

AKUT

Working Group for the Study of Development Strategies
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AKUT, the "Working group for studies of development strategies in the third world", was established in Uppsala in early 1976. It originates in a post graduate seminar within the political science department at the University of Uppsala, which developed in connection with a research programme, "Politics and social change in underdeveloped countries". This programme was headed by Lars Rudebeck and financed by the Swedish Social Science Research Council. It was based on individual research, in most cases doctoral dissertations.

In 1976, the members of this seminar decided to join in more active forms of cooperation. A platform was produced, outlining a common field of research interest: "The relationship between types of development strategies in the third world and the social basis of state power in terms of political support, international dependence, and capacity for development." Joint activities were initiated. The newly established Swedish Agency for Research Cooperation with Developing Countries (SAREC) entered as the principal financial sponsor.

We are anxious not to be a group primarily of area specialists. We seek to place our studies within a broad comparative framework. We are equally anxious not to be a political science group in a restricted sense. The group has been broadened to include scholars with different background including sociology, economics and geography. We seek to pursue an integrated social and political-economic approach.

Research in the group has been undertaken primarily on an individual basis within the common framework. Through joint readings and discussions the group seeks to improve its theoretical and methodological understanding. Papers and reports produced by members are scrutinised. We circulate information about relevant research elsewhere.

Individually and collectively we contribute to supervising of post graduate students within the field. (For example, a seminar on development studies at the University of Uppsala has been initiated.)

Researchers in related fields in the Uppsala-Stockholm area are invited to participate in seminars and study programmes. We contribute to the cooperation on Nordic basis in the field through seminars and conferences. See, for example, the report in "AKUT 1" from the Nordic seminar on the state in the third world, 1976, and "AKUT 23" with reports from the Nordic seminar on problems of class analysis - contradictions and social movements in the third world, 1982, and the series of local seminars 1981-82. These are part of the AKUT-series of working papers, which so far includes 25 titles.

The group has established close and continuous links with scholars and research institutions in third world countries, partly as a result of field work and teaching experience.

With the outline of a labour studies programme the AKUT-group initiates work towards a more developed and specific platform: "For the new theme we have selected one of the central class categories, labour, for closer study. In doing so we do not restrict ourselves to the working class in a narrow sense. We are interested in the process in which labour is brought under control of capital and state and thus in the much wider categories of partially or indirectly subordinated labour. More explicitly than in the past we wish to explore a particular theoretical propositions that the forms and degrees of subordination and the nature of resistance are crucial in explaining the development of production. We retain a focus on contradictions and forms of popular response, including the efforts of subordinated groups to protect their interests and transcend the relationship of subordination." This programme also represents steps towards integration of our individual research projects.

STRUGGLE FOR DEMOCRACY - A NEW OPTION IN INDONESIA?

Provisional outline of a report on contemporary Indonesia within the project "Problems of radical political strategy under the rise of a new capitalism: South and Southeast Asia in a comparative perspective and effects in Sweden".

OLLE TÖRNQUIST
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1. INTRODUCTION

In my book on the destruction of the PKI²⁾ (Partai Komunis Indonesia) I arrived at the general conclusion that the party strategies related to the state and industrialisation as well as state and agricultural development failed because PKI's analysis had not been able to disclose the way in which a post-colonial capitalism - agricultural as well as industrial - emerged. These invalid analysis were in turn

*) This outline should be looked upon as a working paper in which I try to summarize my findings in an early stage of the project. Most of the empirical facts and footnotes are not present in the paper. The aim is rather to present a refined version of my main arguments for comments and as a basis for comparisons with contemporary India and the Philippines - before I return to the case of Indonesia during the final phase of the project and write a more substantial concluding report. 1) As I have already indicated, comments are most welcome! Please do not quote without mentioning the preliminary nature of the paper! Finally, I would like to thank all of you who helped me - inside as well as outside Indonesia.
The project is financed by the Bank of Sweden Tercentenary Foundation and the Swedish Council for Research in the Humanities and Social Sciences.

Supplement to "KUT 33", to be added to
"Conclusions..."

due mainly to weak theoretical instruments. Thus, many decisive factors and developments could not be taken into proper consideration.

Towards a theory of the emergence of post-colonial capitalism

How, then, can one characterize the new post-colonial capitalism which was neither national nor neo-colonial, but emerged and undermined the analyses and strategies of the Indonesian communists? In my study of the PKI's strategical problems I have identified at least some of the contradictions and forms of subordination, exploitation and resistance which the party was unable to take into account in its analyses, due to insufficient theoretical tools. Taking these disregarded factors as a point of departure it is, I think, possible to start building a revised theory of how post-colonial capitalism emerges in a society such as Indonesia:

After the definite achievement of political independence in 1949, production and trade were still dominated by foreign capitalists and domestic middlemen, particularly by Dutch and to some extent US owners of capital and, domestically, by Chinese businessmen. The important plantation sector, however, fell behind as the new state was unable to subordinate labour and outgrowing peasants, including their land, as colonial state had done. Domestic businessmen had difficulties in making progress. But administrators and politicians with nationalistic aspirations could use the state apparatus to get some influence over the economy by use of import licences, for example.

Feudal land concentration did not dominate within agriculture, and the limited commercial production of staple commodities was minimized when the repressive colonial power was abolished. Instead, some village leaders won more powerful political and administrative positions.

The administrative and political nationalists and soon also military officers began, however, to make use of extended state intervention within the economy to get a share of the surplus produced, in order to substitute for the lack of chances to advance within trade and production.

Three main methods were used. First, they followed a nationalistic and anti-imperialist political line in order to restrict foreign capitalists and domestic production for export. This was done to benefit domestic importers and to support plans for import substitution. Finally most of the foreign companies were nationalized. Thereby these nationalists also got wide popular support and could, for example, allow strikes within companies and plantations still owned by foreigners.

Secondly, a state governed guided economy was introduced. Licences and various concessions became more and more important. Certain nationalists within the state gained access to important markets and even petty rice trading was drastically restricted. The nationalized companies were not privatized but controlled by certain individuals within the state apparatus, especially by military officers. The exploitation of natural resources was also taken in concession by groupings within the state apparatus. And foreign aid passed of course through the locks of the state.

Thirdly, so called guided democracy was gradually enforced. General elections were postponed. A state of emergency helped the army to dominate the state apparatus and the economy. Strikes could now be even more restricted and labour could be better controlled by the military.

Within agriculture this extra-economic power over the economy corresponded to the age-old tendency of the local lords to substitute for the lack of land concentration by centralizing instead the surplus produced by formally independent peasants. This centralization of surplus through patron-client relations was now further developed. It grew in importance - and became increasingly affected by ethnical and cultural divisions - as the patrons had to mobilize voters and other sorts of political support among the villagers, who were essentially mobilized as clients.

The nationalists and their local followers supported anti-feudal measures against certain commercial activities - but they did not support measures threatening the patron's political and administrative positions, since these made the centralization of surplus possible.

The so called guided democracy secured this state of affairs and blocked the communists' efforts to make local assemblies and administration more democratic.

Supplement to "KUI 33", to be added into
"Conclusions"

From the very beginning, political, administrative and military nationalists achieved personal control of various parts of the growing state apparatus, the nationalized companies, the licences, concessions, market monopolies, foreign aid etc. But their control and powers were not fullfledged. Certain politicians, workers and others were reluctant. These reluctant sections were led by Sukarno and the PKI with its mass organizations. Domestic private and often petty capitalists, who lacked profitable connections with the leaders of the state, were also threatened. Lacking support from foreign capitalists, diminishing western aid etc. also caused worry. But at this time, such support could only be received in exchange for less state intervention, privatizing and other measures that would have diminished the power of the administrators, politicians and military leaders and thus their chances to appropriate substantial parts of the surplus produced.

Also the agricultural patrons lacked effective control of land and labour. Their chances to concentrate land but also to centralize substantial amount of surplus were still limited, among other things because they had to protect many clients in order to retain their support and also because of the strength of the peasant organizations. At the same time a traditional bourgeois land reform involving the distribution of large amounts of land was out of the question, as the principal contradiction was not between land concentrating landlords and peasants.

However, most of those administrators, military leaders, certain politicians and agricultural patrons could enforce their needs for more effective and tight control when the Sukarno regime had been crushed and the communists eliminated.

With their consolidated extra-economic powers over the economy and labour - including the many who were not permanently employed - the administrators, military leaders and some politicians could then cooperate with foreign capitalists, groups of creditors etc. without risking their own positions. Capital and expertise were thereby added to the now relatively favourable domestic preconditions for trade and production. Market monopolies, sole rights to land and other natural resources etc. and effectively subordinated labour were offered. Domestic bureaucrats, technocrats and private businessmen - especially the big Chinese capitalists - often became

clients of administrative and military patrons with a growing class basis of their own.

Within agriculture these developments corresponded to the elimination of the peasant movements, while at the same time the patrons got their more absolute powers secured by the state in general and the army in particular and thus could, for example, get rid of economically unnecessary clients and add a substantial concentration of land to their centralization of surplus. The patrons' effective control of man and land was a decisive prerequisite for the capitalisation of agriculture and the now emerging capitalist production. Thereafter it was possible to introduce large scale agricultural inputs and credits through the "green revolution" - just as it had been possible to receive extra contributions from outside to industrialization when the new capitalists within the state had consolidated their positions. "Semi-feudal remnants" within production and administration were combined with more capitalist methods, when the latter were more effective and more profitable.

Since then, this new post-colonial capitalism within trade and industry as well as agriculture has gradually developed. Several of the post-colonial capitalists and, for example, new village leaders have added direct involvement in production and some privatizing of personally controlled state activities to their former extra-economic powers over the economy.

During the last few years the impressive rate of growth has declined. The real increase of the gross national product has diminished from almost 10 % in 1980 to almost none in 1982 and presently some 4 %. But the expansion of capitalist relations of production and markets continue. This is the most important aspect from a political point of view. The crucial question is no longer whether capitalism expands or not but how - and with what political consequences.

How the new expansion of capitalism undermines prevalent analyses and strategies

As I mentioned in the first paragraph of this paper, the development of the post-colonial capitalism outlined above undermined traditional analyses and strategies used by the PKI in Indonesia. If one generalizes these experiences, the result is the following:

Traditional strategies related to state and industrialization are all negatively affected by the actual expansion of capitalism and the fact that it emerges in a way that differs from what is "prescribed" in established theories about the idealized classical European development.

Theses on the possibility of cooperation in a front with the "national bourgeoisie" are undermined, since the small bourgeoisie which in fact resembles the European ideal cannot become a powerful partner in an alliance, partly because of the strength of imperialism and partly since it lacks sufficient political, administrative and military powers. Thus, "bourgeois democracy" will not be stable enough to protect communists. Foreign capitalists and their domestic partners will become a powerful threat. And workers will neither get new jobs nor higher standards of living, since no flourishing independent capitalism is created by the "national bourgeoisie".

According to theory, strategies for non-capitalist development may be successful if capitalism is blocked, the capitalists are weak and the state lacks a distinct class basis. Progressive forces which need certain democratic freedom in order to get popular support, should then be able to use the state.

But on the contrary, post-colonial capitalism emerged. And even though the theory correctly stresses the third world state as a better motor for development in general than the private bourgeoisie, post-colonial capitalism - not non-capitalism - did in fact emerge from within a formally non-capitalist and indistinctly class based state. Certain nationalists could do more than become corrupt bureaucrats. Some of them were able to make the economic basis of the state their personal belonging - without, for example, privatizing state owned companies, relying exclusively on the basis of

foreign capitalists and their domestic partners. Furthermore, since these leaders are able to build their own class basis and rely on that, they do not have to get the support of the workers and peasants by offering them some democratic liberties. On the contrary, they build their new capitalism with undemocratic, extra-economic means of power.

Even strategies that combine anti-imperialism and domestic class struggle are based on the assumption that "real" development of capitalism is blocked: since the "national bourgeoisie" does not succeed in enforcing its capitalism it has to merge with the neo-colonial capitalism of the imperialists and the compradors - particularly if and when communists start to mobilize the masses. To oppose imperialism is therefore, at the same time, to fight neo-colonial capitalists and their allies domestically. The state, furthermore, has no particular autonomy. It is based instead on the forces of imperialism and is truly despotic but weak.

But in sharp contradiction with the main points of this type of strategy, post-colonial capitalism did emerge in Indonesia with a domestic basis and a strong state. The nationalists who started to build this new capitalism did not at first ally themselves with compradors and imperialists. And as long as the state and its possessors of power were not the obvious tools of the imperialists, it was very difficult for workers to start determined actions in state owned plantations and industries.

With the new expansion of capitalism it is likely that communists will not be able to combine nationalism and class struggle any more. Such a combination has been a basic theme in all successful revolutions in the third world, for example in China and Vietnam. Quite on the contrary, nationalistic anti-imperialism tends to strengthen the new capitalism during its early emergence. Later on post-colonial capitalists do cooperate with "progressive imperialists", but then they have a domestic class basis to rely on.

Finally, the decisive importance of extra-economic factors in general and the state in particular for the new post-colonial capitalism naturally deprives the traditional strategic recommendations (originally from the Russian revolution) of frontal attacks on a small, isolated and relatively powerless state of any relevance.

Traditional strategies related to agriculture and peasants are undermined, because the traditional anti-feudal roads to development are blocked and because of the way in which a new agrarian capitalism emerges instead.

Strategies stressing anti-feudal fronts with the "national bourgeoisie" erode, since the bourgeoisie lacks enough power to implement land reforms and because its democracy is not stable enough to protect communists who try to mobilize peasants.

The nationalists who choose extra-economic instead of traditional bourgeois measures to implement a different agrarian capitalism are not anxious to give up their "feudal" positions of power but use several of them instead in order to capitalize agriculture.

Also radical strategies for peasant struggle, according to which communists themselves shall enforce bourgeois anti-feudal land reforms, may well have become irrelevant through the expansion of post-colonial capitalism. In the case of Indonesia a traditional bourgeois land reform was simply out of the question. As I have already mentioned, land in general and concentrated land in particular was scarce on Java. Instead patrons centralized surplus produced on poor peasant's plots that were too small to ensure them economic independence. This was the basis of the strong patron-client system. When the communists gave the signal for militant struggle, they were confronted with internal fighting among the peasants about the little land that could be redistributed. Parallel to this, the patron-client relations were often stronger than class loyalties. In addition the patrons were not especially threatened, since most of them had not concentrated much land.

In such cases "feudalism" can only be fought and agricultural development can only be promoted through the concentration of land, either by the use of extra-economic measures against a vast number of small peasants - which happened - or via peasants' efforts to concentrate their own land to sizes large enough to ensure independence of the patron, who can otherwise enforce the centralization of the peasants' surplus. (Landowning peasants can then invest in ancillary cooperative production where the landless may get jobs.)

Problems of further developed analyses and strategies.
Do new alternatives appear?

During a later phase of the project³⁾ I will try to further develop and generalize the above summarized results based on the historical experiences of the PKI by making a comparison with causes of similar problems of strategy in India and a contrasting successful implementation of some similar strategies in former South Vietnam.

But, if the way in which post-colonial capitalism emerged undermines the old theories, analyses and strategies, we should also study contemporary problems. Various movements try to further develop old analyses and strategies. What problems do they experience under the ongoing expansion of post-colonial capitalism - and why? And if they are confronted with substantial problems - what alternative strategical options may follow from a more proper understanding of post-colonial capitalism? Finally, can we confirm such alternative strategical openings by studying new trends in the political struggle?

Consequently there are two main tasks involved in this latter part of the project: (1) To further develop a more proper understanding of post-colonial capitalism, and thus to contribute to the development of a theory of the expansion of third world capitalism. (2) To analyse the new strategical problems - and possible alternatives.

In order to try to do both at the same time I have formulated two sets of hypotheses (A and B) in which I argue that certain attempts to further develop the old political analyses and strategies are contradicted by the present development of post-colonial capitalism. The first set of hypothesis is related to the people involved in agriculture and the second deals with industrial conflicts.

By studying if the actual development of post-colonial capitalism contradicts the selected political analyses and strategies, we will also have the chance to arrive at a better understanding of post-colonial capitalism and thus contribute to the generation of a theory.

Moreover, when we know more about the actual development of post-colonial capitalism, we may finally be able to suggest why

certain decisive contradictions might open up for alternative strategical roads. Thereafter we may study if these propositions are confirmed or not by the ongoing attempts to go beyond the traditional cluster of radical political thinking.

The empirical cases to be compared are movements in India, the Philippines and Indonesia. This report focus upon Indonesia and in particular Java during the late 70's early 80's.

There are special problems in studying radical political strategy in Indonesia. First, it is very difficult to get access to relevant materials. This of course, is due to the political situation. Consequently the empirical basis could be more solid. On the other hand, the political situation also implies that certain facts that I do know about cannot be spelt in detail for the sake of solidarity.

Secondly, the weak radical movements in Indonesia rarely have clearly formulated political analyses and strategies that are implemented in an organized way. Consequently I have to reconstruct scattered analyses and suggested strategies and confront their predictions about spontaneous developments of social forces rather than implemented strategies with what actually happens.

2. AMONG PEASANTS AND RURAL PROLETARIANS

Political analyses and strategies

There are two main attempts to take the effects of the destruction of the peasant movement in Indonesia and the enforced green revolution into consideration in order to further develop traditional radical analyses of class conflicts and strategical recommendations. I will give a brief summary.

Followers of the first tendency argue that there has been a substantial concentration of land and development of semi-feudal landlordism. Peasant land has been extensively expropriated. Thus, the absolute majority of rural population now consists of landless, or almost landless, tenants, often sharecroppers, working for landlords.

Consequently the general prognosis is that the main conflicts in the agricultural setting will be between unified threatened peasants and landlords. Any strategy must be based on this polarization.

