

**THE KENNEDY INITIATIVES  
IN INDONESIA, 1962-1963**

**A Thesis**

**Presented to the Faculty of the Graduate School  
of Cornell University for the Degree of  
Doctor of Philosophy**

**by**

**Frederick Philip Bunnell**

**September 1969**

## TABLE OF CONTENTS

	Page
CHAPTER I--AN INTERPRETIVE OVERVIEW OF SUKARNO'S CONFRONTATION FOREIGN POLICY ON THE EVE OF THE WATERSHED PERIOD IN SUMMER 1962	1
Part I: The President's Foreign Policy	1
A. Motivations: The Predominance of Ideological and Psychological Determinants	1
1. Nationalist or Communist?	4
2. Prestige, Distraction, Balance and Expansion	9
B. Execution: The Art of Brinkmanship Diplomacy	11
Footnotes	17
Part II: From Non-Alignment to Confrontation	27
A. The Crystallization of a Confrontation Policy and Ideology, August 1960-August 1962	29
1. Acquisition of a Modern Military Capability: Implications for Domestic Politics and Foreign Relations	31
2. The Recovery of West Irian	34
3. First Departures from Non-Alignment	40
B. The Watershed Period, August 1962- November 1963	45
Footnotes	53
CHAPTER II--THE UNITED STATES' POST-WEST IRIAN STRATEGY	60
Part I: The Genesis of the Post-West Irian Strategy: U.S. Policy Toward Indonesia, January 1961- August 1962	60
A. The Legacy of the Eisenhower Period	60

	Page
B. President Sukarno's Visit to Washington in April 1961	65
C. The Shift of American Policy on the West Irian Dispute	77
D. The Architects and Managers of Indonesian Policy in 1962-1963	84
Footnotes	96
Part II: The Content of the Post-West Irian Strategy	108
A. American Expectations in the Wake of West Irian	108
B. The Distinction between the Maximum and Minimum Programs	111
C. The Content of the Maximum Program	114
D. The Content of the Minimum Program	118
1. An Overview	118
2. Technical Assistance	124
3. Minimum Program: Food for Peace	128
4. The Military Assistance Program in Indonesia	136
Footnotes	149
Part III: The Diplomacy of Promoting Economic Stabilization for Indonesia in 1962	164
Preface	164
A. Congress and Indonesia in 1962: Qualified Acceptance of the Post-West Irian Strategy	165
1. The 1962 Authorization Stage--House	168
2. Authorization Stage 1962--The Senate	176
3. The 1962 Appropriations Stage--The Passman Committee	182
Footnotes	195

	Page
<b>Part IV: First Approaches to Sukarno and DAC</b>	203
<b>A. The Appeal to Sukarno's Vanity</b>	203
<b>B. Diplomatic Steps in Fall 1962</b>	208
<b>Footnotes</b>	217
<b>CHAPTER III--THE GENESIS OF CONFRONTATION (December 8, 1962-March 2, 1963)</b>	224
<b>Part I: The Brunei Revolt and Its Immediate Consequences</b>	224
<b>A. The Origins of the Revolt</b>	224
<b>B. The Initial Indonesian Response to the Brunei Revolt</b>	231
1. The Government	231
2. The Parties	238
3. The Army	246
<b>C. The Initial U.S. Response to the Brunei Revolt</b>	249
1. U.S. Diplomacy in Djakarta	252
2. U.S. Diplomacy in Manila	255
<b>Footnotes</b>	260
<b>Part II: The Incipient Conflict between Stabilization and Confrontation (19 December-20 January)</b>	273
<b>A. Indonesian Ambivalence</b>	273
1. The Trikora Commemoration Speech and the Indonesian Herald	275
2. The Forrestal Visit	285
<b>B. Indonesia's Declaration of Confrontation and the American Response (January 20-February 14)</b>	286
1. Subandrio and Macapagal Prompt Washington to Break Its Silence	287

