share with you and dealt with the report of Crane the following points:

1. No new country has undergone a greater transformation than in Indonesia.
2. The new regime government in Indonesia got rid of the control of the Communists and ended the confrontation, is looking for friendly relations with its neighbours and to re-join the United Nations, and has banned the Communist party and removed Sukarno.
3. The efforts to rehabilitate the Indonesian interior are less radical but still important, including the transition towards a free market economy, the creation of a stabilization program, new family planning, food production initiatives, the new civil action program by the military, the reduction of the army budget to 45%, and strong efforts to encourage foreign investment.

However, despite the aid provided to Indonesia, problems remain in Indonesia, which is normal, said Ambassador Crane (as we can expect from bad mismanagement from Soekarno, which is at the top of the Dutch tradition). Weak political institutions, rampant corruption, mismanagement, inefficiency and the risk of creep were also identified. Ambassador Crane added: "I traveled a lot in the country and you can see why 32% of the cargo does not work inside the island and the docks are closed. Only twenty-two million dollars are available to educate 40 million students, but Indonesia now has moderate and practical leaders."

However, the US government is determined to create stability in the country. We can and must help them have great resources of oil, minerals, firewood and fish. But what they are doing is making Indonesia float on its back. The United States should continue its current approach to multilateral assistance. This is the sensitive plan in regard to the needs of Indonesia, and cannot



be neglected or let down now that all Indonesia's security may be affected. Our sacrifices in Vietnam will have little return if we do not take strong and rapid steps to accelerate the growth and strength that Indonesia can achieve.

President Suharto added that he did not succeed in an effort to influence North Vietnam but would continue to try. The United States intends to participate in multilateral efforts to help Indonesia, and there is no luck that we made a third in 1967, 63 Suharto said. The President's assistant continued by saying that for others, they can perform more than what they are doing now, especially Japan. Suharto said congress did not pass the aid bill and that it would be impossible to say exactly what we earn but it will be strong at home and get support from other countries through our efforts.

Talks between Vice President Humphrey and President Soeharto continued during lunch, and Assistant US President Humphrey asked Acting President Soeharto to discuss details of Indonesia's requirements with Ambassador Crane. The Assistant President suggested a careful inventory of facilities so that he does not check for damage when waiting for food from warehouses. The government of Indonesia is studying wheat and wheat flour and bulgur and takes into consideration that President Suharto talked about cotton. (D) has fallen very dramatically, and Assistant US President Humphrey said that during Ambassador Crane 's visit to Washington, President Jones invited him to meet with members of the government to discuss the issue of Indonesia, which is unusual, and an indication of President Jones' continued interest in Indonesia and his confidence in Ambassador Crane.

As for the issue of private investment, US President Jones said that Indonesia should consider what its neighbours are doing to attract private capital so that it can successfully face competition. Turn the dialogue to Vietnam. President Jones welcomed all efforts that the Indonesian government can make to achieve peace in Vietnam. Indonesia was not asked to enter directly into Vietnam, and Indonesia's other efforts to stabilize and rebuild its economy were a major contribution to the power of Southeast Asia at the same time. We appreciate the understanding and moral support, nonetheless we have heard critical voices in Southeast Asia and President Su was not with our very limited resources. We are more inclined towards helping friends who stand with us than those who criticize us.

For his part, President Suharto said Indonesia will continue to work towards an Asian solution to the Vietnam problem and concluded that the US assistance for Indonesia's revitalization is an investment in Southeast Asia and will lead to useful results. Suharto and the government he will lead will succeed (Malik, 1967).



The researcher from the conversation between Assistant US President Humphrey and President of Indonesia shows the General Suharto Agency in continued cooperation with the two countries, especially in terms of economic assistance and Indonesia's position on Vietnam. Suharto is considered a friend of the United States and serves a moral role in the Vietnam Deal with crises both inside and outside Indonesia.

After the vice president returned to Washington in 1967, he met President Johnson with congressional leaders, and senators Mike Mansfield, Richard Russell, and William Fulbright. The reason for the meeting was to hear and discuss Vice President Humphrey's report that Indonesia's President Suharto and Malaysia's prime minister both told him that if the United States failed in Vietnam, We will lose all hope of a free Southeast Asia. Humphrey said in a report that during my trip I did not encounter any hostile action or protest both in Malaysia and Indonesia, and that in Indonesia and its capital Jakarta, there are manifestations of the failure of the Sukarno regime such as unfinished buildings. Humphrey moved to the manner of welcoming him for it was very hot in the capital and even more so in Java, where more than a million and a half went out to greet me. Asked whether our situation in Vietnam had affected the situation in Indonesia, MP Mahon said, "Our position in Vietnam, if parallel to the developments in Indonesia." Humphrey had announced in Jakarta that the change in Indonesia was created by the Indonesians. It is believed that our presence in Southeast Asia gave confidence to Indonesia to destroy the Communist Party of Indonesia.