This type of thinking is, for example, still dominant among those of the surviving communists who were and partly still are attached to Peking. The analysis and strategical consequences were already hinted at in self critical documents produced after the destruction of the PKI and they were used in the underground guerilla struggle in the Blitar area in the late 60's. Today representatives of this tendency stress that the analysis and strategy are critically discussed by the followers themselves, but that the general intention in the old document are still valid.

The followers of the second tendency stress that the green revolution has promoted capitalization of Javanese agriculture. It is argued that semi-capitalist relatively big farmers are emerging through concentration of land, new land tenure agreements and technological investments. Peasants have lost most of their land and tenures and become rural semi-proletarians who get their main income from agricultural wage work. Moreover, a substantial part of the villagers have been marginalized and forced to leave agriculture.

According to this type of analysis, the main contradiction is consequently between on the one hand a relatively unified semi-proletariat and on the other hand semi capitalist farmers and other capitalist oriented exploiters in the rural setting.

There were, and to my knowledge still are, rather many followers of this general view. We find them, for example, among the new radical students and scholars who are active also outside academies and institutes.⁴⁾

Evaluation of prognoses

However, drawing on my contribution to a theory about the emergence of post-colonial agricultural capitalism I suggest that (hypothesis A¹) a confrontation of the above political prognoses with actual developments (i.e. an evaluation) will show that:

Supplement to "KUT 33", to be added into the
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- * Social conflicts within agriculture are not characterized by a relatively unified threatened peasantry fighting landlords.
- * Neither are the social conflicts characterized by a relatively unified semi-proletariat fighting rural semi-capitalists in general and farmers in particular.
- * Instead of a peasant or semi-proletarian class conflict with either landlords or semi capitalists it is rather the state that is fought; and this struggle is most often led by propertied peasants, who manage to rally sections of the even more exploited people behind their demands.

Extensive rural protests during the late 70's

In July 1979 the farmers' association attached to the regime, HKTI (Himpunan Kerukunan Tani Indonesia), had listed 423 cases of land disputes.⁵⁾ In August the press reported 593 cases.⁶⁾ Many people went to local and regional authorities and military commanders to protest. But relatively soon they found out that they had to bypass these local, regional and provincial authorities and go directly to the national parliament (to get publicity) and even to the commander of KOPKAMTIB (Operational Command for the Restoration of Security and Order). In April 1979 the latter claimed that 80 % of the 1200 letters that he received each month concerned land dispute problems.⁷⁾ In some cases there were violent clashes, for example in Siria-ria in North Sumatra and in Jenggawah, Jember, East Java. The government was seriously worried and the land disputes became one of the major topics.

Character of protests

According to some of my informants one should not exclude that some of the protests concerned conflicts between tenants and landlords or agricultural workers and farmers. (Strikes at the plantations will be dealt with under industrial conflicts later on.) But it is quite obvious that the main actor and target in the reported conflicts was the state.

There were three most important types of conflict. First (and most common), state owned or supported estates expropriated or redistributed land earlier taken by or given to peasants. In

other cases peasants were "only" forced to grow certain products.⁸⁾ Recently there have been new conflicts over the introduction of so called Nucleus Estates.⁹⁾ In most cases it is thus propertied peasants who revolt against the state, because they are about to be subordinated, or even proletarianized.

Secondly, there are a lot of cases where the state supports expropriation (or destruction) of land for "development purposes". Land may be needed for the construction of roads, factories, parking areas, new irrigation systems (including the building of dams so that large areas will be flooded). There are also examples where factory discharge has poisoned paddy-fields. In these cases entire villages may be threatened, as, for example in the case of the building of a tourist spot close to the Borobudur temple. It is of course the propertied peasants who are most badly hurt - if they are not payed off. Thus they take the lead in fighting the local organs of the state. The poor and landless often rally behind since they run the risk of loosing their jobs and do not even get the generally low compensation promised to the landowners.¹⁰⁾

Third, there are some cases of protests against the introduction, distribution and use of state subsidies to "modern" agricultural production and fishing. Poor and landless peasants sometimes oppose tractorization, more efficient harvest methods etc. and petty fishermen protest against the introduction of modern trawlers.¹¹⁾ This, however, is, once again, mainly petty propertied peasants' protests against the state promoted and enforced capitalization of agriculture - not conflicts between labourers and semi-capitalists within production.

Evaluation of analyses

How can we explain the obvious contradiction between the political prognoses and the conflicts that actually take place? Why is it that the main clashes within agriculture are not between tenants and landlords or agricultural workers and farmers but between the state and petty propertied peasants, who rally some of their workers, tenants and others behind?

In order to answer these questions I propose that we examine the analytical premises of the obviously faulty prognoses. I suspect that a confrontation of the above briefly summarized analyses

(stressing either semi-feudal landlordism or semi-capitalist village agriculture) with the actual development of classes in the village economy will show that the analyses are invalid. Furthermore, drawing on my preliminary contribution to a theory about the rise of post-colonial agricultural capitalism, I suggest (hypothesis A²) that such an evaluation of the analyses will indicate that the destruction of the peasant movement and the state enforced green revolution have contributed to the creation of the following main classes, types of accumulation, subordination and exploitation explaining the type of conflicts disclosed above:

- * The decisive trend is neither the development of landlords nor relatively big semi-capitalist farmers. Instead at least 20 - 30 % of the rural households benefit from the enforced capitalization of agriculture. Many of them become relatively well off farmers, a kind of kulaks, whereas the ruling minority may be called state backed patrons.
- The kulaks are not independent private farmers but heavily dependent on state subsidies and extra-economic protection against the non benefitting classes. The kulaks concentrate some land and make some improvements of the forces of production. But they are mainly investing in, first, the displacing of, for example, tenants and harvesters in order to get a larger share of the surplus produced and, secondly, in intensifying the production by the introduction of better varieties, fertilizers, the growing of several crops per year etc. When the kulaks need extra labour they use mainly members of their family, relatives who have to get additional income on top of what they can produce on their own small plots of land and in peak seasons perhaps some additional agricultural workers.
- Neither do the state backed patrons invest mainly in the concentration of land and the development of the forces of production but strive for control of the local organs of the state, that is the land allotted to them instead of salary (tanah bengkok), development programmes and political, administrative and to some extent even repressive powers. On top of their production on their own land plus the tanah bengkok land they are not only able to corrupt some of the state funds but more important, to centralize substantial parts of

the surplus produced by the kulaks and others who are dependent on their economic and political patronage.

In order to be able to monopolize the local organs of the state, the state backed patrons have to control not only the kulaks but even more important "the huge mass of people" that do not benefit from the capitalization of agriculture. Many of these people are displaced by patrons themselves and the kulaks and are not able to get permanent jobs. Thus, they are not mainly subordinated within production.

On top of this the state backed patrons also invest in business outside agriculture. That is, not only in, for example, hullers but also in service and transport etc.

- * Consequently no unified class of poor and landless peasants or semi-proletariat develops. Most of the agricultural wage work is carried out by petty farmers with ties to the kulaks and patrons. Others have a variety of sources of income and are rarely permanently employed. Most often they complement petty commodity production related to agriculture, trade and services with temporary wage work, for example as harvesters in peak seasons. Thus they are not mainly exploited within production and therefore they do not have any visible class enemy to fight.
- * Besides some seasonal agricultural labourers and more or less permanently employed workers within construction, trade and services, who are at least partly subordinated and exploited with the use of economic force, most of the subordination and exploitation is consequently carried out with the use of extra-economic powers.

Family kulaks and their subordinates

There has been a long discussion about the degree of concentration of land within Javanese agriculture. In my book on the destruction of the PKI I maintained that the basis of the rural lords was rather centralization of surplus produced by peasants than concentration of their land. After the elimination of the peasant movement and under the enforcement of the green revolution there has, no doubt, been some concentration of land, especially during the late 60's and 70's. However, I think that the degree of concentration has been overestimated. Most of the studies tend to

focus more upon the distribution of land among the villagers - to stratify the population - then on examining to what extent the unequal distribution of land is actually due to expropriation of land - a class analysis - or is mainly the result of the increase of population, and thus varies with, for example the extent to which the inhabitants leave the villages because there are jobs available in the urban areas.

Anyhow, attempts to look back and evaluate the developments since the late 60's among scholars who have carried out intensive local studies during these years as well as preliminary data from the recensus project in Bogor¹²⁾ support my earlier remark that 20 - 30 % - according to the new results even 30 - 40 % - of the household benefit from the capitalization of agriculture and indicate that the concentration of land has not been substantial, particularly not since the late 70's. The preliminary data from the recensus even suggest that the degree of absolute landlessness might have declined since 1976/77.¹³⁾

No doubt, this may mainly be due to the fact that, since the late 70's, new jobs have been available outside many villages. But still at least some 50 % of the households own land, according to Collier et al.¹⁴⁾ And some 75 % of the households get income from farming and almost 90 % own some kind of land according to the recensus.¹⁵⁾

This, of course, says nothing about the degree of concentration among the landowners. There may be some few who control most of the land, whereas the majority only have very tiny plots. Generally it seems as if half of all households own only small plots of sawah land below 0,5 ha - but they do still control as much as some 1/3 of the total area - whereas only 6 % of the families have more than 1 ha of sawah land and control some 40 % of the area. If we count both wet and dry land more than 60 % are tiny farmers (less than 0,5 ha) and some 10 % have more than 1 ha.¹⁶⁾ Thus, there are no big landowners who more or less totally monopolize land. Instead it is obvious that there are many petty peasants who have to get additional incomes besides their farming and who have to be controlled at least partly outside large units of production.

Now, how big are the relatively few larger farmers? Are they landlords, semi-capitalist big farmers or mainly smaller kulaks with relatively few labourers? First, there are figures on the distribution of ownership of all land (sawah + dry land). According

to the recensus data only 0,2 % of the households had more than 5 ha, 2,4 % had 2 - 5 ha, 8,1 % had 1 - 2 ha and 16,1 % had 0,5 - 1 ha.¹⁷⁾ (We should also be aware of the fact that some landowners may rent in land in addition to their own.) But it is perhaps even more interesting to examine the sources of income. Only some 2 % of the households have rent as a major income. Furthermore, only some 13 % had farm labouring as their main income and 30 % as their most important minor source - whereas farming was the only income for some 13 %, the main income for more than 50 % and most important minor source for 20 %.¹⁸⁾ In addition farm labour as a main source of income decreased from 1976/77 till 1983 with as much as 31 %.¹⁹⁾

I will not go into further details in this brief paper. But all indicators that I have come across in reports and through interviews generally support my hypothesis that neither landlordism nor big capitalist farming is developing but rather relatively small kulaks. So far, thus, we can say that the kulaks are those of the benefitted of the state enforced capitalization of agriculture who belong to the some 50 % of the households which get their main income from agriculture and own more than 0,5 ha fertile land, i.e. some 25 % of the households.

Furthermore it seems as if the kulaks - after having displaced unprofitable tenants, harvesters etc. - rely mainly on family labour. To this they add some labour in peak seasons - and these are mainly petty peasants, often relatives, who have to get additional incomes. Some small family-kulaks may also need extra incomes besides their own farming. Exchange of services is not unusual. But in peak seasons most landowners have to work on their fields. There are of course also landless agricultural labourers working on kulak land. However, very few labourers are permanently employed, besides some few servants less than 2 % of the farmers used fully tied labour, according to the recensus.²⁰⁾

Moreover, the previously very common semi-tied relations, various sharecropping agreements etc.²¹⁾ are not as important as before. This is, of course, partly due to the fact that a whole lot of tenants have been displaced and that the kulaks are family kulaks. However, various tenancy agreements were also introduced to displace harvesters. Such arrangements survive when necessary. And the fact that alternative jobs now

quite often are available outside agriculture also means that the buyer of labour may want to use various agreements to make sure that he has some labourers in peak seasons. Due to shortage of labour in these periods he may, however, have no other alternative than to buy free labour and pay the workers much higher wages than before.²²⁾

The substantial increase in real wages since the late 70's is of course related to the intensification of agriculture (several crops)²³⁾ and access to jobs outside agriculture, but is probably also due to the fact that the job must be carried out faster and more efficiently now. Despite the relatively few investments in technology, there has also been some modest specialization and division of labour. This should make it easier for the workers to enforce somewhat better payment. However, since the workers are not permanently employed, the higher wages in peak seasons do not necessarily mean that their yearly incomes have increased.

State backed patrons and their subordinates

Neither historical nor contemporary figures on ownership of land disclose any substantial class of rural overlords. Still, any villager in rural Java experiences and is able to identify some real exploiters. Who are they? How do they enrich themselves and whom are they subordinating?

In my book on the PKI, I stressed the importance of analysing the mode of exploitation in rural Java historically and in terms of centralization of surplus produced by dependant petty propertied peasants rather than expropriation of peasants land, appropriation of land rent and/or exploitation of wagedworkers. Also, I maintained that this mode of exploitation - the centralization - was the very basis for the strong patron-client relations and the dominant ideologies in the rural areas.

Before 1965 the patrons needed the support of rather many clients in order to uphold their key positions in the local organs of the state and/or religious institutions - positions which were decisive for their centralization of surplus. Moreover, they could only use their "own" funds to pay for the patronage that was necessary in order to get the support of the clients.

After 1965, however, those of the patrons who were in favour of the new order and attached to the local organs of the state could, first, reduce the amount of patronage that had to be distributed in return for support thanks to direct central state support instead, often in the form of actual or likely military repression. Secondly, during the late 60's and early 70's, the lack of a strong peasant movement, oil money and foreign aid made it possible for the central state to introduce the green revolution. Thus, the state backed patrons could add huge public subsidies to their "own" sources.

I will soon come back to a closer look at the state backed patrons. But let me first stress that the central state intervention and green revolution caused a division among the rural lords. On the one hand, we find increasingly state dependent patrons related to the local administration. On the other hand there are more traditional petty patrons mainly related to the most often Muslim religious institutions. The latter often lack the backing of the state. But they are able to survive due to a relatively independent economic, political and not least ideological basis.²⁴⁾

Generally, however, the traditional patrons are comparatively weak. They will rarely get support outside their specific religious followers and their basis of power within the old agricultural economy is gradually eroded by the ongoing capitalization. Even if the muslim religious institutions are the only decisive independent ideological counterforce against the regime, the percentage of the total vote won by Islamic parties, for example, has decreased from 44 % in 1955 to some 28 % in 1982.²⁵⁾

As I have already indicated the important state backed patrons are to be found within or around the local organs of the state, not least on the village level. Most of the leaders are appointed. The lurah (village leader) are de facto selected and since 1979 the village councils are even formally appointed.²⁶⁾

One of the most important basis for the state backed patrons is the land allotted to the local administrators instead of salary, tanah bengkok. According to one of the few summarizing studies on the subject that I have come across,²⁷⁾ the official land usually consists of the best land in the villages and cover as much as 15 - 20 % of the total areas. There are rather many village officials

who have the right to bengkok land, but generally most of them are related to the lurah. His family controls between 67 - 85 % of the official land in the studied villages, that is between some 10 - 15 % of the total land in the villages. Thus we can conclude that the lurah favours "his" kulaks - adding to their private land some official fields as well.

But probably even more important is that the lurah and his "officials" control most of the governmental development programmes.²⁸⁾ These include almost everything from agricultural development and labour intensification to family planning. Some other important projects are controlled by the lurah at the district (kabupaten) and by the camat at the sub-district (kecamatan) levels, for example education and health programmes. And parallel to this we find the local and regional military commanders, who supervise often command and sometimes, generally without uniform, take up positions as civil administrators or leaders.

The government development programmes have increased extensively with the rising oil revenues. First they are corrupted. According to the central government, some 88 000 officials and village leaders, for example, misappropriated credits 1983. The missing credit amounted to Rp 10 billion, an increase since 1981 when the figure was 9,7 billion (1 US\$ is about 900 Rp). In West Java 50 % of the village apparatus were involved, corrupting more than half of the credits.²⁹⁾

Probably even more important, however, are the chances to invest the state support in agricultural production related to one's own family or client kulaks. This can, for example, be done through the way in which irrigation, credits³⁰⁾, inputs etc. are distributed and used. Other ways of investing control of state programmes in order to appropriate surplus produced by others include taking advantage of positions within various cooperatives, for example, those trading agricultural products.

Naturally our patrons also make private investments, but perhaps not mainly in land and interestingly enough not so much in the development of the forces of production (except, for example, in hullers, pumps etc.³¹⁾) as in new and temporarily lucrative off farm businesses such as transport and trade.³²⁾

The brief outline above thus indicates that the state backed patrons strive mainly for the control of state powers and capital.

Then they partly corrupt and partly invest the resources, particularly in production managed by clients but also in private businesses.

Consequently, neither the family kulaks nor the state backed patrons regularly subordinate and exploit the majority of the village population within various processes of production or as employees within trade, services etc. In order to get the support of the central government, be able to stay in power and monopolize the local organs of the state the patrons therefore also have to "invest" in extra economic subordination of the majority of the rural population. This majority includes the many petty peasants, who still control some 1/3 of the land and only have to complement the income from their land with irregular wage work within or outside agriculture.³³⁾ Further, the patrons had and sometimes still have to help the kulaks to displace unprofitable tenants and labourers. Moreover and most important they must subordinate the many landless who generally have irregular jobs and/or are self employed.³⁴⁾ In addition very many of the villagers are young people who are or run the risk of becoming unemployed. Some 30 % of the population is under 10 years. And unemployment are worst among those who are 15 - 19 years.³⁵⁾ All of them cannot be controlled in schools, even if education and of course family planning, have been important "solutions" so far.

It is thus the responsibility of the state backed patrons to support and sometimes administrate public works, see to it that the villages - according to the law - are depolitized,³⁶⁾ and that participation is channalized through and peoples' problems "solved" within corporative and top governed organizations (e.g. the organization for peasants, no matter if they are landless or kulaks). As long as the government can afford to "drop" projects, subsidies etc. to the villages this may be relatively easy to handle.