	Page
2. President Sukarno's Endorsement of Confrontation Causes President Kennedy to Clarify American Policy	293
Footnotes	301
CHAPTER IV--SUKARNO'S SHIFT TO THE RIGHT IN ECONOMIC POLICY	308
Part I: The Worsening Economic Situation and the American Conditions for Assistance	308
A. An Overview of the Shift to the Right	308
B. The Worsening Economic Situation	309
C. The American Requirements for Financing Stabilization	311
D. The Role of Congress in Defining American Conditions	316
1. The Clay Report	317
2. The Broomfield Amendment Brief	321
3. The Administration Brief	326
4. The Ambiguous Roles of Congress in the Conduct of Policy	333
Footnotes	336
Part II: The Shift to the Right in Economic Policy	343
A. The Time for Decision	343
B. The Launching of Djuanda's Stabilization Program	344
C. The Defusing of the Oil Crisis	351
D. The Rescheduling of Debts	373
E. The Challenge of Sustaining Support for Stabilization	379
1. Rising Domestic Opposition to the May 26 Regulations	380

	Page
2. Securing IMF and DAC Support	383
Footnotes	391
Part III: Sukarno's Reasons for "Shifting to the Right" in Economic Policy	410
A. The Role of Economic Factors	411
1. Weakness of Popular Pressures	411
2. Sukarno's Attitudes and Perceptions	413
B. The Role of Domestic Political Factors	416
1. The Army and Stabilization	416
2. The Parties and the Bureaucracy	422
3. The PKI and Stabilization	423
C. Foreign Policy Priorities	426
Footnotes	431
CHAPTER V--INDONESIAN CONFRONTATION DIPLOMACY IN THE SUMMER OF 1963	442
Part I: Oscillations in the Pre-Manila Summit Period	442
A. Sukarno's Shift to the Right in Foreign Policy	442
1. The Substance of the Shift	442
2. The United States' Role	446
3. The United States' Assessment	449
B. Sukarno's Resumption of Confrontation	452
1. Sukarno's Reaction to the London Agreement	452
2. The United States' Assessment	456
a. Sukarno's Intentions	456
b. Broomfield's Victory	458
c. British Policy	463
Footnotes	468

	Page
Part II: The Manila Conference and the Indonesian Appraisal of the Results	481
A. Summary of the Summit Negotiations	483
1. Opening Stances of Malaya and Indonesia	483
2. The Tortuous Path of Compromise	486
B. Sukarno's Evaluation of the Manila Agreements	490
1. Sukarno's Chief Concession	490
2. "Escape Clauses"	492
3. Compensations	497
C. Sukarno's Restraint on Independence Day	502
1. The August 6th Speech	502
2. Sukarno's August 17th Address	504
D. The Army's "Fighting Diplomacy"	512
1. Military Confrontation on the Eve of the Manila Summit	513
2. The Army Stance after the Summit	518
Footnotes	526
Part III: The Diplomatic Crises of Late August	543
A. The Hassle over Observers	543
1. The Origins	543
2. The Final Frantic Stage	551
B. The August 29th "Premature" Announcement	557
1. The Pressures for a New Malaysia Day	557
2. The Ghazali Mission and Its Prospects on August 28th	562
3. The Ghazali-Subandrio Meeting on August 29th	566

	Page
4. The Malayan "Premature" Announcement	571
5. The Indonesian Reaction	573
Footnotes	578
<b>CHAPTER VI--THE UNITED STATES' RESTRAINT AND FRUSTRATION IN RESPONSE TO ASH WEDNESDAY</b>	<b>595</b>
<b>Part I: Indonesia and the Breakdown of the Manila Agreements</b>	<b>595</b>
A. Indonesia's Attempt to Discredit the UN Ascertainment	595
B. U Thant's Conclusions on Malaysia--and Indonesia's Policy	601
C. United States' Efforts to Reverse Indonesia's Decision	608
Footnotes	613
<b>Part II: Ten Days of Crisis (September 15- September 25)</b>	<b>622</b>
A. Prelude	622
B. "Popular" Pressures Exacerbate Tensions	624
C. Ash Wednesday	628
1. Indonesian Reactions	628
2. The United States' View of Ash Wednesday	633
3. Sukarno and Ash Wednesday	641
D. Sukarno Breaks Economic Relations with Malaysia	645
Footnotes	654
<b>Part III: American Restraint</b>	<b>667</b>
A. The Short-Term Response to Crisis	667
B. The Rationale for American Restraint	674
C. The American Role in Efforts to Revive Maphilindo Talks	680