Through the previous memorandum, it became clear that Suharto's stay in power as vice president was linked to the amount of US aid to Indonesia.

On the same issue, Indonesian Foreign Minister Adam Malik travelled to Australia to meet US President Johnson, who also went to Australia to attend a memorial ceremony for Prime Minister Harold Holt, who disappeared while swimming, and met with the President on December 22, 1967. Indonesian President Suharto, acting president, directed him to express regret that he was unable to attend. President Jones said: "We hope you will be as encouraging as possible in helping Indonesia, but the level of US assistance is at the discretion of the Congress. We use wheat like India, but we have a shortage of rice, although we will increase rice from 20% to 30%, but we can send wheat now. US President Jones thought that the Indonesians would like wheat when they get used to it. There was an increase in wheat consumption in Indonesia that surpassed that of the United States, although President Johnson asked Indonesia to calculate its expected wheat requirements for the next 12 months. (Malik, 1968).

At the beginning of 1968, in the first telegram document issued by the US Embassy in Indonesia to the Ministry of Foreign Affairs on January 12, 1968, it gave a summary of the



events of the last year of the displacement (Sukarno, 1967). Suharto began to appear. There have been mistakes regarding his leadership ability, such as linking work in some fields and his unwillingness to work in other fields. However, his ability to evolve in his job, despite the grumbling of his government, is still compatible with the feelings of the majority in Indonesia. The document also pointed to a clear possibility that Suharto, for a fraction of full years, would be president in the spring session of parliament if elections could not be postponed to the early seventies.

The Suharto government's performance in laying the foundation for economic stability in general proved to be efficient despite such apparent shortages, including a large shortage of rice as expected in the winter of 1968. The average Indonesian does not have more rice in the pot than in the beginning of 1967. Suharto successfully avoided a number of political and economic lapses that could have brought the country back more than it is now. He committed himself to the full economic program recommended by trained economic advisers in the West. She was Achara. We are encouraged that he will overcome some, but not all, of Indonesia's problems. However, with sufficient external assistance, we believe that Indonesia can cross this difficult period. Nevertheless, we believe that Indonesia's overall performance during 1967 was enough to justify the continued optimism that the nation has set its foot on the long and possibly hard road towards modernization.

It appears from the US embassy report in Jakarta that Suharto played a major role in the leadership of Indonesia, especially after the removal of Soekarno and all the problems he inherited from him. Nevertheless, he became the leader of the people, although he was proxy in this period, and was dependent on economic legitimacy, which he tried to implement because Suharto's economic success is the key to Suharto's success. Although he was dependent on foreign aid from budgetary funds for wheat, rice and cotton, Suharto inherited a huge legacy from Sukarno, despite taking the country in the right direction.

Economic assistance to Indonesia has continued with Suharto becoming president in light of his policy to improve Indonesia's economy and move it forward. In a note from Marshall Wright from the National Security Council cadre to the special assistant to President Rostow dated February 2, 1968, wheat was an issue for Indonesia and it was stated that there were several occasions where the importance of wheat was confirmed to Indonesia. We agreed to supply them on the first of November and sell 1000 tons of bulgur. Three months later we increased to 125,000 tons of bulgur and 27000 tons of wheat and wheat flour. In it asked we have 350,000 to 450,000 tons of bulgur during the year 1968. Marshal Wright added that the United States has no capacity to meet that demand and that the processing capacity of bulgur in the United States is 250,000 tons in June, but the United States cannot meet that demand. In addition, everyone in the State of General Suharto and the men of the US Embassy in Indonesia began to offer bulgur to their guests and began to complain about it.



During 1967, the US-owned businesses controlled by the former Soekarno regime returned to their original owners, and many US factories benefited from the liberal economic policies of the current government and concluded agreements for new investments in Indonesia. Therefore, the United States became the main aid provider for Indonesia. An increasing number of US officials visited Indonesia during the year 1967, the most important of which was the visit of US Vice President Humphrey in November, which was to establish a new phase of joint relations with the United States only. This interdependence was inevitable and a significant contribution to the new system, not only for obvious reasons related to Indonesia's size, strategic importance, resources and expected power, but also because it was the last choice if liberal economic policies with free aid were provided to modernize and get rid of communism.