Also, the patrons have to tackle religious institutions. For example buying off influential leaders by offering them lucrative positions as civil servants and then, after some time, demanding that they - like all other civil servants - have to join the state controlled corporation for state employees, KORPRI, whose members must be associated to the state controlled "party", Golkar.

There have been some relatively dynamic years in rural Java since the late 70's. Good harvests, several crops per year and

many new jobs outside agriculture mostly, however, irregular and mainly in trade, services and construction. The rich have become much richer but the poor have not become poorer - but less poor - in absolute terms. In relative terms, however, the unequal distribution of wealth is worse now. And with less oil money everything gets tighter. The state backed patrons get a more difficult job.

Conclusions

The above evaluation of the mainstream analyses and examination of my hypothesis (A²) shows that relatively few villagers are directly and permanently subordinated and exploited as tenants or labourers. Thus the main contradiction can be neither one between landlords and tenants nor between semi-capitalist farmers and agricultural workers. Consequently the attempts to further develop traditional radical analyses and strategical recommendations must be rejected. The only important clashes within agriculture are instead characterized by protests against the state from petty propertied villagers when they are threatened with proletarianization.

Why is this so? Why are so few villagers directly and permanently exploited and why are the conflicts mainly petty bourgeois protests against the expansion of capitalism?

The kulaks are rather many, small and they invest mainly in better varieties, several crops per year etc. and in tighter control of the surplus produced by the displacing of unprofitable tenants and labourers. Thus the kulaks rely mainly on family labour and temporary work carried out by relatives among the petty propertied peasants who need a lot of extra income.

The displaced tenants and labourers are no longer permanently exploited by the kulaks, but they may get extra employment during peak seasons. These temporary labourers may protest but are usually payed off since the kulak have to get the job done and there may be shortage of labour. However, the family labour and the temporary petty peasant workers (often relatives) are less likely to revolt.

Neither do state backed patrons directly and permanently exploit a lot of villagers. They need some more agricultural labourers than the kulaks but not too many. And they employ some workers when they invest in off farm activities. But these labourers are also relatively

few. Instead the patrons strive mainly for control of the local organs of the state including development programmes. These resources are then invested particularly in order to be able to centralize surplus produced by others - not least the kulaks.

Thus there is an obvious contradiction between state backed patrons and producing family kulaks. But the kulaks are very dependent on state subsidies monopolized by the patrons as well as their extra-economic protection against, for example, displaced tenants and labourers. Therefore the family kulaks may wish more freedom and demonopolization but have to restrict themselves to demands for more subsidies and protection.

The decisive role played by the patrons in the conflict between exploiters and labourers under the capitalization of agriculture is to control the majority of the villagers who are not directly and permanently subordinated within production, trade, transport, services etc. Among other things they have to handle petty peasants who are threatened by, for example, the effectivization of production on family kulak land, expansion of plantations, buildings of factories, construction of dams etc.

This, of course, gives rise to protests from petty propertied peasants. Sometimes the landless labourers rally behind, since they run the risk of losing their jobs and/or incomes from self employment. But they rarely protest against any direct exploiter, because they seldom have any permanent employment and thus neither a place within a collective of workers nor a visible main enemy.

What we are witnessing is in other words a state enforced and subsidised capitalization of agriculture under which state backed patrons monopolize, invest and profit from public powers and resources in the local setting, dependent family kulaks improve production and benefit, threatened petty peasants protest and most of the proletarianized villagers do not find any permanent jobs in production neither within nor outside agriculture but turn to self employment and temporary jobs - if outside agriculture usually within the expanding tertiary sector, rarely in manufacturing.

A new option?

Among Indonesian dissidents it is often said that there is a kind of stalemate in rural Java. The peasant movement was eliminated in 1965/66. The trauma and fear of new massacres are still present. The regime's control is tight, not least in the villages. "The state dominates everything". The rich get richer, but the poor are also improving their standard of living, not relatively but in absolute terms. "With threats and some oil money almost everyone can be bought".

Moreover, my studies show that the way in which rural capitalism expands undermines the common radical analyses and strategical recommendations. In fact already Lenin said that if the Bolsheviks could not get massive support from the peasants - because the Tsar might enforce rural capitalism and thus eliminate the unity of the peasantry against feudalism - but had to fight directly for socialism supported only by the proletariat, then the revolution would have to be postponed for quite a while.⁴⁰⁾ Even more so in Indonesia, then, because in rural Java there is almost no coherent proletariat. And those who fight are not mainly labourers against rural capitalists but poor propertied villagers who try to uphold petty commodity production against the state.

Common interest in democracy

However, it also follows from my study that post-colonial agricultural capitalism implies that the majority of the villagers have to be subordinated with the use of extra-economic force. Neither family kulaks nor state backed patrons monopolize land and means of production to the extent that the majority of the population have been "sufficiently" proletarianized. Furthermore, neither the petty peasants nor most of the landless are permanently subordinated as workers within production, trade etc. but extra-economically by the state backed patrons. The latter also use extra-economic means in order to centralize surplus produced by others, not least the kulaks.

Thus, if there is no unified proletariat subordinated to semi-capitalist but rather very many different classes, fractions and modes of exploitation - including family labour and of course

petty commodity producers - most people have one thing in common: they are to a large extent subordinated by extra-economic means. Consequently, they may have very different immediate socio-economic interests, demands and certainly also ideologies, but almost everyone should have one interest in common - democratization to get rid of the extra-economic force used against them.

Moreover, if the few more or less permanently employed workers within dynamic sectors of the rural economy take up the same demands for democracy, it may be more difficult to isolate them from the masses and buy them off with somewhat higher wages.

And if the poor propertied villagers who fight the capitalist threat against petty commodity production take up the issue of democracy, they do not only have to rely on their own diminishing economic and political positions. On the contrary they can then fight for and not only against something. And this something they have in common with the many less threatened, including the already proletarianized.

Finally, even the family kulaks, who are extra-economically subordinated by the state backed patrons, may rally behind some demands for democracy.

Different interests in democracy

However, democracy is essentially a means for different classes and social groups to promote various interests. Thus, the interest in democracy - its extension to various fields and activities and its forms - varies with the power of different classes and their basis - the way in which they control men, land and capital, produce and appropriate surplus, or are controlled and exploited.⁴¹⁾

The family kulaks, to begin with, certainly want more economic liberties against the patrons' monopolies and thus have a limited interest in democracy. But at the same time they are very dependant upon state subsidies and do not want them to be distributed to others as well. Moreover they need extra-economic protection against displaced tenants and labourers to be able to uphold their control over the surplus produced on their land.

Petty commodity producers are extremely extra-economically repressed but one may doubt that they are interested in a democracy that restricts their private right to decide over their small

properties as well. In addition they are no cohesive class and often look for protection and leadership within authoritarian religious communities, not least muslim ones but also, for example, traditional javanese gurus (kepatinan).

Workers, on the other hand, may tend to focus upon democracy on the workplaces, thereby leaving the communities in general and the non permanently employed in particular behind.

Finally, various revolutionary leaders and organizations in rural Java have always been very dependent upon the charisma and patronage of their leaders (bapakism). This, of course, is essentially an effect of the predominant mode of exploitation, centralization of surplus through patron-client relations.

Consequently I maintain, that only struggle for locally rooted and total democracy may unite most of the various extra-economically subordinated classes and social groups.

If democracy is not built from below, locally rooted, bapakism, patronage and corporatism will take over. If it is not total - i.e. as free as possible from various restrictions to protect certain class basis and interests - the most powerful groups and classes will take over and subordinate the struggle for democracy to their specific interests. If, for example, family kulaks enforce their interests, the concept of people's rule will be restricted and hardly at all combined with people's power. And people must have some power to have something to rule.⁴²⁾ Thus in such a situation the demands for democracy will be a formality for most of the repressed and exploited.

On the contrary, if the struggle is about locally rooted total democracy, this may give the majority of the rural population an instrument whereby they themselves can govern the powers that they have to fight for and use in order to raise their standard of living, get more freedom, justice etc. Thus, locally rooted total democracy actually cannot be demanded from anyone but has to be created during the struggle against extra-economic repression and exploitation.

Extra-economic basis of the enemy

Not only are most people extra-economically subordinated and exploited, but the very basis of the ruling state backed patrons

is also extra-economic - i.e. their political, administrative and to some extent military control over the local organs and resources of the state. They invest these powers just as a pure capitalist invests his capital. And this basis has to be fought. Struggles for redistribution of land in the villages,⁴³⁾ for example, is no direct threat against the patrons, since they do not mainly base their power on private ownership of land - but it is a threat against the relatively small family kulaks, who are hardly the main enemy.

Moreover, the fact that the post-colonial agricultural capitalism in general and the state backed patrons in particular are based on the control and use of extra-economic powers imply that consequent struggles for locally rooted total democracy are bound to be revolutionary, a threat against the system itself.

The importance of fighting the extra-economic basis of the patrons does not, however, mean that one should give them a chance to use their enormous powers - including their arms. It means rather the opposite, i.e. to undermine their ability to use their powers.⁴⁴⁾ Once again, this implies that one cannot fight for democracy "with all means", but has to create a locally rooted and total democracy during the struggle. For it is hopeless to fight state backed patrons on their own arena, with the instruments of which they have much more and which they can use more skillfully. Thus one cannot take their powers from them, but must undermine them, initially by - for example - creating independent cooperatives, fora for free discussion, communication, education and, of course, make attempts to paralyse the state apparatuses when an alternative democratic civil society has become visible for most people.

The ongoing struggle - is it for democracy?

Consequently, I suggest (hypothesis A³) that current Indonesian attempts to go beyond traditional invalid analyses and strategies related to the agricultural population are beginning to be characterized by struggles for the creation of locally rooted total democracy, and that the experiences support my argument that this may be a new opening for radical political change.

The non governmental organisations⁴⁵⁾

Under the new order, the old political organizations and mass movements have been gradually prohibited and the new ones are either carefully controlled or directly linked to the state. Furthermore, no non-governmental political organizations and mass movements are allowed on the village level. The villagers should be a "floating mass". Thus, most of the old leaders have been isolated from the masses.

Then, during the 70's, when a new generation of concerned young and educated people deserted technocratic views and positions and wanted to reach the villages, the "floating mass" doctrine forced them to form alternative and more informal organizations related to specific development problems of the villagers. Moreover, they also had to go beyond most of the old, extremely authoritarian and centralized organizational structures monopolized by more or less coopted leaders. Due to the situation, these young and concerned persons - often graduated students - therefore formed a new set of non-governmental formally apolitical development organizations (NGO).

By now there are hundreds of registered NGOs and thousands of nonlisted local groups. However, rather many of these NGOs are, for example, old charity associations, religious organizations and institutes that often work in close cooperation with the government (more or less as subcontractors). Thus they cannot be included among the new generation of activating groups.

In the formation of the new NGOs, the activists could refer, among other things, to established ideas about community development within reputed international aid and development agencies. Therefore - but of course also for political reasons - many of the new NGOs could initially to some extent rely on external funds. And in line with the community development ideas, the new NGOs could legitimate themselves as additional and complementary in relation to state development programmes.

But the NGOs that carry out activities in the villages can also draw on an old Indonesian tradition of community organizations. And at least some of these were further developed by the communists during the 50's and 60's and made somewhat less authoritarian and

vertical and instead more democratic and horizontal, class based. Moreover, the new NGOs aim at reaching the poor. They reject modernisation theories which give priority to growth and argue instead that what matters is the process of development, not high output etc. - i.e. that the poor themselves become engaged and have a say in their own attempts to raise their standard of living.

The NGO-activities cover almost everything from health, environmental threats against the villagers, programmes to help peasants and other petty commodity producers to raise their production and form cooperatives to legal aid to at least some of the very many who are repressed, deprived of their land etc.

I am not trying to say that the NGOs are important in quantitative terms. Compared with all the governmental projects "dropped" in the villages they are marginal. But they usually reach the poor. They begin to stand out as the - or at least a - civil alternative. They offer examples of how people can do things on their own. They educate and train cadres. And what is more, their importance is not limited to the projects but also include the activities - and consciousness - that they initiate.

Neither am I trying to say that the NGOs, with the exception of the increasingly important legal aid organizations, aim mainly at the creation of a fullfledged democracy. Their point of departure is usually development and social justice for specific sections of the rural poor. Moreover, many of the NGOs have rather authoritarian structures. And some tend, for example, to work in close contact with "friends" in the central state apparatuses "to get protection from the feudal state", become legitimate in front of the immediately threatened regional and local authorities and thereby, finally, reach out to the common villagers. But despite the fact that most of the young, concerned and well educated activists often lack a nuanced historical perspective and political experience, the situation in general and the limited space for action in particular have made many of them - and those who have been mobilized - more and more interested in locally rooted and non restrictive democracy in order to reach their developmental aims. When they want to solve specific development problems by initiating activities among the poor themselves which can sustain, spread and resist attempts from kulaks or state backed patrons to take over, the work has to be carried out in

democratic forms. This experience and protests against the rulers' use of extra economic force against their target groups seem to be increasingly unifying factors between various progressive NGO:s and their specific projects.

Another way of indicating the importance of the NGO:s is to examine the responses they get from the regime. Since long there have been a lot of tensions, attempts to take over, buy off, cause splits etc. Especially regional and local authorities have felt threatened. And at present the government has introduced a new law to increase state control over NGO-members and activities and enforcing them to rally behind the state "ideology", Panca Sila. It remains to be seen how the NGO:s adapt to the new situation and especially how much of independent self sustaining activities and processes, with their own dynamics, the NGO:s have been able to initiate so far.

New muslim trends⁴⁶⁾

Many of the new generation of NGO:s are muslim. Critical ideas are also emerging within some of the religious schools (pesantrens). Just as during the anti-colonial struggle muslim organizations and institutions are the strongest individual civil movement opposing the state with an economic basis of its own.

Among the new development minded muslims, the question of religion and an Islamic state is less important than moral issues. "In the Koran the pilgrimage is mentioned in one verse only, but social justice in twenty-three verses", says one of the new leaders.⁴⁷⁾ There are some influences from liberation theology in the Philippines and Latin America. And the aim is not to educate religious cadres but moral ones. The West and the city are sinful and destroy traditional values, threaten the small peasants and other petty producers. As against this a local oriented and self reliant development is proposed and worked for.

But the authoritarian structures are still very important, especially in the villages and in the pesantrens - even if many new muslim NGO:s are trying to tackle the problem. And the devoted muslim communities in general and religious scholars and students in particular are still somewhat isolated from other villagers, despite the attempts to take up development issues and projects.

This isolation also uphold the vertical structures and ideas as against concepts of class and exploitation. Activists who seek protection and/or allied within the radicalized muslim communities are presumably aware of this in order not to find themselves in the same type of blind alley as did the PKI within another cultural tradition of vertical non-class based loyalties in rural Java (priajaji-abangan).

Communists without form⁴⁸⁾

The new NGO- and muslim radicalism is related to a young generation of activists who rarely experienced the Sukarno period as grown ups. The old progressive nationalists and communists are carefully controlled. Most of them are politically dead and passive or - as some few - tied up with and paralysed by invalid doctrines. There are, however, also persons with a unique integrity who continue the struggle for socialism but are prepared to reevaluate and to question old doctrines. Instead they try to find new roads together with young progressives in various NGO:s. Their main aim so far is of course to contribute with their experience, make people more conscious and to help them, for example, by forming small cooperatives. It is all very modest.

For most communists it is, however, not necessarily natural to fight for more democracy than what is needed in order to rebuild their own organizations and to mobilize people. With the words of one of the old, reevaluating and active leaders: "Even if I personally agree with the argument that the struggle for democracy must be much more than tactics during the first phase of the struggle for socialism and rather the essence in a long term strategy, I would not dare to say so among the comrades. As long as they also give priority to democracy and do not hinder my more far reaching work, I tend, therefore, to postpone the issue."⁴⁹⁾

3. AMONG WORKERS AND URBAN PROLETARIANS

Political analyses and strategies

The most important result of attempts to take the effects of the destruction of the PKI and the rapidly expanding industrial capitalism in Indonesia into consideration in order to further develop traditional radical analyses of class contradictions and thus also strategical recommendations is a renewed emphasis on the conflict between capital and labour and consequently the importance of domestic class struggles in general and workers' struggle in particular.

First, it is argued that the Indonesian opposition against the New Order has been preoccupied with issues such as corruption within the framework of the dependency theories. This has been mainly intellectual exercises, tied up with the students. The result is liberal middle class dissatisfaction and a more specified theory about a parasitic bureaucratic capitalist state blocking development in general and civil-private careers in particular. The recommendations have been technocratic - not political. And most important, the opposition, stimulated by this sort of agitation, has not paid any interest at all to how people actually are exploited. However, it is maintained that this tendency was totally bypassed by the many urban and rural labour protests, strikes etc. that came about in the late 70's.⁵⁰⁾

Secondly, it is argued that these labour protests were the result of the emergence of a new generation of young workers within the many new factories since the early 70's. i.e. the result of the rapid industrialization. Moreover the workers were and are hit by drastic cuts in real wages beginning with 50 % devaluation of the rupiah in late 1978, which aimed at promoting industrial expansion through exports on the world market.⁵¹⁾

Thus, this attempt to further develop old analyses and strategies by stressing the conflict between capital and labour goes along with the presently so popular rejection, among international radical scholars, of the old dependency paradigm. As against the old doctrine of blocked capitalist development in the third world, the importance of peasants' struggle and more or less cooperation against imperialism with a so called national bourgeoisie it is now argued that capitalism is not blocked at all. On the contrary

there is a rapid process of industrialization promoted by on the one hand international capital and on the other hand the local state, which in the case of Indonesia relies extensively on oil income. People are not only proletarianized but most often also becoming wage workers and members of an increasingly coherent working class.

