

## **“I am an Indonesian of Chinese origin and am neither better nor worse than any other average Indonesian”**

### **An Interview with Thee Kian Wie (b. 1935)**

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**“Going abroad is not a right, it is a duty”<sup>1</sup>**

*Thee Kian Wie is a prominent economic historian and economist in Indonesia who has known many of Indonesia’s leading economists personally. Despite his retirement in May 2000 and advanced age (74) he is still very active. He publishes several articles per year and visits his office at the Indonesian Institute of Sciences LIPI almost daily, provided he is not somewhere abroad or in Jakarta or somewhere else in Indonesia participating in or delivering a paper at one of the international or national workshops to which he is invited. During his career Thee Kian Wie developed a unique international network and gained a reputation as an expert on Indonesia’s modern economic history and comparative economic, industrial, foreign direct investment, and technological development in East Asia, with particular reference to Indonesia. For many years Thee Kian Wie has also been a kind mediator helping young foreign and Indonesian researchers to find their way to informants and information. He received an honorary doctorate from The Australian National University, Canberra, in December 2004. In 2008 KITLV awarded him an honorary membership. In August 2008 he received the Sarwono Prawirohardjo Award<sup>2</sup> from Professor Umar Anggara Jenie, the Head of LIPI, for his achievements in economic research and many years of service to LIPI.*

*Itinerario interviewed him in Leiden in late October 2008 and in early May 2009 in Jakarta.<sup>3</sup> The languages we spoke were Dutch and English.*

*How would you describe your family background?*

*My father was a teacher at a Dutch-Chinese school at Tangki, a side street of Molenvliet Oost, nowadays Jalan Hayam Wuruk. He was born in November 1902 as the youngest son of a poor Chinese shopkeeper in Buitenzorg (Bogor). My*

ancestors originally came from Fujian province in Southeast China, in the mid-nineteenth century. Thee Kiang, my great-great-grandfather, went to Indonesia, presumably because of typical “push” factors, such as economic misery or the political turmoil caused by the Taiping rebellion in China. My father’s family was a typical Chinese *Peranakan* family, born in Indonesia. The *Peranakan* Chinese formed the largest and most important group among the ethnic Chinese living in Java. While some of the older Dutch-educated Chinese spoke Dutch, many of them spoke either Malay or the local language in which they lived (Javanese or Sundanese). None of my father’s siblings had received an academic education—but my father had higher aspirations. During that time, in the late 1910s, the Dutch colonial government had opened up teachers’ colleges, such as the *Hollands-Inlandse Kweekschool* (HIK, Dutch-Indigenous Teacher’s College) for aspiring indigenous Indonesian teachers and the *Hollands-Chinese Kweekschool* (HCK, Dutch Chinese Teacher’s College) for aspiring ethnic Chinese teachers. The only way for a poor Chinese kid, including my father, to receive a more advanced education at that time was to join those colleges. So after primary school, my father entered that HCK in Batavia. That is why he was the only one in his family who could speak and write Dutch fluently. My father was considered to be the smartest, because of his proficiency in Dutch.

Since my father had studied and graduated from the HCK and had in addition a diploma as *hoofdonderwijzer* (principal teacher), I was able to enter a *Europese Lagere School* (European primary school), which was actually only open to Dutch pupils, and not the *Hollands-Chinese School* (HCS, Dutch-Chinese School), where ethnic Chinese pupils had to go to.

A great factor in my own upbringing were the values I got from both my parents. My father was since his mid-teens inculcated with Dutch Calvinist virtues which he had absorbed from his Dutch teachers at the HCK. That implied hard work, a high sense of responsibility, and personal integrity. Those values trickled down to me, but compared to my austere father, I am a bit more decadent, and like to get up late, particularly since my retirement in 2000.