As a result of this and other factors, the United States became closely linked to the objectives of the Suharto government and this interdependence was inevitable with its significant contribution to the new system, not only for obvious reasons related to Indonesia's size, strategic importance, resources and expected strength, but also because it was the last case to be tested. Liberal economic policies with free global aid offer a more solid path to modernization than communism or other authoritarian solutions.

The US policy has progressed successfully, especially in regard to economic assistance and at the same time empowered modernists from the Indonesians. To improve the image of the armed forces in front of the people, US information and cultural programs have expanded moderately with an emphasis on the distribution of 1 million US books to educational and educational institutions in Indonesia. Regionally, we must continue to encourage Indonesians. In addition to the material and political benefits, close regional ties will enable Indonesia to see itself as a partner and a participant in a broader process of talk and not a partner among Western doctors, so we must bear in mind the attributes of the Indonesian structure.

1. A traditional method prevailing in the thought that resists change and emphasizes adaptation and does not address the environment. It recommends that avoiding disagreement is not a solution.
2. Subjective personal values and not universal values emphasize the jurists and loyalty to the tribe or more specifically to Indonesia and not to institutions or laws
3. A decentralized organization of society with relatively little coordination on the side and relatively little power vertically.

Perhaps the best way to ensure that an American program is adapted according to the Indonesian environment is to work through the so-called third civilization, that is, Indonesia has a broad knowledge of our civilization and yet retains its civilization and culture. Useful



intermediaries between the two cultures must assess the prospects for cooperation, and determine the protection of the project within their area of influence. If they were corrupt, the project will certainly deviate from the economic and political objectives. The most important goals of US policy is to build trust with Indonesians, and is the first requirement for any US aid program in building their confidence regarding the modernization process, which is most important in creation stability. Perhaps, it is also not helpful to talk about economic development if the president and General Suharto cannot overcome the hurdle of inflation over the next eighteen months.

Finally, the extent of the nature of our assistance must be measured according to the performance of the Indonesians, or our long-term interests in this important country. Describing Indonesia requires that we do not alter our initiatives with their own initiatives and respond to the demands of the Indonesians that weaken our pressure on them to help themselves. The researcher believed that what was meant by Philip Gardner, a political official in the Indonesian embassy, who prepared this report, was that the United States of America has two goals, one is short-term economic assistance and the other long-term goal is modernization in Indonesia. This is linked with Gardner also who suggested that the program must continue

Conclusion

General Suharto's coming to power in Indonesia as acting president marked a turning point in US policy toward Indonesia, with the United States opening the door to American ambassadors, politicians and businessmen to travel to Indonesia for trade. General Suharto's interim rule was marked as a pro-US. On the other hand, it was an impervious dam against communism. This was achieved through General Suharto. This is well known by the US government, who sent them economic support and assistance to fill the shortfall in the budget of 1967-1968. Indonesia has already received this assistance to achieve economic and political stability not only in the form of financial aid but also in forest workers' shoes. Perhaps the reason behind the successful dispatch of economic and financial assistance to Indonesia to support its economy is Ambassador Crane, the US ambassador to Indonesia, who was truly a hero in the history of relations between him and General Suharto.



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Footnotes

- Ahmad Sukarno (1901-1970) was born on June 6, 1901 in the city of Warpage, East Java. He received elementary education in Dutch schools in Indonesia. Soekarno founded the Indonesian National Party and became its president in 1927. The party announced no cooperation with the Dutch authorities. As a result he was arrested in 1926-1932 and then 1933-1942. In 1949 until 1967 he died in 1970 Maher Hatem



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For more about the communist coup seen Omar Adnan Dawood Khalid, the struggle for power in Indonesia 1965-1967, an unpublished master thesis, the Faculty of Education for Humanities 2017, p. 89 and beyond.

American President Nedon Johnson: - (1908-1973) Democrat and active leader in the US Senate served as Vice President John Kennedy during the period 1961-1963 and accepted Lyndon Johnson in the presidency in 1963 after the assassination of Kennedy as he became President of the United States during Duration (1963-1969) Omar Adnan Dawood al-Khalid, the previous source, p. 138.

They are General Yani, General Arsurabto, General Sisondo Barman, General Sotogo Chisomhiarjo and General Donald Pandjatian. Omar Adnan Al-Khaled, previous source, p. 1989.

Memorandum From Secretary of Deh fense MC Namara to President Johnson in F.R.U.S., 1, March, 1967, P.494

Marshall Crane: (1916-1998) American diplomat who during the period (1961-1963) as US Consul General in Hong Kong was appointed ambassador to the United States in Indonesia in July 1965, and continued to this position until 1969. Omar Adnan Al-Khaled, previous source, p. 138.

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