Of course nobody denies that many proletarianized do not become full members of the new working class but are more or less marginalized. But it goes with the main argument that the workers are the decisive factor in the contemporary process of development. They are the only social force that can strike and sabotage production. And production is the very basis of the capitalists and the state. Marginalized rioters, on the contrary, can easily be fought in the streets.

Further, nobody denies that the state is important. But the workers rarely face the state in their daily job and during their regular protests against the capitalists, the foremen etc. - but only when they stage big strikes.

Finally it is said that it may very well be that there are a lot of complicated ways of subordinating labour and that the capitalists sometimes succeed in dividing and ruling the workers. But the workers have more in common with each other than with the management, no matter whether they are permanently employed or not. And usually they understand this perfectly well.⁵²⁾

This type of analysis thus means a renaissance for various trade unionist strategies. The unionist issue has indeed become at least one rallying point both inside and outside Indonesia. Communists and socialists, christians and muslims and others can work together. But it also follows from the analysis - and the balance of powers among the activists - that the old doctrine of imperialism as a pioneer of progressive capitalism returns to the surface. And it is brought to the fore by the fact that if capitalism develops, the option to unite a majority of the population behind slogans against an underdeveloping imperialism disappears. Thus, capitalism has to be fought by the main exploited class - the workers - and finally, when it is not progressive anymore, to be replaced by socialism.

Turning to the level of what actions to carry out, one should first make note of the absence of clearly formulated strategies. Nobody denies the fact that the regime was involved in the formation of and still effectively controls the only approved unions within the private sector - coordinated by the confederation FBSI (Sentral Organisasi Karyawan Socialis Indonesia). Also it is generally stressed that the FBSI-leaders are on speaking terms with both ICTU (International Confederation of Free Trade Unions) and WCL (World Confederation of Labour). To this they add good relations - approved by the regime - with, for example, AFL-CIO (American Federation of Labour) and Friedrich Ebert Stiftung, governed by the West German Social Democratic Party.⁵³⁾

However, most of the progressive activists - we leave the others aside - also maintain that there are some possibilities to work within the framework of the FBSI, at least informally and on the grass root level. The activists usually form an independent local movement which is then screened, institutionalized and "adjusted" as a local branch of the FBSI. Any attempt to form alternative formal organizations would be like raising a banner telling the regime that "look, here we are, come and crack down on us".⁵⁴⁾

Furthermore all agree on the fact that very little if anything can be done among the state employed workers and civil servants. They are not even allowed to join a yellow union but are forced to rally behind the corporative organization for state employees, KORPRI (Korps Pegawai Republik Indonesia), headed by the minister of interior.⁵⁵⁾

Finally everyone knows of course that if the FBSI and the local management are not able to domesticate the workers, the management can just call upon the local organs of the state - or give a ring directly to the "minister of manpower" Sudomo, former head of the KOPKAMTIB (Komando Operasi Pemulihan Keamanan dan Ketertiban, the National Security Command) - to "send the marines", i.e. the police and appropriate army units. Strikes are de facto forbidden and the official doctrine is that the relations between the manager and his labourers should be like those between a father and his sons. Besides one should not talk about workers (buruh) but use the term employees (karyawan).⁵⁶⁾ According to this analysis, state is, thus, based on the capitalists' power and can only be fought

through the undermining of capitalist production.

When it comes to the question of how to tackle this tight situation there are, however, some different points of view. Obviously most of the formal and informal labour leaders who are not coopted belong to a new, young and historically unexperienced generation. On the other hand they are usually not restricted by being tied up with old doctrines and leaders. Most of the labour protests - generally within the new and modern units - that started in the late 70's, were truly locally rooted.

Of course this does not exclude that some of the young leaders looked for guidance among those of the old generation who uphold their integrity. Among the latter there are almost no former communists, at least not within Indonesia. These are eliminated or passivated. But there are some leaders who were previously attached to the unions that were not prohibited directly after 1965 and which were related to the former socialist, christian, muslim and nationalist parties.⁵⁷⁾ These unions and most of their leaders were domesticated and coopted during the late 60's.⁵⁸⁾ In 1973 they were forced to join the FBSI. But some individuals are "stubborn". Among these the former socialists stress the need for the training of cadres, the importance of planned actions as against "risky spontaneous activities" etc. while others are more "openminded".⁵⁹⁾

However, the former unionists were active before the very many new industries were built and usually cannot rely on their old network. Moreover, old leaders with integrity are extremely rare and most of the activists are new and young and work more or less on their own on the shop floor level, formally or informally. Many of them seem to be less sectarian than those who are related to old socialists. Thus, the former are prepared to work in cooperation with anyone who is not coopted. And even if they may be rather isolated, there are informal networks, for example mutual contacts when they look for legal aid against the regime.⁶⁰⁾

To my knowledge almost all new leaders claim that they try to give priority to very concrete issues such as wages and other benefits. And during the present recession much energy is spent on trying to defend the jobs. The situation for the workers is so tight that they have to fight for their survival. Thus, it is argued, they cannot afford the luxury of giving top priority to the right to organize and even less to democracy. But generally

the idea is that by taking up concrete and specific issues, the workers will realize that they also have to struggle for their right to organize in order to gain something.⁶¹⁾

In relation to this it should be stressed that the issue of collective labour agreements (CLA) are not agreed upon as a rallying point. The CLA:s that are possible to fight for have to be settled on the factory level and thus tend to isolate workers within different units of production from each other. Moreover, CLA:s may easily be used to press down wages to an equal minimum level.⁶²⁾

Finally, the new activists generally seem to give priority to work within the new, modern and relatively large units where it is relatively easy to unite the labourers despite different employment conditions, ethnic backgrounds etc. In larger and more profitable units it is also said to be easier to come to terms with local managers, who want to prevent disturbances in the more modern process of production and do not necessarily call upon army intervention immediately. Moreover, most of the new leaders are rooted within these units and want to give priority to their own local struggle.⁶³⁾ "We are fully occupied with our own problems and cannot give priority to contacts with others outside the gates. The best we can do is to demonstrate good examples that others may follow."⁶⁴⁾

Evaluation of prognoses and strategies

The above cluster of political prognoses and attempted strategies differ from the implications of my provisional theoretical outline about the emergence of post-colonial industrial capitalism presented in the introduction of the paper. Basing myself on this theoretical outline I suggest therefore (hypothesis B¹) that a confrontation of the political prognoses and strategies with actual developments (i.e. an evaluation) will disclose that:

* Conflicts between labour and capital are not characterized by a relatively unified working class fighting capitalists. On the contrary, the workers are seriously divided among themselves. Moreover, industrial labourers are isolated from the majority of the wage workers.

* When industrial labourers strike and in other ways try to disturb production in order to reach their aims, they do not decisively paralyze and undermine the capitalists' main basis of power. It is, on the contrary, rather easy for the managers to handle labour protests and to continue business activities with the support of their partners within the state apparatuses.

A wave of strikes and protests

In the Hariman Siregar trial - the main student leader during the so called Malari affair in early 1974 - it was only briefly mentioned that some becak drivers and dock workers had been rallied behind dissident students, muslims and officers in the latter's attempt to change the course of the new order regime; the only serious threat so far.⁶⁵⁾ Labour protests were not decisive in the mid 70's. The reconstruction and further development of the industrial sector was only under way. And as against the economic crisis during Sukarno's last years, there had been a remarkable economic recovery. Real wages "even" began to come close to the standards of the late colonial period.⁶⁶⁾ Thus, in 1976 the ILO reported only 6 labour disputes in Indonesia with 1 420 workers involved.⁶⁷⁾

But the industrial expansion that had just begun continued rapidly. And in an attempt to promote exports, the rupiah was, as I have already mentioned, devaluated by 50 % in the end of 1978. Only by travelling around outside the gates in Jakarta's industrial areas during some few days in early 1979, when the effects of the devaluation had reached the workers, could I literally see how strikes for compensation emerged. At that time many intellectual dissidents privately suggested that the strikes that I had come across should be analysed as part of the conflicts between leading generals. Some of them may have mobilized workers against other generals. But rather soon it was obvious that most of the strikes and protests were genuine and led by informal young leaders. And in 1980 the official figures were 198 strikes with 21 660 workers involved.⁶⁸⁾ To this should be added that a strike in Indonesia was and is very serious and looked upon as a threat against the security of the state as a whole. Thus, other forms of collective protests were and are even more common. (Most frequent - but

difficult to document - is of course the mainly individual everyday resistance. But since the political prognoses and strategies to be evaluated stress collective and organized workers struggle I am concentrating on such "institutionalized" activities.)

The wave of strikes and protests continued for quite some time, but ran aground when the military made powerful interventions and when the effects of the economic recession in the old industrial countries reached Indonesia. From 1982 and onwards there have been a lot of close downs and lay offs in badly hurt sectors such as textile, clothes and cigarettes, durable consumer goods (e.g. motorcycles) and construction.⁶⁹⁾ Hence, there was no new serious resistance against the second devaluation (27 %) in March 1983, despite the lack of compensation. In the very same month the commander of KOPKAMTIB (National Security Command), Admiral Sudomo, was made minister of "manpower" and the former head of BAKIN (the intelligence) Sutopo Yuwono became his secretary general.⁷⁰⁾

Of course collective protests and some strikes are still there. And it is easy to underestimate the amount of clashes since mass media have been "asked" not to report on labour conflicts. But the negative trend from the workers' point of view is unofficially confirmed by all of my informants among activists, journalists and scholars - even if they add that the increasingly dangerous strikes sometimes have been replaced by slowdowns.⁷¹⁾

Labour vs. capital - but where?

Obviously there were very few (reported) strikes and collective protests within small units (including the rather many sub contracting firms) where the absolute majority of the working class is employed.⁷²⁾ Neither were, of course, the employed and/or self employed within the informal sector involved. Here we find the absolute majority of the non agricultural labour force as a whole. (Some 80 % "of the workers in the industrial field" worked in home industries in the late 70's, for example, and even in Jakarta some 50 - 60 % of the labour force are found within the informal sector.⁷³⁾ Thus, much of the discontent among the majority of the labourers was presumably but unfortunately channeled through the extensive anti-chinese riots that took place on Central and East Java in late 1980.⁷⁴⁾

Moreover there were very few actions within state owned units.⁷⁵⁾ Any kind of unionism is strictly prohibited within the state owned sector. Also, the civil servants were relatively well compensated for the inflation.⁷⁶⁾ When, despite this, the public busdrivers in Jakarta and some Garuda airline pilots went on strike in 1979 they were, among other things, replaced by military drivers and air force pilots.⁷⁷⁾ And one of the few options for workers on state owned plantations seems to be to refuse to take up any employment at all when the wage offered to them is too low.⁷⁸⁾ But very few can, of course, afford to stay outside the gates.

The employers' response

Hence, only a tiny minority of the labourers were involved in the relatively extensive strikes and collective protests during the late 70's and early 80's, i.e. some of those working in private, relatively large and modern units. How, then, did the capitalists within these units handle the resistance? How did they go about subordinating the workers?

The employers' response had two main components which I will discuss: First, they created a loyal staff and a group of relatively few, privileged and well disciplined permanently employed workers as against an army of less disciplined, cheap and temporary workers who were easy to lay off. Secondly, they draw as much as possible on the capacity of primarily the state to subordinate labour outside the processes of production.

During the Sukarno period many staff members were active union leaders who did not necessarily rally behind the employers.⁷⁹⁾ Now, however, they are usually prohibited to join a union. Moreover, staff personnel do of course also complain. But usually they do not want to risk their important privileges, such as relatively good schools for the children, free medicine, good connections within Golkar, etc. by confronting the employer.⁸⁰⁾

During the Sukarno period the unions fought quite successfully against lay-offs and for the right of all workers to be permanently employed. However, under the new order, and especially the late 70's, the employers have made their utmost to mechanize production and thereby to get rid of many unprofitable workers. To take one example only, the labour force within the batik industries outside

Jakarta has decreased by about 80 % since 1970.⁸¹⁾ And the real wages have at most been constant - while output has increased by some 7,5 % annually.⁸²⁾

In addition, the employers have drastically decreased the rate of permanent workers and increased the amount of wage slaves who can be dismissed the very same day that they are not profitable any more.⁸³⁾

The permanently employed are carefully screened and tested. They are usually skilled or strategically important within the increasingly mechanized processes of production, where each job may be simple but is a necessary link in the chain.⁸⁴⁾ Moreover, the permanently employed and skilled are better paid than unskilled temporary workers. The difference may be as high as 250 %.⁸⁵⁾ But still, the extras, benefits, social and employment security etc. of permanent workers are even more important. And most contracts of course individual. Thus, the turnover among the permanently employed workers is relatively low, some 5 % according to the World Bank.⁸⁶⁾

The non-permanently employed workers, on the other hand, are not a unified collective but probational, casual, seasonal, contract, sub-contract, non-wage or family workers. The probational labourer is ment to be a trainee with low salary for a short period of time. But there are cases when they have worked for the same capitalist for as long as 13 years.⁸⁷⁾ Many of the casual labourers are de facto permanent day labourers. But they cost less than the permanently employed and are easier to get rid of during a recession or when they protest, for example. Semi-official figures say that almost half of the dismissed between 1973 and 1981 were accused of unionist activities.⁸⁸⁾ And during the present recession the first to be thrown out are naturally the genuine unionists. Seasonal labourers and contract labourers are mainly used on plantations etc. However, contract workers are also very common within construction and similar sectors. And they are even more frequent in areas where there are a shortage of labour, at least in peak periods. There are also more and more sub-contracted workers, i.e. workers employed for specific periods by a broker who thereafter sell the workers on contract basis to a logging company or a plantation, for example, particularly in the outer islands where there is a constant lack of labour. These subcontracted workers are

mostly de facto forced labourers.⁸⁹⁾ There are also non wage employees, for example some hotel servants who do not get any wage but have to live from tips only.⁹⁰⁾ Finally it is quite common that plantations, for example, expect the children of the employed mother or father to assist them without special pay.

The second main component in the employers response to workers' resistance follows from the attempt to employ as few workers - at least permanent ones - as possible. Thereby a lot of the subordination of the labour force has to be taken care of outside the process of production.

To begin with, the employers obviously try to rely on domesticating ideologies and institutional arrangements in the neighbourhood. Celia Mather has showed that the workers in the Tangerang district, west of Jakarta, staged much less militant and conscious actions than their comrades in, among other places, the area between Jakarta and Bogor.⁹¹⁾ Her explanation is that the workers in Tangerang were extra-economically very subordinated both within and outside the factory gates by, for example, contractors, informal supervisors in the surrounding villages and the muslim ideology. It is also illustrative that more than half of the strikes in Jakarta itself took place within the Pulogadung free trade zone.⁹²⁾

To this should also be added the frequent employment of young and unmarried women. Just as young men, these women do not have financial responsibility for a whole family. Also, many girls tend to look upon themselves as temporary workers, who do not have to fight for a better future as workers but as wives. And as usual in a males' world, it is easier to discipline female than male workers.⁹³⁾

But most important, the employers draw extensively on the capacity of the various organs of the state to control labour. On the one hand the state operates indirectly. As already mentioned, it has restricted the workers' right to organize and it has actively contributed to the creation of one single and completely domesticated confederation of unions, the FBSI.⁹⁴⁾ Also, strikes and other forms of collective protests are, of course, de facto forbidden. Instead, so called Panca Sila labour relations (father-son) are enforced

and propagated in various courses for union leaders and young Labourers (with financial support from, among others, the World Bank and West German Social Democrats).⁹⁵⁾

According to the "minister of manpower", strikes are "certainly allowed by the law, (i.e. in "non-vital" factories, O.T.) but many people do not read the full text of this law which, by the way, is not yet operational, because the measures necessary for its implementation have not been taken. Moreover, one must have permission to strike.⁹⁶⁾ The state also helps keeping down the wage level. In doing so it may even be too effective. The management in modern units sometimes finds it difficult to buy off strategically important labourers in order to keep production going.⁹⁷⁾ Not least important, the state also prevents the workers in different units of production from communicating with each other. And journalists are "asked" not to report on labour conflicts.⁹⁸⁾

On the other hand, various organs of the state are constantly prepared to intervene directly if the above more indirect measures are not sufficient. There has been an increased militarization of labour relations since 1979.⁹⁹⁾ It is quite common that retired - and sometimes even still active - officers take up positions as personnel managers, for example. In addition, soldiers and policemen often work as guards and watchmen.¹⁰⁰⁾ As soon as protesting labourers cannot be effectively handled at the local level, the manager dials the police and/or local army unit.

As head of KOPKAMTIB (The National Security Command) Admiral Sudono ordered direct military intervention in labour conflicts and also enforced a so called early detection system, to detect and prevent labour disputes. This was done in cooperation with the "ministry of manpower". the Chamber of Commerce and Trade (KADIN) and the FBSI.¹⁰¹⁾ In 1983, when Sudono himself became "minister of manpower" as already mentioned, he further developed this system and established, among other things, a "manpower crisis management centre" within the ministry "to resolve a conflict of interest between management and labour before the conflict turns into open crisis; to localise the conflict and encourage both sides to go to the negotiation table (...) and if it turns into a crisis, to prevent it from spreading". There are two levels, the policy

making centre and the action force group. The task of the latter is "to prevent a dispute from spreading and to cope with the dispute at the spot".¹⁰²⁾ Finally, Sudono has ordered all local organs of his ministry (the so called Binalindung) to report local labour problems to him daily by telephone or telex.¹⁰³⁾

After the appointment of Admiral Sudono as "minister of manpower", genuine leaders have, as I have already indicated, usually tried to prevent the extensively repressive direct military interventions by turning from strikes to slow downs, for example.¹⁰⁴⁾ Presently, however, my informants say that the police and army tend to intervene in these more cautious actions also. And the management frequently refuse to negotiate with the sometimes genuine labour leaders at the local level.¹⁰⁵⁾

The workers' response

The capitalists, thus, met workers' resistance in private, relatively large and modern units by employing as few workers as possible - at least permanent ones - and relied mainly on extra-economic subordination outside production. How, then, did and do the workers in general and their leaders in particular respond to these measures? At large, they have not fought against the decisive extra-economic subordination but retreated into an increasingly narrow traditional trade unionism.