My mother, who was born in October 1901, also had an interesting life. Because her father—my grandfather—owned a small private estate in the so-called *Ommelanden*, near Kapuk to the west of Batavia, she was from a better social background than my father. Their ancestors came from Jiangxi province, to the west of Fujian province. My mother’s family was more Chinese oriented, although they had a Dutch education, too. My mother’s father had established a Chinese school for girls (*Tiong Hwa Li Hak Hau*), where my mother received a Chinese education. Later my mother also taught there. But somewhere along the line, she switched to Dutch education, and went to the three year HBS (*drie-jarige Hogere Burger School*, Higher Citizens’ School) from which she graduated. Because my grandfather was a small landowner, he had some money, and was able to send his eldest and second son to Europe for university study in the 1920s. My oldest uncle studied at the Netherlands School of Commerce<sup>4</sup> in Rotterdam, while my second uncle studied at the Sorbonne University in Paris where he obtained a doctorate in law on a dissertation on the Japanese army-controlled South Manchuria Railway. He married a French lady whom we called Tante (Aunt) Etienne when she visited Indonesia in 1959 to accompany a large collection of modern

French paintings, a gift of the French government to the National Museum on West Merdeka Square.

My mother accompanied her eldest brother's family to the Netherlands. My mother was very intelligent and was supposed to pursue her study as a teacher in the Netherlands, but she did not finish her teacher's studies, went back and, through the intermediation of Tante Etienne, she got to know my father. She was also a kind of early suffragette, an early feminist. She was almost 29 when she and my father got married in 1930. They spent their seven months' honeymoon in Europe paid for by the Dutch colonial government, since my father had worked as a teacher at a government's primary school for many years.

*You were born on 20 April 1935. Could you tell us something about your childhood and your school years?*

I was the eldest son and have two siblings, a younger sister and younger brother. My sister studied law, and is currently working at a law firm in Jakarta. My brother studied medicine at the Medical School, University of Indonesia, and is currently professor of anatomical pathology at this Medical School.

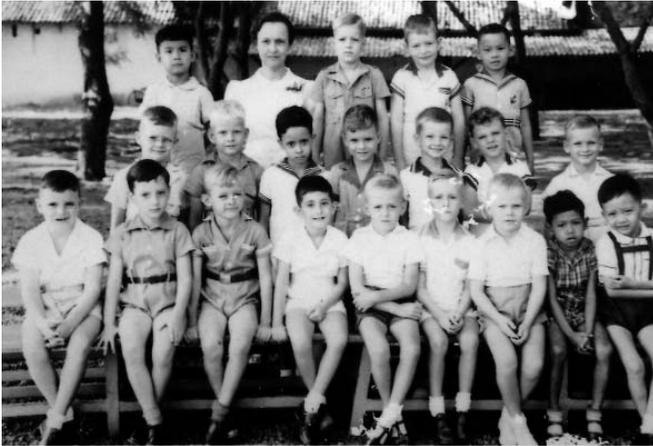
I grew up in a quiet, mixed neighbourhood in Central Batavia with indigenous Indonesian, Eurasian, and Chinese families living harmoniously together. In that area there was no sign of the racial divide so common in colonial, plural societies. The street where we lived was *Wasserijweg* (now Jalan Pembangunan III), a street parallel to *Molenvliet West* (now Jalan Gajah Mada).

Batavia was then a rather sleepy, but safe and orderly provincial town, only half a million people lived there. In late 1941, only a few months before the Japanese occupation, I was able to enroll at an exclusive Dutch private, primary school, the *Europese Lagere School* (ELS) from the *Carpentier Alting Stichting* (CAS, Carpentier Alting Foundation), located on *Koningsplein Oost* (now Medan Merdeka Timur) which was basically only open to Dutch pupils, since my father was a principal teacher at a Dutch-Chinese primary school (*Hollands-Chinese School*) in Batavia.

In the first class of the CAS primary school, there were only four "black-haired" boys (two indigenous Indonesians and two ethnic Chinese, including me), while the rest of the class were all pure Dutch boys. Although I was a shy and quiet boy at the time, relations with the other pupils were good, and they never uttered a racial slur at us. What is remarkable is that we little boys of around six years were aware of and talked of the impending threat of war and the expected attack of Japan. I was made even more aware of the imminent Japanese invasion, since I often listened to my father when he talked about the impending war with our neighbour, Mr. Parijs, a Eurasian who was married to a German woman.

When the Japanese attacked Java in late February 1942, my father asked my mother and her three children to go to a small estate owned by relatives, called *Bintang* (Star) near Cibadak, West Java, for about one month. My father stayed alone in Jakarta with a reliable male servant whose name I remember, Pardja. For my parents the whole world was falling apart, and I remember that my mother cried that she had to leave her husband in Batavia. But for us children, it was an exciting experience to stay at that estate in Cibadak. However, during the power vacuum after the surrender of the Dutch colonial army and before there were enough

European school in Batavia (4 October 1941, just before the war). Thee Kian Wie (six years at that time) stands in the last row to the left of the teacher.



Japanese troops on the ground, we experienced the first anti-Chinese action when marauding bands appeared to threaten the estate. However, they never attacked the estates, either because they did not think it worthwhile to attack the small estate or perhaps they saw from a distance that my uncles and older cousins had armed themselves with daggers, knives, bamboo sticks, etc.

After the Japanese had occupied Java, my father went to Cibadak to take us home to Batavia. When we left Cibadak, my father had to carry my younger brother on his shoulders across a pontoon bridge to cross a river, since the bridge had been destroyed by the retreating Dutch colonial army. When we entered Batavia which was renamed Jakarta after the Japanese conquest, we passed a row of trucks full of Japanese soldiers on Koningsplein West (now Medan Merdeka Barat). It was the first time I saw Japanese soldiers.

Back in Jakarta, I played with Eurasian, Ambonese, Menadonese, and Chinese boys in my neighbourhood. Because not far from my house there was a camp with Japanese soldiers, we watched them practicing *sumo*, (Japanese-style wrestling) which we tried to imitate with our little, scrawny bodies. We weren't afraid of them at all, because they were generally kind to children. But I never learnt Japanese, even though we picked up some words like *Bakairo* (fool), an invective hurled by Japanese soldiers at people when they were angry, and *Kempeitai*, the feared Japanese military police.

During the war my father had lost his job as teacher and principal at the HCS. Since we were still Chinese, and China was at war with Japan, my father did not want to teach at a Japanese school, and was therefore unemployed during the Japanese occupation. Instead, he gave his three children private lessons: Dutch, arithmetic, writing, etc. So the burden of earning a living for the family lay on my mother's shoulders. Although my mother was physically fragile, she did a great job: by selling *kutang* (traditional Indonesian bras) and other things in order to secure the financial basis of the family. Moreover my mother taught me Chinese in this period—so I can at least read some Mandarin, although I did not like the difficult Chinese lessons, and rather preferred to play with my friends.

Although the Japanese occupation was very difficult for my parents, we children led a relatively carefree life. However, I was aware of the economic misery which many people faced, since the war had created many food shortages, including bread. I was very glad when one day my father sometimes bought bread made from so-called “*tepung Asia*” (Asian rice flour) which was almost as hard as stone, but tasted very good! There were many more poor people who had to eke out a living under very difficult conditions, and there were also many beggars, emaciated and clothed in rags.

After Jakarta was reoccupied by the Dutch in late 1945, I entered a Dutch Christian primary school in 1946 in the sixth grade right in our street. In March 1947, when I was barely 12 years old, I entered the government *Hogere Burger School* (HBS) in Cideng, which was a so-called “*Herstel HBS*” (*Recovery HBS*), providing accelerated training at a shorter time than in normal times to enable students who had not received a normal education during the Japanese occupation to graduate earlier. Since during the Japanese occupation I had received continued education from my father, I joined a class where the other students were three or four years older, since they had had no education during the Japanese occupation or had been to Japanese schools, the education at which was not compatible with Dutch education.

I wasn't very good at school, and realised early on that I was not a brilliant student, at best a slightly above average student. However, two things greatly influenced my further life. I had marvellous Dutch teachers at the HBS who, because of their highly competent teachings, instilled in me a thirst for knowledge which I tried to satisfy by reading many books, particularly books on history. I particularly enjoyed the lively and interesting history lessons of Mr. Polak and Mr. van Slooten, the two Dutch history teachers.