Besides by general demands for higher wages, allowances etc. - and actions in favour of dismissed leaders during the process of conflict - many disputes were caused by temporary labourers wanting to have similar benefits as the permanently employed.¹⁰⁶⁾ This caused some divisions among the labourers. But at least most of the workers related to the companies in question were involved. However, it is my impression¹⁰⁷⁾ that the main effect of the capitalists' measures is a tendency towards defence of primarily the more or less permanent workers in relatively large scale and modern units. This trend has, of course, become even more important due to the recession in recent years with a lot of close downs, lay offs etc. Those who have had a chance to defend themselves are the skilled workers - with some bargaining power on the labour market - and key workers within modern processes of production - with some bargaining power at the workplace.¹⁰⁸⁾ "The workers are prepared

to do a lot of things", says a well informed scholar and former activist, "but they cannot afford to lose their job, and next to that they give priority to demands for better payment. Struggles for the right to organize, aims at broad unity among the working class etc. are left behind."¹⁰⁹⁾

This is even more so since the FBSI tends to concentrate on the more or less permanently employed workers.¹¹⁰⁾ The genuine leaders at the local level on the other hand have no chance to form alternative unions. And when they mobilize workers, the local unions are usually taken over or at best carefully watched by the FBSI, supported by the management and various organs of the state. The genuine leaders are, thus, caught by the system. And when they have to show that militant actions are worth while anyway they may have to give even more priority than the FBSI-leaders to workers with some bargaining power of their own.

Thereby the already tiny minority of the working class - not to talk about the total non agricultural labour force - that can take up collective actions against their exploiters becomes even more narrow. Unions are present only within very few companies.¹¹¹⁾ They are usually dominated by men. And a recent study in two East Java towns showed that 90 % of the women workers had never even heard about the FBSI.¹¹²⁾ To this we should add that some 50 % of the labour force are children between 10 and 14 years,¹¹³⁾ who are even less likely to be represented by the unions.

Finally, and most important, the main way of subordinating labour - the use of extra-economic powers - are avoided and fought even less than some years ago. Meanwhile, latent discontent with repression and exploitation among the majority of the Indonesian labourers is channeled through non-class based religious, ethnic and regional movements. The recent September 1984 riot in Tanjungpriok, the old harbour district in Jakarta, when muslims took the lead, is an example of likely effects!

Evaluation of analyses

How can we explain the above revealed contradictions between, on the one hand, the political prognoses and preliminary strategies and, on the other hand, actual developments? Why is it, in other

words, that the conflicts between labour and capital were not characterized by a relatively unified working class that effectively began to undermine and paralyze the decisive basis of capitalist power through attempts at radical unionism? Why were - on the contrary - only some of the workers in private and relatively large and modern units involved - i.e. a tiny minority of the working class as a whole? How could the employers successfully cut down the number of workers in these companies, coopt the staff, minimize and in relative terms favour the permanently employed and turn most of the work force into an internally divided army of cheap temporary workers? And why could capitalists rely mainly on extra-economic subordination of labour outside production and successfully use that basis of power to neutralize threats against their traditional capitalist basis within production?

In order to try to answer these questions I suggest that we scrutinize the analytical premises of the obviously faulty prognoses and unsuccessful radical unionism. I suspect that a confrontation of the briefly summarized political analysis in the beginning of chapter 3 (stressing the conflict between workers and capitalists under rapid state promoted industrialization) with the actual development of industrial capitalism and the role of the state will show that the analysis is misleading.

Furthermore, drawing on my preliminary contribution to a theory of the rise of post-colonial capitalism, briefly presented in the introduction of this paper, I suggest (hypothesis B²) that the evaluation of the analysis will indicate that the following main classes, types of accumulation, subordination and exploitation characterize the expansion of industrial capitalism and explain the actual conflicts revealed above:

* The decisive contradiction under the rapidly expanding industrial capitalism is not between private capitalists served by the state and their workers but between, on the one hand, post-colonial capitalists working from within the state and their business partners and, on the other hand, the labour force as a whole.

- The post-colonial capitalists are the ruling fraction of the capitalist class and emerged from within the state apparatuses.

They are not only corrupting public administration. Moreover, they turn their extraordinary political, administrative and military control over the economy in general and labour in particular into personally monopolized commodities. They turn these commodities into capital by either trading them to or investing them in state owned corporative companies or joint ventures with foreign as well as domestic "real" capitalists. In the former case, the post-colonial capitalists have their own managers. In the latter case, the business partners take care of the management.

The commodities that the post-colonial capitalists trade and/or invest include mainly production and market monopolies, concessions on land and natural resources, subsidies and credits (usually derived from oil incomes and international aid). Of special interest, however, is another commodity that is a prerequisite for the whole system: In order to make as much profit as possible, the post-colonial capitalists must effectively subordinate the majority of the labourers as well as the marginalized part of the petty bourgeoisie by extra-economic means outside the processes of production. This is because the dynamic state and private companies - to which the post-colonial capitalists sell and/or in which they invest their products - only need a limited number of workers.

- In order to "produce" their products, the post-colonial capitalists have a staff of, on the one hand, political and economic technocrats and, on the other hand, military and police officers.

Since this staff is not officially the senior servants only of the post-colonial capitalists but of society as a whole - or at least of all the powerful classes and fractions - and since it does not have an economic basis of its own (as do the post-colonial capitalists) - the staff personnel have an important degree of relative autonomy. In the final analysis, however, they will presumably prefer to support and draw on the class powers of the masters who give them most revenues. If and when they corrupt these revenues and invest them privately they may be labelled bureaucratic capitalists - mainly bureaucrats but to some extent also private capitalists.

Finally, the staff in its turn govern and disciplines two armies of servants - the administrators and the soldiers.

- Modern capitalism in most third world countries desperately need production and market monopolies, concessions, subsidies, credits and an effectively subordinated labour force. Since these factors of production are controlled, traded and/or invested (and thus turned into capital) by the post-colonial capitalists, private "real" capitalists have to become their business partners. Together they tend to form oligarchic finance houses.

The foreign business partners include transnational corporations that engage themselves in production but also the increasingly important finance capitalists who prefer to lend out their capital. Domestically the Chinese so called cukongs (financers) are predominant. But there are also rather many "modern pribumis" (native businessmen), not least as subcontractors of the state and financial houses and within the rapidly expanding modern service and transport sectors.

Most companies are relatively modern. Their productivity may thus be disastrous for "old pribumi businessmen" engaged in traditional sectors and without protective cooperation with the post-colonial capitalists. However, besides raw materials most investments in the modern sectors take place within the framework of import-substitution. Consequently the productivity is rarely internationally competitive and the companies need sustained protection.

The private capitalists take care of management and employ the workers. But traditional pribumi employers are threatened by the rapid expansion of advanced capitalism and increasingly driven out of business. And as I have pointed out before, the managers within the dynamic modern sectors only employ regularly, subordinate and directly exploit a minority of the labourers.

* Consequently the majority of the non agricultural labourers do not constitute a relatively coherent working class. Besides the lower civil servants and soldiers most of them survive within the urban informal sector. Here we find the petty production, trade and services that have not been eliminated by the rapid expansion of capitalism but flourishes instead on its margin.

Many are self-employed, family or in other ways client labourers. Many are temporarily employed. Most of the temporary workers within the modern sectors of the economy have to rely on additional incomes within the informal sector.

* Therefore most of the subordination of the non-agricultural labour force - frequently combining wage labour with petty bourgeois self-employment - has to be carried out outside the company gates in general and outside production in particular. This task cannot be handled by the "real" capitalists but has to be taken care of by the post-colonial capitalists who have access to the appropriate state apparatuses.

What capitalism?

There is no independent capitalist class or fraction in Indonesia. The capitalists all need state support or at least protection. Foreign capitalists need it, no matter how influential and powerful they may be. Even scholars stressing the predominance of imperialism and Indonesia's dependent position within the world economy agree.¹¹⁴ The Chinese cukongs need it. Even scholars and activists arguing that the cukongs are the real rulers agree.¹¹⁵ The pribumi businessmen need it. Scholars and activists who maintain that the pribumis may constitute a kind of progressive national bourgeoisie sometimes even argue that the weak pribumis need special state support in order to survive.¹¹⁶ And no one, of course, disputes the fact that all the new subcontractors - within construction or consultancy, for example - are extremely dependent on state contracts, directly or indirectly. Licenses, concessions, credits, contracts, permissions, protection, the infrastructure... all capitalists need this. Even the petty traders frequently require state credits, permissions, protection and what not.

The main contradiction among various capitalists is not between, on the one hand, foreign capitalists, whose centre of accumulation and reproduction is within another country, or transnational capitalists, who are truly non-national, and on the other hand a so called national bourgeoisie, whose accumulation and reproduction are centered within Indonesia.¹¹⁷ There is almost no national bourgeoisie which resembles the European idealized model. On the contrary domestic capitalists (i.e. a wider concept) generally work

in cooperation with foreign. Besides within the raw materials sector, the latter usually invest and produce for the local market within the framework of import substitution policies.¹¹⁸ Foreign capitalists may be just as interested in protected local markets as domestic capitalists. The effect of the severe critique of the multinationals in late 1973 and early 1974 (including the malari affair) was mainly that the most prominent domestic business groups got more state support for their profitable cooperation with foreign capitalists - i.e. more local power within the framework of the increasingly international capitalists world economy. And this indeed continue.¹¹⁹

More and more labourers stay outside the direct conflicts between capital and labour. The ratio of increase in employment in tertiary compared to the manufacturing sector is extremely high in Indonesia. More than 80 % of the new employment for women created during the 70's, for example, was within trade and services.¹²⁰ The growth of output within manufacturing was 3.8 % per year between 1961 and 1971 and the employment elasticity 1.48. But when output was 12.3 % between 1971 and 1980, employment elasticity was only 0.33.¹²¹ In 1961 we found 73.3 % of the employed within agriculture, 5.8 % within manufacturing and 16.5 % within trade and services. In 1980 the figures were 55.5 %, 8.6 % and 29 % respectively.¹²² In 1977 some 45 % of the labour force were self employed or unpaid family labourers.¹²³ And as I have stressed before, the number of permanently employed within the dynamic sectors decrease while the temporarily employed increase.

With the present type of accumulation there is a need for some 7 or 8 % of yearly growth if the rate of unemployed shall not increase.¹²⁴ The growth rate came close to zero in 1980, after several years of about 7 %. Presently the World Bank hopes for some 4.5 %.¹²⁵ Taking into consideration that more and more women enter the labour market and the fact that some 30 % of the population are under 10 years, the situation becomes even more serious.¹²⁶ One authoritative prognosis says that by the year 2000 the population density on Java will be greater than that of any West European city today.¹²⁷ And among the "floating mass" of non permanently employed labourers, the conflict between capital and labour is usually subordinated to kinship, neighbourhood relations etc.¹²⁸ Consequently

the state must take care of the subordination of more and more labourers by the use of extra economic means outside the company gates.

Hence, the importance of the state cannot be overstated. But what sort of state and whose state?

What state and whose?

There are, I suggest, three main ways of analysing the state in Indonesia. Leaving aside obvious misconceptions such as "fascist state" (there is no firm ideology and no mass mobilization), the first approach stresses the primacy of the huge bureaucracy and/or military apparatuses - the primacy of the executive organs of the state. This is, of course, correct. But there is no firm analysis of the economic basis and economic importance of the state.¹²⁹⁾

Therefore other scholars add an analysis of the economic foundation to notions such as "patrimonial", "bureaucratic capitalist" or "bureaucratic authoritarian" state.¹³⁰⁾ The main idea is that bureaucrats, officers and others function primarily as servants of the decisive classes in society - usually foreign but also domestic private capitalists, primarily the cukongs. However, the capitalists are relatively weak and extremely dependent upon a good coordinating servant. Moreover, state revenues have increased drastically with the oil boom. Thus, the bureaucrats et al are able to monopolize and corrupt the huge state apparatus in order to enrich themselves and their clients. It is often estimated that between one fourth and one third of the state budget simply disappears.¹³¹⁾ Finally it is maintained that this huge superstructure may look strong but that it will survive only as long as it is needed by the main capitalists. When primitive accumulation has been fulfilled, when the prerequisites for more normal capital accumulation are there, we will see the privatization of the state apparatus and attempts to make it more efficient and less arbitrary. Perhaps there will even be room for some democracy.

Within this second approach we find one group of scholars and activists who stress and criticize abuse of power, parasitism, corruption etc. Liberals as well as marxists argue for the demonopolization of labour and capital in order to release the progressive aspects of capitalism - its ability to develop the

forces of production. This is most often combined with a critique of foreign capitalists, who are said to uphold the positions of bureaucrats and generals with no class basis of their own.¹³²⁾

The followers of the analysis under review - stressing the contradiction between capitalists and workers - also subscribe to the idea of the state as the servant of capital. But they downgrade the importance of the state itself and give priority to its ascribed basis within the dynamic modern economic sectors. Thus the state, according to this analysis, cannot be fought by the capitalists themselves and their technocrats. On the contrary it has to be undermined at its very roots. And the only social class that can do that job is the core of the working class.¹³³⁾

In my view, however - and this may be called the third approach - it is more fruitful to regard the rulers of the state as having their own class basis. We should stop analysing the state as a black box, as a coherent unit. Within the different state apparatuses there are many top bureaucrats and generals who are not only servants but also rulers;¹³⁴⁾ the post-colonial capitalist fraction. This is not mainly because they corrupt and privately invest some state funds but because they trade and invest their political, administrative and military control with various companies - thus turning their control into capital.¹³⁵⁾

This is, of course, extremely difficult to prove with hard facts. The empirical data brought to the fore by, in particular, Robinson and Crouch support the argument.¹³⁵⁾ But these data can obviously be used also to validate their own theories about bureaucratic capitalists and patrimonial business generals respectively. Therefore we have to look for other indicators of the theoretical outline offering the most fruitful interpretation of data. I will discuss four such indicators.

First, from my study of the destruction of the PKI¹³⁶⁾ it is evident that not even the politically impressive, third largest communist party in the world was able to undermine the power of the so called bureaucratic capitalists by isolating them from their ascribed basis of power - foreign capitalists - and then fighting them on the political level. Instead, the new capitalists used "overdeveloped" post-colonial state apparatuses,¹³⁷⁾ nationalizations

of foreign companies and radical anti-imperialist policies in general to extend and improve their control over the economy. The so called bureaucratic capitalists were obviously neither bureaucrats relying on somebody else's class power nor private capitalists, but presumably some kind of post-colonial capitalists with their own resources of power on the economic level. After the destruction of the PKI and the replacement of the Sukarno regime, their own powers have increased substantially in relation to, among others, foreign capitalists. Thus they are now turning from anti-imperialism to intensive cooperation on a more equal basis with foreign capitalists who adjust themselves to the new balance of power.

Second, the above evaluation of the radical workers struggle in the late 70's and early 80's indicates that neither could strikes and protests within modern private production undermine the decisive basis of power of state capital. Private capitalist production in the dynamic modern sectors was threatened - i.e. the ascribed basis of power of the leading state "servants". But despite this the "servants" obviously had so much power of their own that they could subordinate labour within as well as outside the company gates and thus save the employers.

Third, there are very few signs of any political and economic instability in Indonesia arising from attempts by powerful private modern capitalists to liberalize the state, as suggested by the advocates of the second approach to the state. Indonesia has in fact one of the most stable governments in the third world. The ruling capitalist fraction as well as the regime, has been the same since the mid 60's. It may be possible to argue that some of the forces involved in the complicated malaria affair in early 1974 aimed at liberalizing the state apparatuses.¹³⁸⁾ But over the years, deregulation, effectivization, and other similar measures have been suggested mainly by some of the economic technocrats in order to improve economic growth and increase their revenues. And as we know, these technocrats have no substantial power of their own. Instead they usually draw on the power of international organs such as the World Bank, the International Monetary Fund and the Intergovernmental Group of Indonesia. But while these funds on the one hand criticize bureaucracy and state interventionism, they are, on the other hand,

presumably aware of the fact that state control of labour, raw materials and markets is precisely what has made it so extremely profitable to invest in Indonesia. In addition, Indonesia has no problems in getting loans and paying back what the banks ask for the interests.¹³⁹⁾

The technocrats in general have also important personal vested interests to protect. The wages of the influential intermediate stratas have increased by some 1000 % during the 70's.¹⁴⁰⁾ They have got modern houses, fine jobs, nice trips overseas...

Moreover, there is absolutely no decisive ministry or lower organ of the state that is not firmly controlled by the armed rulers. If the minister happens to be a civilian technocrat the secretary general is a military officer, for example.¹⁴¹⁾ The Dutch had their governor generals and the Indonesians have their general governors, to quote one pregnant saying current among dissidents.

As for the private capitalists themselves, they are as already indicated very dependent upon state support, or more precisely, on a tight partnership with the post-colonial capitalists. In addition, the economic basis of the most severe critics, i.e. the traditional pribumi businessmen, are constantly undermined by the growth of large scale modern capitalism.¹⁴²⁾ Thus they have to get support from their enemy in order to survive.

Furthermore, there are absolutely no signs at all suggesting that the private capitalists in general are more capable than before in subordinating labour on their own, particularly not outside their own gates. We have seen how the recent workers' strikes and protests were handled by the post-colonial capitalists and their armed state servants.