I graduated in 1952, when I was 17. Another very formative factor were two older cousins who stayed in our house. Almost all of them went to the Netherlands for further studies. One of them also recognised my thirst for knowledge, and showed me interesting books he was reading and articles in *The Economist*, a very good magazine I am still reading every week up to now. I was not very good in Mathematics, although I liked Geometry, did well in Biology, was weak in Chemistry and French, adequate in Physics, but very good in History and German. My dream was to study in the Netherlands, where some of my older cousins were studying, but that was far too expensive for my parents, since my father, although earning a decent salary as a teacher and principal of a state high school, could not afford to send me for university study in the Netherlands. But there existed a cultural oasis in Jakarta in the early 1950s, a Dutch cultural centre called *Stichting Culturele Samenwerking* (STICUSA, Foundation for Cultural Cooperation) which housed a very nice library, close to my house where during my early student days I spent hours reading various Dutch books and magazines.

*What happened after your graduation at the HBS in 1952?*

After graduation, I entered the University of Indonesia (UI) in Jakarta. I always wanted to study history, but there was no such study at UI. So I decided to study Economics at the Faculty of Economics (FEUI). Most of the faculty members were Dutch professors and lecturers, including Prof. Emile van Konijnenburg, who was

the first President Director of Garuda Indonesian Airways (now Garuda Indonesia), then a joint venture with KLM (Royal Dutch Airlines), who taught introductory business economics (*bedrijfskunde*); Prof. Van der Velde who taught advanced business economics; Prof. Scheffer who taught monetary economics and banking; Prof. Kraal who taught economic theory; drs. Postma who taught sociology; drs. Ormeling who taught economic geography; Prof. Weinreb who taught introductory economic theory and statistics, and Prof. Van der Straaten who taught economic history. Incidentally, I only learned upon my return to Indonesia from my postgraduate study in America, that Prof. Weinreb had played a controversial role in the Netherlands during the Nazi occupation.

These Dutch professors and lecturers were recruited by Prof. Sumitro Djojodikusumo who was dean of the faculty and who in 1943 had received his doctorate in economics from the *Nederlandse Economische Hogeschool* in Rotterdam (Netherlands School of Economics, which later became a part of *Erasmus Universiteit*), with Professor Gonggrijp as his thesis supervisor.<sup>5</sup> Although these Dutch professors in Jakarta had officially to teach in English, they continued teaching in Dutch, which all students understood. That went on until 1957 when all Dutch professors had returned to The Netherlands as political relations between Indonesia and the Netherlands had become increasingly acrimonious because of the sharp dispute about the status of West Irian.

In my first year, there were about 500 freshmen in Economics. Most of the lectures given by the Dutch professors and lecturers were conducted in Dutch, except for the lectures given by the few Indonesian professors and lecturers who naturally spoke Indonesian. We had only lectures, but no seminars. We were reading Dutch economic textbooks, so the quality of education we got was quite good. It was Prof. Van der Straaten who sparked my interest for Economic History. My graduation thesis which I wrote in 1957 was on the *The Economic History of the Chinese in Indonesia* which Professor Van der Straaten liked very much and for which he gave me the highest grade. One of the major conclusions of this thesis was that the long term security of the Chinese-Indonesians lies in lessening, if not eliminating, the economic gap between the Chinese and the indigenous population. I still believe this is true. In my opinion cultural elements play only a minor role in determining the relations between the indigenous Indonesian majority and the ethnic Chinese minority. The conclusion of my thesis was influenced by the conclusion of a doctoral dissertation on the Chinese in Indonesia (*De Chinezen in Nederlands-Indie – Een Sociografische Studie*) submitted by Ong Eng Die at the University of Amsterdam in 1945. Upon his return to Indonesia, Ong Eng Die became a member of the Indonesian Nationalist Party (PNI) and was appointed as Minister of Finance in the first cabinet of Ali Sastroamidjojo (1953-5).

*So you studied at the University of Indonesia and were mainly taught in Dutch by Dutch professors, and you were an ethnic Chinese. How did you think about your identity?*

That was a complex process. At the time I felt rather insecure about my identity since I was an Indonesian citizen of Chinese origin, but culturally I was Dutch-oriented because I grew up in a Dutch-speaking family, and had attended Dutch primary and secondary schools.