The private capitalists have no locally rooted organizations worth mentioning. The post-colonial capitalists, however, have the entire set of state apparatuses in general and the army in particular, not least the security command KOPKAMTIB and the intelligence, BAKIN.¹⁴³⁾ And, as if this were not enough, the generals have recently proved that they are perfectly capable of initiating informal death squads - which are still in operation. This time it is probably mainly a showcase; 5-8000 murdered petty criminals visualize what happens to those who oppose "law and order".¹⁴⁴⁾ Despite this there are, however, relatively few clumsy and vulgar Latin American type of military gorillas hunting people. Particularly the Javanese fashion is more gentle although terribly effective.

Peter Britton has effectively remarked that when the pre-colonial warriors were domesticated by the Dutch rulers they preferred to smile while obeying orders, not loosing their face but masking their real nature and interests. Now they are armed again - this time with modern weapons and capitalism. But they keep on smiling.¹⁴⁵⁾

These means are, of course, used not only to protect business partners and servants. The powers are traded and invested and turned against those who do not subscribe to them. Commenting upon the horrible situation of the poor and claiming that the slightest unrest could lead to social and economic problems of unpredictable consequences, often assuming a religious or ideological guise, the lieutenant-general Yogie Memet, commander of Java and Madura, recently stated that "... the dynamics that lead to security problems almost always originate from people in the lower strata of the middle class whose own economic circumstances are not bad but turn their attention to 'conceptual matters' such as democracy, human rights, and freedom of speech and justice."¹⁴⁶⁾ And quite obviously the regime is aware that it is trapped within Samuel Huntingtons vicious circle, where low political participation may favour economic development but also, consequently, less socio-economic equality and, thus, the need from the regime's point of view, for even less political participation. If some participation is allowed it will be explosive.¹⁴⁷⁾ The main strategy so far has been to form non-class based corporative organizations, to give them an ideological Panca Sila make up and to distribute patronage within them. Golkar is meant to be an umbrella for these corporations. The regime obviously trusts the stability of these institutions and makes an attempt to avoid a sudden "participation explosion" by planning for individual membership within Golkar.¹⁴⁸⁾

Fourth, several well informed sources stress that many so called business generals et al are more and more linked to various companies and their specific interests.¹⁴⁹⁾ This, thus, supports my argument that the post-colonial capitalists do not only trade but also invest their "products". The most obvious trend is the attempt to defend sectors and companies where the post-colonial capitalists are engaged. Some few examples only: to begin with the list of sectors where private foreign companies are welcome to invest do not only vary with the economic situation (whether it is

easy or not to attract foreign investors; presently it is somewhat difficult¹⁵⁰⁾ but also with where post-colonial capitalists have their business interests. There are also recommendations saying, for example, that military equipment should be bought from companies where retired generals have business interests.¹⁵¹⁾ Moreover, state support is almost never general. Mechanized production of kretek cigarettes, for example, is only supported within some conglomerates, depending on the vested interests.¹⁵²⁾ And most important, post-colonial capitalists with tight business interests are obviously fighting hard to protect and further develop "their" companies set up within the framework of import substitution schemes but most often in cooperation with foreign capitalists. At the same time everybody knows that more efficient production for export has to be promoted with, presumably, less protection.¹⁵³⁾ One source even claim that 95 % of the mass consumption goods on the local market are already produced within Indonesia and 65 % of the intermediate capital goods.¹⁵⁴⁾ Moreover, the importance of oil exports - presently some 70 % of all exports and 60 % of the state incomes - has to be decreased before it dries up.¹⁵⁵⁾

On the other hand, the post-colonial capitalists and their partners within protected business should have no reason to object to additional state subsidies to set up more competitive export industries - as long as their domestic monopolies are not threatened. And the importance of oil incomes for the post-colonial capitalists is somewhat overstated, since oil money is visible in the state budget but not their resources within various companies. This, of course, is crucial for any understanding of the further dynamics and stability of the ruling class fraction and the regime.¹⁵⁶⁾

It is not only the post-colonial capitalists who want to invest in joint ventures with private domestic as well as foreign capitalists. Also the latter often prefer this arrangement, no matter whether it is more or less legally enforced or not. It is better to work with the real rulers of the state than against them. And the best way of avoiding the arbitrary nature of the state commanded economy is to merge with the commanders themselves.¹⁵⁷⁾ This is nothing strange for modern private capitalists who have practiced the same type of cooperation with banks and finance capitalists during at least a century.

What made capitalism extremely progressive when it emerged in Europe was, of course, that capital and labour were more or less "liberated" during the anti-feudal struggle, thus forcing the relatively small and competing capitalists to invest and develop the forces of production in order to survive. But we should not mix this ideal and idealized logic with the interest of the capitalists themselves. They prefer monopolies and protection, if it is to their own benefit. And what is more, now they even demand it in order not to invest somewhere else and/or outside production.

Consequently, the most likely way in which post-colonial capitalism will develop and be reconstructed is not through a revolt against a patrimonial or bureaucratic capitalist state which has done the job of primitive accumulation, at the moment when private capitalists are strong enough to run business and take care of the subordination of labour themselves. On the contrary, the cooperation between investing post-colonial capitalists and their most influential domestic and foreign business partners will presumably develop into oligarchic financial houses.¹⁵⁸⁾

This implies that the financial houses in general and the post-colonial capitalists in particular will be strong enough to uphold their most important support from the state, including the control of the labour force as a whole, while they therefore, at the same time, can give more room for less powerful capitalists and servants, support some deregulations of the economy and promotion of exports, attempts at making the state apparatuses more efficient and less arbitrary and promote some political participation among the dominating classes as a whole - at least institutionalized forms for the solving of conflicts between and among various financial groups and the less powerful officers, bureaucrats and businessmen.

Therefore the financial houses and particularly the post-colonial capitalists will probably also be able to gradually arrange the soon unavoidable generational shift among the leading generals. They are already busy trying. This includes the transfer of some powers to trusted "sons" as well as the paying off and supervision of more efficiently working state servants.¹⁵⁹⁾ No doubt the new generation of officers will try to bypass their old masters and establish their own contacts with private business,

perhaps even rallying discontented masses behind them. But the old masters and the post-colonial capitalists have a class basis of their own which has been formed and consolidated since around 1957, when the Dutch companies were nationalized and a state of emergency proclaimed. Also, the new generation will have less oil money to trade. Moreover, neither this generation nor the international capitalists and their political masters, in particular Washington, can afford political and economic disruptions but will presumably have to hang on to various financial houses about to emerge, looking for as many individual benefits as possible. They do not have any clear, stable and profitable alternative.

Conclusions

The rapidly expanding modern capitalism in Indonesia is obviously based on the fact that acting capitalists can rely on market and production monopolies, concessions, subsidies, credits and an effectively subordinated labour force - partly the very few employed workers but mainly the majority of the labour force which is not profitable within most third world modern capitalism. This is decisive for all capitalist power. But it is even more crucial for the post-colonial capitalists, who trade and increasingly invest these prerequisites for a profitable capitalism.

If we understand this, we can also answer our previous questions about why the conflicts between labour and capital in the late 70's and early 80's were not characterized by a relatively unified working class that effectively began to undermine and paralyze the decisive basis of capitalist power through attempts at radical unionism. The reason is that pure capitalist production and trade is only one part of the power basis of state and capital in Indonesia. Private capitalists are not seriously hurt as long as they can rely on support from the post-colonial capitalists. And the post-colonial capitalists have their own basis of power - their possession, trading and investing of necessary extra-economic prerequisites for modern capitalist production. Thus they cannot be fought by an attack against their business partners, neither the domestic nor the foreign ones.

Thus, the crucial contradiction under the rapidly expanding industrial capitalism is not between acting private capitalists and their workers but between, on the one hand, post-colonial

capitalists and their business partners and, on the other hand, the labour force as a whole - which has to be subordinated in order for the dynamic industrial capitalism to survive and further develop. It is only when this capacity to subordinate labour in general is undermined and paralyzed that the class basis of capital and state in Indonesia will erode.

An urban opening?

Urban Indonesian dissidents tend to be increasingly pessimistic about the potential for radical political change in the not too distant future. The former radical mass-movements have been eliminated. New ones are not allowed even to emerge. And the rapid economic growth has not given rise even to an independent bourgeoisie capable of challenging the generals and their close foreign and domestic business partners.

Already the experiences of the PKI revealed that the so called national bourgeoisie was not strong enough to carry out an independent economic development. And when the state took over, it became a hotbed for a new armed fraction of the capitalist class. Moreover, it was obvious that the new capitalists had a basis of their own and did not exclusively rely on foreign capitalists. Thus, they were not seriously hurt by anti-imperialist measures. Class struggle and nationalism could not be successfully combined as, for example, in southern Vietnam.

But as if this were not enough - recent workers' struggles within the framework of rapid industrialization involved only a devided and tiny minority of the labourers. And those were relatively easy to domesticate by using extra-economic forms of subordination - which were not under attack. Instead, the latent discontent among the masses is tragically expressed through muslim, anti-Chinese and regional protests, riots and even revolts.

General interest in democracy

But it does not only follow from my study that the new post-colonial capitalism cannot be fruitfully examined and fought with the use of prevalent analyses and strategies. New contradictions also emerge which may be politically exploited. Most important, the majority of the urban labour force as a whole

have to be subordinated through the use of extra-economic force - just as the rural villagers. Most of them are only partly proletarianized, i.e. only partly separated from their means of production. And those who are, rarely belong to a unified working class. Moreover, the post-colonial capitalists have to trade and invest their control over the economy in general and labour in particular in order to get a share of the surplus produced in companies run by state or private managers.

Hence, if there is only a tiny coherent working class subordinated to capitalists within production while the majority of the urban labour force most often stay outside the company gates, survive in the informal sector, are scattered and have very different interests, they have all, nevertheless, one thing in common - they are, just as the rural masses, to a large extent subordinated by extra economic means. Their immediate socio-economic interests, demands, ethnic and religious loyalties may thus differ. But all of them should be interested in democratization to get rid of the extra-economic repression.

Moreover, if the core of the working class give more priority to demands for democracy it may be less easy to isolate the workers from the majority of the labourers with similar interests in democracy by giving the former small favours.

And if the urban "floating mass" can be rallied behind the issue of democracy, their impressive political strength will not be wasted on destructive religious, ethnic and separatist demands.

Finally, some of the discontent among private capitalists over the expensive protection that they either have to buy or are prevented from buying may be channeled into at least limited demands for democracy. The same holds true for a lot of influential state employees as against powerful armed patrons.

Most important, however, is the fact that the interests in democracy are general - i.e. not only something that the urban masses have in common but also the majority of the rural villagers, as I showed earlier in this paper.

What democracy?

However, all these different classes and social groups want, of course, to use democracy in order to promote their own particular interests. Thus, their demands for democracy will vary with what form they prefer and which fields and activities they want to include or save from democratization.

Most acting capitalists and many influential state employees may, to begin with, want more economic liberties against the monopolies of the post-colonial capitalists. But no one can manage without their protection. The less benefitting may want a demopolization. But they are usually the most dependent upon protection. And those who possess the monopolies share them with the post-colonial capitalists. Together, however, they may strive for more liberties for their common oligopolistic business houses about to emerge, covering their activities with certain democratic rights outside the fields which they monopolize.

Even the poor petty commodity producers within the urban "floating mass" may be reluctant to fight for a democracy that may intervene in their businesses. Their main fear is total proletarianization. Thus, they look for protection among various authoritarian community organizations and patrons.

Workers, on the other hand, usually focus upon their own organizational rights and influence within the workplaces and thus neglect the world outside the gates in general and the non-regularly employed in particular.

Finally, there are hardly any existing community organizations and leaders not characterized by authoritarian leadership.

Consequently I argue - just as in the rural setting - that only struggle for locally rooted and total democracy may unite most of the various extra-economically subordinated classes and social groups.

If democracy is not built from below, locally rooted, authoritarian leaders, patronage and corporatism will take over. If it is not total - i.e. if it does protect the bases of certain classes - the most powerful classes will take over and subordinate the struggle for democracy to their interests. The oligarchy about to emerge and their servants is an important example. In order to stay united the masses themselves must be able to govern the bases of power they have to fight for and use in order to raise their standard of living, get more freedom and justice etc.

Revolutionary democracy

Urban as well as rural masses may thus unite against the extra-economic subordination and exploitation. But what is more, just as the state backed patrons in the rural setting the post-colonial capitalists are also extra-economically based on their political, administrative and military control over the economy in general and labour in particular via the state apparatuses. They trade and invest this control and thus turn it into capital. Those who invest merge increasingly with their most powerful business partners.

Just as the state backed patrons cannot be effectively fought through the redistribution of land in the villages - since they are not primarily based on ownership of land - the post-colonial capitalists cannot be undermined by disturbing production only - since they rely mainly on their extra-economic bases. Struggles for locally rooted and total democracy, however, may undermine their foundations, their monopoly of political, administrative and military control, and is thus revolutionary.

Activities in favour of locally rooted and total democracy may also be used to prevent the armed post-colonial capitalists from using their terrifying powers. As in the rural setting it is hopeless to fight the enemy on its own area. That would cause terror and require such means that the chances to build a locally rooted and total democracy would disappear. Instead of expropriating the enemies' powers one must therefore undermine them and finally paralyze not only their production but also their control of the state apparatuses. This implies a combination of activities in the local communities and neighbourhoods as well as in the companies and on the shop floor level by initially, for example, promoting independent collectives for discussion, communication, education and self-reliant activities to tackle daily economic and social problems.

The role of democracy in contemporary political struggles

I suggest therefore (hypothesis B³) that contemporary Indonesian attempts to bypass invalid analyses and strategies in the urban setting will be characterized by attempts to create locally rooted total democracy and that experiences so far support my argument that this may be a new option for radical political change.

The old generation

Most of the surviving old communists and left wing nationalists are politically isolated and neutralized also in urban areas. (The same is in fact true of many of the former activists exiled from Indonesia.) Discussions frequently focus on the need to "restore" democracy - i.e. to return to the relative political freedom enjoyed under Sukarno which would give the communists some room for manoeuvres. It is unclear whether they refer to the parliamentary democracy during the 50's or the "guided democracy" under Sukarno's later years. And to reach this tactical aim, they recommend a front with the old social forces that rallied behind Sukarno, including the muslims. But these do of course disregard such wishful thinking.¹⁶⁰⁾

On the other hand, the few who try to re-evaluate their old experiences and are prepared to go beyond their old doctrines together with the new young generation of non-communist dissidents to whom I will return below, usually work individually with no special idea about their own or a potential party's leading role.¹⁶¹⁾

Among the old generation of leaders we also find some few of those who actively supported the destruction of the PKI and the emergence of the new order, but who have become increasingly critical over the years. Here are some socialists, several muslim religious and political leaders and not least some well reputed officers. The previously mentioned malar affair in early 1974 involved, among others, the then extremely influential general Sumitro. Thereafter mainly prominent retired military men have joined the dissidents. These include, among others, the most senior officer, former commander of the armed forces, minister of defence and the chief founder of the present political and economic system, general Nasution, the former popular governor of Jakarta general Sadikin and the previously celebrated commander of West Java and ASEAN's first secretary-general Dharsono. The most well known groupings during recent years are FOSKO, Forum Studi dan Komunikasi, for officers only, and the "joint venture" - the Petition of 50 group - including old political as well as military leaders. Especially the latter is still active advocating a more open government, some economic equity and political participation and the eradication of corruption.¹⁶²⁾

However, these are old and politically as well as economically relatively isolated men¹⁶³⁾ with no armies to command, neither a muslim nor a military one. They have no explicit ideas about how to achieve their goals and they have not settled accounts with the foundations of neither the Old nor the New order. This, of course, also marks their ideas about democracy - a strange mixture of influences from the early top down parliamentary democracy and the populist, corporatist and not least military influenced "guided democracy". Nevertheless, this does not exclude the possibility that the old leaders may function as reputed and relatively uncorrupted bapaks for various less patient dissidents - mostly young muslims - to whom I shall return below. The regime does not fear ideas of some few old leaders so much, but it is constantly nervous about the latent muslim and anti-Chinese discontent that might break out and turn into riots and even revolts. The "50 group" has recently been accused of stimulating "extremist and terrorist activities".¹⁶⁴⁾

Another tradition in Indonesian politics is the conflicts between rulers in the centre and would be rulers in the periphery of the vast country. The Aceh rebels (on the northern tip of Sumatra), for example, function within this tradition where democracy has almost no importance at all.

Recently, however, two new types of organizations have emerged which might be characterized as liberation movements - including their at least temporary need of some democracy to get massive popular support. The first is the OPM of the native West Papuan people who are threatened by Indonesian colonialism in the province of Irian Jaya (West New Guinea) and the second is FRETILIN on the occupied and horribly raped former Portugese colony East Timor.

The colonial wars - one within the country and one outside - are not too successfully fought by the regime and have already caused divisions among the leading generals. However, they will not lead to similar radical changes in Jakarta as did the lost war about the Malvinas in Buenos Aires - as long as it is possible to successfully trade ideas if "national unity with all means" and the regime has a solid political and economic basis in the centre.

The new generation

It is instead, I would argue, among the younger generation of initially student activists that we may find some dynamic attempts to form a new urban opposition.

The more experienced members of this generation were active in the protests against the authoritarian nature of Sukarno's regime and even took part in the elimination of communists and left wing nationalists. On the one hand they have, thus, settled accounts with the Old order and are prepared to make a fresh start. But on the other hand they generally have a distorted view especially of the old PKI - presumably to be able to rationalize their own role in the horrible repression - which often prevents them from learning from the communists' experiences.

Moreover, it was not until several of the students discovered that their teachers - the economic technocrats who merged with the generals - were the servants of the ruling generals rather than the other way around that the first wave of new radical dissidents appeared.

It is mainly the lack of moral, the abuse of power and corruption the brutal and internationally dependent economic development as well as the lack of socio-economic equity and justice that have been stressed.

Demands for democracy have also been there but in the urban setting, mainly in order to allow the relatively technocratic dissidents to participate. Under the first years the new generation constituted thus a kind of loyal opposition that wanted to improve government policies. Increasingly frustrated, however, a second wave of dissidents looked for powerful allies within the regime as well as among muslims in order to change the course of events - but was essentially used by the former in the malaria affair in early 1974. The third wave during the late 70's wanted to stay outside the dirty game and was ideologically more radical but isolated from powerful allies as well as from the discontented masses.¹⁶⁵⁾

Therefore, many of the dissidents realize now that they cannot rely only on powerful allies and demand democracy. They have also to create their own basis among the masses. It is in their search for means to reach this aim that the question is raised whether or

not the initiation of a locally rooted and total democracy could be fruitful. I will discuss the three most important tendencies.¹⁶⁶⁾

The first tendency corresponds to the non-governmental organizations and their work in the rural setting, which I analysed earlier in this paper. The NGOs are of course also active in urban areas. However, it is my impression that their urban activities are more restricted to the dissidents themselves and their intellectual exercises than those in the villages. The ways in which they reach out from this necessary and important level are characterized mainly by attempts to initiate programmes of interest for special groups, petty traders, becak-drivers and so on - not for the local communities and the neighbourhoods as a whole. One argument is that the control of the regime is too tight. Therefore, when they instead approach the communities through existing informal leaders the NGO-people run the risk of being caught within special religious and ethnical loyalties, not least among muslims with anti-Chinese feelings.

Moreover, many NGO-leaders seem to be retarded by the idealized version (and bourgeois ideology) of how democracy emerged in central Europe - i.e. as a result of the growth of a strong national bourgeoisie fighting feudal lords. Since there is no strong national bourgeoisie in Indonesia there are according to this perspective, no objective conditions for democracy. Moreover, there is a need for certain economic and cultural improvements among the masses before one can start building democracy.¹⁶⁷⁾ This, of course, neglects the fact that it was the labour movement and leftwing liberals in Europe that enforced and created most of the present democracy. Also overlooked are the temporarily successful attempts to create locally rooted democracy among, for example, even illiterate peasants in underdeveloped liberated areas in the former Portuguese colonies or within urban slum communities, poblaciones in Latin America. If a national bourgeoisie is not capable of creating the prerequisites for peoples' struggle for democracy, people have to and can do it themselves.

Finally, to my knowledge there are very few contacts between genuine labour leaders and NGO-activists in the communities.¹⁶⁸⁾ This prevents unified activities among the urban labourers beyond

religious or anti-Chinese rallying points. The potential power of a unified struggle for locally rooted and total democracy is neutralized.

Secondly, however, there is a type of NGO that might serve as a bridge - the increasingly important legal aid organizations. Struggling people in various settings ask for help. Some get it and get in touch with each other. And using democratic rights to resist extra-economic repression is a task that is given priority.¹⁶⁹⁾

Also, some skilled academicians and cultural workers with integrity give an important type of "legal aid" by expressing and visualizing alternative conceptualizations - especially when they do not isolate themselves but speak up and informally reach out to resisting people.

These are no secrets. The regime is well aware of the risks but presumably also knows that intellectuals with individual networks are prevented from creating their own mass basis as long as no formal political organizations can be built. Thus they have to look for alternatives, especially when the new law on NGO:s to increase state control over their members and activities is enforced.¹⁷⁰⁾

The problems of reaching out to the masses and to initiate progressive unifying demands and concrete actions give rise instead to various efforts to rally oppressed people from above and offer their support to influential political and military leaders in conflict with the regime. The regime is only afraid of riots, the impatient activists say. One could perhaps describe this as an attempt at a more successful repetition of the 1974 malari affair. Anti-Chinese feelings are always there and they are dangerous for the post-colonial capitalists in general and the regime in particular, since the big domestic business partners are Chinese so called cukongs. Recently there has been several sabotages against cukong property. During the malari affair muslims attacked a proposed marriage law. A new issue which may mobilize muslim communities is the proposed law on NGO:s, which forces even muslim organizations to adopt the Panca Sila principles as their main ideology. The September riots in the Tanjungpriok harbour district of Jakarta is a good example of the potentials, even if

one must remember that the devoted muslims are a minority of the population. And at least the regime claims that prominent members of the "Petition of 50" group have functioned as catalysts.¹⁷¹⁾ (I presume, however, that Suharto will act just as skillfully as in 1974 when he finally withdraw the law and thus prevented sustained massive muslim backing of the main opponents of the regime.)

This may be the predominant tendency today - at least on the spectacular political scene. It is, however, also obvious that at least some influential leaders have begun to realize that a new malari is only a short term solution if any. "Next time we need a better organization of our own to rely on" said, for example, one experienced leading activist half a year ago in Jakarta. But even then, he admitted, the radicals as well as the mobilized masses might very well be trapped, ignored and perhaps crushed when the influential leading generals and muslims do not need them anymore - since people do not have sufficient democratic movements and institutions to defend themselves with and use as a basis for alternatives.¹⁷²⁾

4. CONCLUDING NOTES

Traditional radical political strategies were based on analyses indicating that the bourgeoisie in the third world was unable to enforce an independent capitalist development according to the model supposedly based on the historical experiences of Europe, North America and Japan. Therefore, when this becomes obvious to the masses, radical leaders will have a unique chance to take over the bourgeois historical mission as well as their popular support and to introduce socialism step by step. Thus, as once in Russia, such revolutionary processes would be possible, although capitalism had not yet developed to the point where, according to Marx, time would be ripe for the logical transition to socialism.

These analyses and the strategies they gave rise to are, however, undermined by the dynamic expansion of capitalism in several third world countries. But more than that, the post-colonial capitalism differs, at least in Indonesia, from the classical models where the contradiction between capitalists and the working class were crucial. Thus, also traditional analyses and strategies focusing on this conflict are insufficient.

However, the new main contradiction between, on the one hand, post-colonial capitalists who trade and invest political, administrative and military control of the economy in general and labour in particular and their business partners as well as rural state backed patrons and kulaks and, on the other hand, the mainly extra-economically subordinated labour force as a whole gives rise to a new type of retarded development. Economic development is no longer blocked - but democracy seems to be, especially if it is also meant to be locally rooted and total. This may become a progressive and even revolutionary rallying point - just as was anti-imperialism.

Whether these inferences from the Indonesian case are possible to generalize or not should, however, be further examined. The next step in my programme is to take my historical analysis of the causes of the destruction of the PKI as well as the above preliminary study of contemporary developments and go to India. There I intend to make comparisons with problems of radical political strategy under the rise of another capitalism which at least superficially appear to be different.

Later on I will also include comparisons with contemporary Philippines and some historical experiences from the liberation of southern Vietnam.

Finally, it is important to examine how the solidarity and labour movements in old industrialized countries such as Sweden respond to the new problems and openings for radical politics in the third world. Are they, for example, prepared to support the struggles for a locally rooted and total democracy - which might, among other things, destroy the profitable business opportunities for companies from the old industrialized countries, opportunities which are important for the financing of enlightened welfare policies introduced and defended by the dominating labour movements?

November 1984
Olle Törnquist

Footnotes

1. See the outline of the project, Törnquist, Olle, Problems of Radical Political Strategy under the Rise of a new Capitalism - South and southeast Asia in a comparative perspective and effects in Sweden. AKUT 28, Uppsala, The AKUT-group, 1984.
2. Törnquist, Olle, Marxistisk barlast. Stockholm, Symposium, 1982. The english version: Dilemmas of Third World Communism: The destruction of the PKI in Indonesia. London, Zed Books, 1984.
3. See fn. 1!
4. I draw mainly on interviews with relevant persons in Jakarta, Rogor, Bandung, Yogyakarta and Salatiga in May, 1984, as well as in Holland and Australia in April and May 1984. For an early document illustrating parts of this approach, see the White Book of the 1978 Students' Struggle, Indonesia no. 25, 1978.
5. van Dijk, C. Survey of Major Political Developments in Indonesia in the Second Half of 1979: Social Unrest. Review of Indonesian and Malayan Affairs vol. 14, no. 1, 1980. p. 120.
6. Southwood, J. and Flanagan, P., Indonesia: Law, Propaganda and Terror. London, Zed Books, 1983. p. 206.
7. Annual Report on Fundamental Human Rights in Indonesia 1979. Ed. Lubis and Abdullah. Lembaga Bantuan Hukum, Jakarta, 1979. p. 49 ff.
8. See e.g. ibid., Behind the Silence of Indonesia's Plantation workers and Agricultural workers in Java (no author mentioned) in Newsletter of International Labour Studies, special issue on Indonesia, no. 18, July 1983, Tapol, January 21, 1984, van Dijk op.cit. p. 120 ff., Far Eastern Economic Review, June 28, 1984. p. 61 ff. I also draw on interviews with prof. Sayogo, Bogor, Dr. Chris Manning and Dr. Gunawan Wiradi, Bogor, Dr. Nico Kanan, Salatiga, Dr. Lukman Sutrisno, Yogyakarta, activists within KSBH (Kelompok Studi dan Bantuan Hukum) Yogyakarta, Dr. Soegianto Padmo, Yogyakarta, Dr. Onghokham, Jakarta and Drs. Yulita (post graduate student doing research on the Blitar area) Canberra - all in May 1984.
9. See e.g. Tapol, no. 62, March, 1984, p. 19 and Far Eastern Economic Review, June 28, 1984. p. 61 ff.
10. See fn. 8 and the special report Saura Dari Borobudur, KSBH, Yogyakarta, 1982.
11. See fn. 8.
12. Collier et al, Acceleration of Rural Development of Java, Bulletin of Indonesian Economic Studies, vol. 18 no. 3 November 1982, Employment Rural Labour Markets and Land Tenure: A Preliminary Report of a Recensus in Nine Villages in Java. Wiradi, G., Manning, S., Hartoyo, S. Agro Economic Survey, Bogor, April 1984. I would like to stress that the authors

of this report are still working with their data and that the report is preliminary. Moreover, the important differences between lowland and upland villages as well as other qualifications that are pointed out in the report have not been taken into full consideration in my preliminary writings. I also draw on interviews with Wiradi and Manning as well as with, among others, prof. Sayogyo, Bogor, Dr. Nico Kanan, Salatiga, Dr. Lukman, Yogyakarta, Dr. Padmo, Yogyakarta as well as Dr. Bill O'Malley, Sidney/Canberra and Dr. Margo Lyon, Canberra, April-May 1984.

13. Employment, Rural Markets... op.cit. p. III:20.
14. Collier et al op.cit. p. 97-98.
15. Employment, Rural Markets... op.cit. p. IV:8.
16. Ibid. p. III:3 ff. and III:22.
17. Ibid.
18. Ibid. p. IV:3-11. The differences between upland and lowland villages are of course important but nevertheless only some 26 % had agricultural labour as their main income in the lowland villages, p. IV:5.
19. Ibid. p. IV:31 ff.
20. Ibid. p. II:7.
21. For an overview of various land tenure agreements, see Appendix II in my book mentioned in fn. 2.
22. Collier et al op.cit. and Employment, Rural Markets... op.cit. passim.
23. Ibid. Also note the drastic decrease in employment elasticity within agriculture - from 0.44 1961-1971 to 0.28 1971-1980, Wages and Employment in Indonesia, World Bank report no. 3586-IND June 19, 1983. p. 42.
24. I draw mainly on interviews with, among others, Dr. Frans Hüsken, Amsterdam, prof. Sartono, Yogyakarta, Adi Sasono, Jakarta, Dr. Arief Budiman, Salatiga, Heri Ahmadi, Bandung and Habib Hirschim, Yogyakarta in April-May 1984.
25. van Dijk, C., Major Political Developments in Indonesia in the first half of 1982: The General Elections, Review of Indonesian and Malayan Affairs no. 2, 1982, p. 155. William Liddle note that when the Nahdatul Ulama was allowed to run in the elections in 1971 it was able to withstand this onslaught and got the same support as in 1955, some 18 %. Liddle, W., Participation and Political Parties. Political Power and Communications in Indonesia, Ed. Jackson and Fye, Berkeley and Los Angeles, University of California Press, 1978. p. 183.

26. Annual Report...1979 op.cit. p. 52 ff. and Newsletter on International Labour Studies, special issue on Indonesia op.cit. p. 7.
27. Zacharias, Danny, The Lurah (Village Head) and Development Programs. Indonesian Quarterly 7:2 (1979).
28. Ibid. as well as various interviews with, among others, the scholars mentioned in fn. 8 as well as Dr. Frans Hüsken, Amsterdam, Dr. Michael van Langenberg, Sidney and Dr. Ernst Utrecht, Amsterdam, the latter ones in April 1984.
29. Kompas 1.9.83, quoted in Inside Indonesia no. 2, 1984. p. 18.
30. Manning and Wiradi (interview Bogor, May 1984) argue that the amount of informal credits and mortgage seem to have declined due to the large amounts of government credits available. Cf. also Employment, Rural Markets... op.cit.
31. Not for own use only but often on commercial basis.
32. Prof. Moebiyato, Yogyakarta, usually stress this. Others are more hesitant, including Dr. Lulman Sustrisno, Yogyakarta. Interviews May 1984. Cf. also Collier et al op.cit. and the conclusions in Employment, Rural Markets... Some scholars also continue to stress the importance of absentee landlordism, (interview with Dr. Margo Lyon, Canberra, May 1984) while others mean that it is not as important as it might have been (interview with Bill O'Malley, Sidney, April 1984).
33. Employment, Rural Markets... op.cit. p. IV:1-11. 30 % of the households have farm labour as their most important minor income. Only 10 % of the households rely on farm labour only. 60 % of the households have some income outside agriculture. (The figure for lowland villages is only 40 %.)
34. Ibid.
35. Wages and Employment... op.cit. p. XI and 1.
36. No political parties etc. are allowed to have organizations in the villages. The governments' Golkar, however, is a corporate organization and is not officially called a party.
37. In some areas the peasants no longer have to grow sugar, for example. Edmundson, S. and W., refer to the case of Malang in their A Decade of Village Development in East Java, Bulletin of Indonesian Economic Studies, vol. XIX no. 2 August 1983, p. 49. Others, however, maintain that the old policy is still predominant in most areas. (See the interviews mentioned in fn. 8, for example.)
38. Cf. Mather, Celia, Industrialization in the Tangerang Regency of West Java: Women Workers and the Islamic Patriarchy, Bulletin of Concerned Asian Scholars. Vol. 15 no. 2, 1983.

39. Interviews with, among others, activists within KSBH, Yogyakarta, May 1984.
40. See Laclau, Ernesto, Feudalism and Capitalism in Latin America, New Left Review no. 67, pp. 28 ff.
41. I have further developed these aspects in my Class and Democracy in South and Southeast Asia: Some Critical Notes. Paper for the VII Congress of the Nordic Political Science Association, Lund, Sweden, August 20-22, 1984.
42. I am inspired by the works of Lars Rudebeck on the problems of peoples' power and peoples' rule in Guinea Bissau and Mocambique. See, for example, the works of Rudebeck in the AKUT-series.
43. If we include the plantations the situation is somewhat different. Cf. the current so called Nucleus Estate programmes, fn. 9 above. I also draw on an interview with Lukman Sutrisno, Yogyakarta, May 1984.
44. I am inspired by prof. Bosco Parra's ongoing research, the AKUT-group, former leader within the Unidad Popular in Chile.
45. I rely mainly on relevant interviews with influential scholars and activists in Holland, Australia, Jakarta, Bandung, Yogyakarta and Salatiga. For interesting overviews, see the articles in Prisma, no. 28, 1983. For the law on NGOs, see, for example, Tapel no. 64, 1984 and Inside Indonesia no. 2, 1984.
46. Cf. fn. 45.
47. Interview with Babib Hirschim, Yogyakarta, May 1984.
48. Cf. fn. 45.
49. Interview in Jakarta, May 8, 1984.
50. Cf. e.g., Lane, Max, Voices of Dissent in Indonesia. Like the Shadow of an Eagle? Arena reprint, North Carlton, Victoria, Australia, 1982. Southwood and Flanagan op.cit., Lane, Max, Worker resistance to exploitation in Indonesia 1981-82 CARPA Bulletin, no. 12, 1982. But I am mainly relying on interviews with relevant influential scholars and activists in Holland, Australia, and on Java, April and May 1984.
51. Lane in CARPA bulletin op.cit. and, most important, the reports from Indonesian Documentation and Information Centre (INDOC), Leiden, Holland - Indonesian Workers and their Right to Organize, May 1981 as well as updates in February 1982, March 1983 and March 1984. I also draw on interviews with scholars and activists within INDOC, April 1984.

52. For the above after fn. 51: Interviews with genuine union leaders, activists and scholars in Indonesia, May 1984, as well as scholars and activists in Holland and Australia, April and May 1984.
53. For an interesting analysis of this, see Indonesian Workers... 1981, op.cit.
54. See fn. 52.
55. Ibid. Some few old activists also hint at the possibility of doing some work within KORPRI.
56. See Indonesian Workers... March 1984, op.cit. p. 15, fn. 53, Leclerc, J., An ideological problem of Indonesian trade unionism in the sixties: "Karyawan" vs. "Buruh", Review of Indonesian and Malayan Affairs, vol. 6 no.1 and Sudono, A., The Indonesian Trade Union Movement and its Policies, A Collection of Speeches. Jakarta, 1977 (in cooperation with Asian-American Free Labour Institute).
57. For example, the socialist union KESI; The nationalists' KEM; The catholics' SB/Panca Sila; The Nahtadul Ulama's Sarbu Musi, The Masjumi's Gasbindo.
58. The PBSI emerged partly from within the ranks of Gasbindo. See fn. 53.
59. Interviews with, among others, socialist oriented genuine union leaders in Indonesia, May 1984.
60. Interviews with genuine union leaders, activists and scholars in Holland and Indonesia, April and May 1984.
61. Ibid.
62. Ibid. It is my impression that the argument for CLA:s is mainly advocated by activists outside Indonesia.
63. See fn. 60.
64. Interview with genuine socialist oriented union leaders, Jakarta, May 12, 1984.
65. van Dijk, C., The Hariman Siregar Trial. Review of Indonesian and Malayan Affairs, vol. 9 no. 1 1975. p. 4-5.
66. Papanek, The Effect of Economic Growth and Inflation on Workers Income. The Indonesian Economy. Ed. Papanek, G.T., New York, Praeger. 1980. p. 82 ff.
67. The figure is taken from Lane in CARPA Bulletin, op.cit. The figures must, of course, be very uncertain.

68. Ibid. and Indonesian Workers...1981 op.cit.
69. See, e.g., Indonesian Workers...1983 and 1984 op.cit. and Inside Indonesia no. 1-3, 1984. I also draw on interviews with, among others, Dr. Dorodjatun, Jakarta, prof. Sathini, Jakarta, Dr. Anne Booth, Canberra, Dr. Peter McCawley, Canberra, scholars and activists related to INDOC, Holland, and genuine union leaders, activists and scholars in Jakarta - all in April and May 1984. I will discuss causes for and effects of the recession somewhat less superficial later on in the text.
70. Indonesian Workers...1984, op.cit
71. See fn. 52.
72. Cf. the lists of labour conflicts published in Indonesian Workers...1981-1984 op.cit.
73. Annual Report...1979 op.cit. p. 25. Cf. also Evers, Hans-Dieter, Subsistence Production and the Jakarta, "Floating Mass". Prisma no. 17, June 1980 and Acharya, Sarthi, The Informal Sector in Developing Countries - A Macro Viewpoint. Journal of Contemporary Asia vol. 13 no. 4, 1983. I also draw on an interview with Adi Sasono, Jakarta, May 1984.
74. For a survey of the events see van Dijk, C. Major Political Developments in Indonesia in the second half of 1980: Crime Prevention, Anti-Chinese Riots and the PDI Party Congress. Review of Indonesian and Malayan Affairs vol. 15 no. 1, 1981. I just arrived in Jakarta from East and Central Java when the riots broke out and had the chance to discuss the issue with some usually well informed scholars and activists. For the more recent developments, see fn. 171 below.
75. Cf. Indonesian Workers...1981-1984 op.cit. passim - the lists of reported protests etc. Also confirmed in interviews with scholars as well as union activists within as well as outside Indonesia.
76. See, e.g., Indonesian Workers...1981 op.cit. p. 97 and ibid. 1984 p. 9. Arief Budiman though, says that the civil servant wages were not increased in 1982 as had been done previous years. See his Industrial Development and Unemployment in Indonesia. Paper to the conference on Industrialization and the labour process in Asia, University of Copenhagen, Denmark, August 26-28, 1983, p. 16.
77. Indonesian Workers...1981 pp. 29-30 and 35-36, van Dijk 1980 op.cit. pp. 117 ff.
78. Interviews with scholars within INDOC, Leiden, May 1984. Please note that petty peasants', squatters', actions are not taken into consideration here but above, when I discussed the conflict in the villages.
79. Interviews with former SOBISI-leaders, Holland, April 1984, as well as a former minister of labour under Sukarno, Jakarta, May 1984.

80. Interviews with scholars within INDOC, Leiden, April 1984.
81. See the special report on the Batik Industry in Prisma no. 27, 1983.
82. Wages and Employment... op.cit. p. XII.
83. For this issue, when nothing else is mentioned, see in particular Indonesian Workers...1981 op.cit. pp. 119 ff., Mather op.cit. the article on plantation workers in the special issue of Newsletter on International Labour Studies op.cit. (in which it, among other things, is noted that there were about 280 000 plantation workers in North Sumatra in 1965 but only 120 000 in 1978) and Wages and Employment... op.cit. pp. 101-2. I also draw on interviews with scholars, genuine union leaders et. al. inside as well as outside Indonesia, April and May 1984.
84. See Wages and Employment... op.cit. pp. 101-2 and cf. also Tsurumi Yoshi, Japanese Investments in Indonesia: Ownership, Technology Transfer and Political Conflict, in The Indonesian Economy op.cit. p. 314, who refer the views of the employers inside modern plants: workers' discipline is bad, thus it is better to mechanize. It takes 1 - 1,5 years to make a worker experienced.
85. According to the World Bank, see Wages and Employment... op.cit. p. XV.
86. Ibid. pp. 101-2.
87. Human Rights Report: Indonesia 1980, Ed. Lubis and Abdullah. Lembaga Bantuan Hukum, Jakarta, 1981. pp. 59-60.
88. According to the FBSI, quoted from Indonesian Workers...1982 op.cit. p. 5.
89. For a survey of sub-contracted labour, brokers etc. see in particular Indonesian Workers...1981 op.cit. pp. 127 ff. and ibid. 1983 pp. 27 ff.
90. Indonesian Workers...1981 op.cit. p. 53.
91. Mather op.cit.
92. Indonesian Workers...1983 op.cit. p. 4.
93. Mather op.cit. Indonesian Workers...1981-1984 op.cit. passim and Newsletter on International Labour Studies, special issue on Indonesia op.cit. (where it is, among other things, mentioned that 85-95 % of the working force within textiles, pharmaceuticals and electronics are women, p. 8).
94. For the creation of the FBSI, see Indonesian Workers...1981 op.cit. part II and for the further developments the updates.

95. Indonesian Workers...1981 op.cit. p. 81 and ibid. 1984 p. 10. I also draw on interviews with scholars working in close contact with the education, Jakarta, May 1984.
96. Quoted from Indonesian Workers...1984 op.cit. pp. 8-9.
97. See, e.g., Indonesian Workers...1981 op.cit. p. 70. I also draw on the interviews mentioned in fn. 95.
98. Cf. Indonesian Workers...1984 op.cit. p. 9. Also various interviews with scholars, union activists and leaders as well as journalists in Jakarta, May 1984.
99. This is well documented in Indonesian Workers...1981-1984 op.cit.
100. Cf. Indonesian Workers...1983 op.cit. p. 18 and ibid. 1984 p. 12.
101. Ibid. 1981 pp. 2-3. Cf. also ibid. 1983 pp. 4-5.
102. The quotations are from ibid. 1984 pp. 11-12.
103. Ibid. pp. 9-10.
104. I draw mainly on interviews with genuine union leaders and activists in Jakarta, May 1984.
105. Ibid.
106. This is confirmed by, among others, scholars within INDOC, who stress that many of the conflicts reported with this character might not have been documented within their publications, since they give priority to violations of the ILO-conventions. Interviews, Leiden, April 1984. Also stressed by scholars on labour relations within legal aid sources, interviews, Jakarta, May 1984 (as well as during research in 1979 and 1980).
107. Cf. Indonesian Workers...1984 op.cit. My impressions are based on previously mentioned interviews in mainly Holland and Indonesia in April and May 1984.
108. Cf. for these concepts, Arrighi, Giovanni, The Labour Movement in Twentieth-Century Western Europe. Labour in the world social structure, Ed. Wallerstein, London, Sage, 1983.
109. Interview with scholar on labour relations, Jakarta, May 25, 1984.
110. Interview with genuine labour leaders and scholars in Holland as well as Indonesia April and May 1984. Several scholars do, however, remark that the FBSI sometimes reach outside the regularly employed workers depending on the local situation, balance of forces etc. (Mentioned by, among others, Welmoed Koekebakker, Univ. of Amsterdam, April 17, 1984.)

111. See e.g. Indonesian Workers...1981 op.cit. p. 67 where it is mentioned that out of 100 000 industrial firms in Indonesia, less than 10 % have FBSI organized employee associations.
112. Newsletter on International Labour Studies, special issue on Indonesia op.cit. p. 8.
113. Human Rights Report... 1980 op.cit. p. 24. Cf. also Wages and Employment... op.cit. for more detailed information.
114. Interviews with among others, Dr. Kate Short, Sidney, April 30, 1984 and Dr. Arief Budiman, Salatiga and Jakarta, May 1984.
115. Interviews with, among others, Chinese businessmen, prof. Sarbini, Jakarta, May 1984 and Dr. Budiman (see fn. 114).
116. Interview with, among others, Adi Sasono, Jakarta, May 10 and 24, 1984.
117. This theme is stressed by, among others, Dick Robison and Ian Chalmers, see Robison, D., Factors Affecting the Structure of Indonesian Capitalism and Chalmers, I., Indonesia's New Economic Nationalism: What Class of New Order? in Prisma no. 26, December 1982. I draw also on a manuscript by Robison, Class, Capital and the State in New Order Indonesia.
118. Not least Japanese companies, cf. Tsurumi in The Indonesian Economy op.cit. See also the interesting discussion on oligopoly in Indonesian Industry, Prisma no. 27, March 1983.
119. Cf. even Robison, manuscript op.cit. For a recent example, see Far Eastern Economic Review November 8, 1984 on the building up of Indonesian shipyards.
120. See Wages and Employment... op.cit. p. 38, for the general situation, see pp. XVII-III. For an international comparison, see Petras, J., Towards a Theory of Industrial Development in the Third World. Journal of Contemporary Asia vol. 14, no. 2, 1984.
121. Wages and Employment... op.cit. p. 42. The figures give an interesting indication, but are, of course, based on weak statistical materials.
122. Ibid. p. 66.
123. Ibid. p. 152.
124. Ibid. p. 131 and Budiman op.cit. referring the figures presented by the so called Kampus seminar in 1983 with prominent Indonesian economists, businessmen and other social scientists.
125. Far Eastern Economic Review May 3, 1984, pp. 94 ff. The figures depend, of course, on what year's level of prices one use as a basis.

126. Wages and Employment... op.cit. pp. 131 and 153.
127. The calculation is done by prof. Smitro. Quoted from Crouch, H., The New Order: The Prospect for Political Stability. Indonesia the Making of a Nation, Ed. Mackie, J.C.A., Canberra, ANU, 1980.
128. See, e.g. Evers op.cit.
129. Cf., e.g. King, D.Y., Indonesia's New Order as a Bureaucratic Polity, a Neopatrimonial Regime or a Bureaucratic-Authoritarian Regime: What Differences does it make? Interpreting Indonesian Politics: Thirteen Contributions to the Debate, 1964-1981, Ed. Anderson and Kahin, Ithaca, N.Y., Cornell Modern Indonesia Project Publications, 1982 and Jackson, K.D., Bureaucratic Polity, in Political Power and Communications... op.cit.
130. The contributions of Dr. Dick Robison and Dr. Harold Crouch are most important; besides of the works mentioned in this report, see, to begin with, the list of references in my book mentioned in fn. 2. I also draw on interviews with Crouch 1980 and 1984 as well as with, among others, prof. Mackie, Canberra, May 2, 1984 and, among several Indonesians, Dr. Arief Budiman, May 1984.
131. Far Eastern Economic review March 29, 1984. p. 27.
132. See, e.g., the White Book of the students... op.cit. This has also been a frequent theme in, among others, the journal Prisma, but in a much more cautious way.
133. See references given in the above presentation of the political analyses.
134. Cf. Ruth McVey's formulation in her The Beamtenstaat in Indonesia in Interpreting Indonesian Politics... op.cit. p. 88: "The Indies bureaucracy was, after all, effectively the employe of the Netherlands, and woe betide the official who did not deal promptly with Dutch business interests or failed to administer to Dutch satisfaction. The Indonesian bureaucracy, however, serves itself: it is (with its military component) both the dominant element in the ruling class and the agent of the ruling class; and there is no effective institutions outside it."
135. See fn. 130!
136. See the theoretical outline in the introduction of this paper and my book, fn. 2.
137. Hamza Alavi's concept, see his The state in post-colonial societies: Pakistan and Bangladesh, New Left Review no. 74.
138. Cf., e.g., Crouch op.cit.
139. I base my own conclusions on the reading of various World Bank and Asian Development Bank reports as well as interviews with, among others, Dr. Dorodjatun, prof. Sarbini and Mochtar Lubis, Jakarta, 1980 as well as May 1984, and Dr. Anne Booth and Dr. Peter McCawley, Canberra, May 1984.

140. See Robison, manuscript, op.cit.
141. See in particular MacDougall, J.A., Patterns of Military Control in the Indonesian Higher Central Bureaucracy, Indonesia no. 33, 1982. Cf. also, e.g., Emerson, D.K., The Bureaucracy in Political Context: Weakness in Strength, in Political Power and Communications... op.cit.
142. Cf. the surveys of the Kretek and Batik industrial sectors in Prisma no. 27, 1983.
143. Cf. the analyses in Southwood and Flanagan op.cit. The military units are effective in handling internal security problems but are neither large and well equipped nor efficient enough to conduct wars. Cf., e.g., Sundhaussen, Ulf, Regime Crisis in Indonesia: Facts, Fictions, Predictions, Asian Survey vol. XXI, no. 8, 1981 and Fraser, A. in Afric Asia no. 2 and no. 5, 1984.
144. The killing may have started as an attempt to, among other things, get rid of the late general Ali Moertopo's gangs and his attempts at becoming vice president, but this was probably only a minor reason for the killings. I draw mainly on various interviews in London, March 1984, with human rights activists and a scholar within Amnesty, as well as with well informed activists, scholars (including Legal Aid sources) in Holland, April 1984 and on Java, May 1984.
145. Peter Britton, discussion in Jakarta, May 13, 1984. See also his Military Professionalism in Indonesia: Javanese and Western Military Traditions in Army Ideology to the 1970s. MA thesis, Monash University, 1983.
146. Sinar Harapan February 2, 1984. Quoted from Tapol no. 62, 1984. p. 19.
147. Cf. Hein, Gordon R., Participation and Stability in Indonesia, Indonesian Quarterly vol. VI, no. 3, 1978. pp. 66 ff.
148. Cf. ibid. and fn. 141 above and King op.cit. and Fraser in Afric Asia no. 5, 1984.
149. Even Dick Robison stress this in his manuscript op.cit. I also draw on interviews with Dr. Michael van Langenberg, Dr. J. Leclercq and Dr. Kate Short, Sidney, April and May 1984, Dr. Harold Crouch, Kusia Lumpur, May 1984, Dr. Dorodjatun, prof. Sarbini, Dr. Budiman, Mochtar Lubis and a well informed Chinese businessman, Indonesia, May 1984.
150. Cf. Far Eastern Economic Review April 19, p. 56 and September 27, pp. 110 ff., pp. 136-7, 1984.
151. Interviews with well informed scholars, Jakarta, May 1984.
152. See, e.g., the survey of the kretek industrial sector in Prisma no. 27, 1983.

153. Cf. Robison manuscript and in Prisma op.cit., the discussion on oligopoly in Indonesian industry in Prisma op.cit., Chalmers op.cit. and for recent developments Far Eastern Economic Review September 27, pp. 110 ff., pp. 136-7 and November 8, p. 84, 1984. I also draw on interviews with, among others, Dr. Anne Booth and Dr. Peter McCawley, Canberra, May 1984, Dr. Dorodjatun, prof. Sarbini and Dr. Budiman, Jakarta, May 1984.
154. Far Eastern Economic Review September 27, pp. 110 ff., 1984 referring to the World Bank.
155. Cf. Far Eastern Economic Review August 23, pp. 47 ff. and September 27, pp. 110 ff., 1984 and Budiman op.cit. I also draw on interviews with, among others, Dr. Peter McCawley, Canberra, May 1984.
156. Nevertheless, very few - and especially not economists like McCawley who only deal with "hard facts" - seem to pay interest in studying this.
157. I draw on interviews with, among others, Dr. Kate Short, Sidney, April 1984 and Dr. Panglaykim, Jakarta, 1980.
158. This is my own conclusion but I am indebted to various scholars for critical comments and suggestions, among others, prof. Sarbini, Dr. Michael van Langenberg, Dr. Harold Crouch, Dr. Arief Budiman, Dr. Dorodjatun and a well informed Chinese businessman in Jakarta.
159. This was even stated by the just mentioned well informed Chinese businessman, Jakarta, May 1984.
160. Interviews with relevant leaders in Holland and Indonesia, April and May 1984.
161. Ibid. but also with somewhat younger activists.
162. Cf. Sundhaussen op.cit. and for the recent developments Far Eastern Economic Review November 22, pp. 16-7, 1984. Cf. also the interview with general Sadikin in Inside Indonesia no. 2, 1984. I draw also on my interviews with members of the group of 50 in 1980 (mainly with general Nasution) and in May 1984.
163. To my knowledge the group of 50 has no important business contacts within the dynamic sectors of the economy but some within the threatened traditional ones. Moreover, the members' own business interests have been under severe attack from the regime.
164. See fn. 162!
165. For a historical survey, see, e.g., Lane, Voices of Dissent in Indonesia op.cit. I also rely on interviews with leading members of the student opposition over the years, Jakarta 1980 and 1984.

166. For the following, when nothing else is stated: interviews with scholars and influential activists in Holland, Canberra, Jakarta, Bandung and Yogyakarta, April and May 1984.
167. See, e.g., Mahasin, Aswab, Human Rights: From Cultural Argumentation to Social Stratification. Prisma no. 13, 1979.
168. It should, however, also be mentioned that some NGOs have programmes that at least partly reach the workers, such as health and social services projects. Some activists also aim at educating mainly young and often unemployed workers - making them skilled but also more conscious.
169. See, e.g., the yearbooks of the LBH, op.cit. and the statement by the LBH, published in Inside Indonesia no 1, 1984.
170. See fn. 45 above!
171. See Far Eastern Economic Review September 27, pp. 14-15, October 18, pp. 18-19, October 25, pp. 16-17, November 1, p. 27; November 15, p. 60 and November 22, pp. 116-17. See also Papoi no. 65, September 1984.
172. Interview, Jakarta, May 14, 1984.