During my student days at UI, I was member of a Chinese student association as well as a member of a hockey club (UVS, Universitas) where I played with indigenous Indonesian students. In hindsight, my membership in the mainly Chinese student organisation was not wise, since it restricted my association with indigenous Indonesian students. However, it was an indication that in the 1950s the colonial social segregation between the ethnic Chinese and the indigenous Indonesian still persisted.

Initially, life in Indonesia, specifically in Jakarta in the early 1950s, was rather tranquil despite the rivalries between the various political parties. However, the atmosphere changed after the mid-1950s. Latent anti-Chinese sentiments flared up when an ethnic Chinese driver, Ir. Han Swie Tik, beat up an indigenous Indonesian driver, who happened to be a military officer in civilian clothes, after their cars collided. This incident was given wide publicity in the Indonesian newspapers.

Another factor which contributed to the anti-Chinese sentiments were the activities of the Assaat movement. Assaat was a Minangkabau business man who had become president of the Republic of Indonesia after the transfer of sovereignty on 27 December 1949 when the Republic of Indonesia became a constituent part of the United States of Indonesia (*Republik Indonesia Serikat, RIS*). Assaat resigned as president of the Republic of Indonesia when RIS was dissolved and Indonesia again became a unitary state (*Negara Kesatuan Republik Indonesia, NKRI*) on 17 August 1950.

After he became a businessman again, Assaat emerged as a pioneer in the movement to create an indigenous class of entrepreneurs, since he was very concerned about Chinese economic domination dating back to the Dutch colonial period. Through his Assaat Movement (*Gerakan Assaat*), he advocated to restrict Chinese entrepreneurship in Indonesia and demanded special protection for “national companies”, meaning companies owned by indigenous Indonesian businessmen, at the time referred to as *pengusaha nasional* (national entrepreneurs). To achieve this objective, he demanded in a speech at the Congress of National Importers in All Indonesia that all imports should be channelled to national importers, and that in every application for opening a new import firm, priority should be given to national companies. In exporting too, a certain number of export goods should only be exported by national exporters.<sup>6</sup>

As a reaction to the Assaat movement, the *Baperki* (*Badan Permusyawaratan Kewarganegaraan Indonesia*, Organisation to Deliberate Indonesian Citizenship), an organisation of mainly ethnic Chinese led by Siauw Giok Tjan, an ethnic Chinese who had joined the national revolution against the Dutch, was established which criticised Assaat’s views, and argued that ethnic Chinese capital should be considered as “domestic capital”. To strengthen its case and political position, Baperki made a fateful decision to align itself with the Indonesian Communist Party (*Partai Komunis Indonesia, PKI*), which proved to be its undoing after the Coup of 30 September 1965 when it, together with the PKI, was disbanded by General Soeharto. Earlier, the Assaat movement got into disrepute after Assaat joined the PRRI rebellion.

Anti-Chinese sentiments flared up again in 1959 when the Indonesian government issued Government Regulation no. 10/1959 (*Peraturan Pemerintah, no. 10/1959*, referred to as PP. 10/1959). This regulation issued a ban on “foreign”

Chinese (but not on Indonesian citizens of Chinese descent) from retail trade in the rural areas below the district (*kabupaten*) capital. This meant that “foreign” Chinese (non-Indonesian citizens) had to leave the rural areas where they had been living, and move to the district or provincial capitals.<sup>7</sup>

Initially, the implementation of PP. no. 10/1959 was limited to West Java as a pilot project. However, anti-Chinese sentiments flared up when some Chinese resisted their forcible removal from the places where they had been living and working, in which they were encouraged by diplomats from the Chinese embassy. The strong anti-Chinese sentiments during this period led to an exodus of around 200,000 foreign (alien) Chinese and several Sino-Indonesian citizens to China. Many of the latter were persuaded to “return to their homeland” (*huiguo*), China, even though they had lived for generations in Indonesia, because of the clarion call to participate in the reconstruction of a “new China”.

We were very worried by these developments and were not very optimistic about our own future. Leaving the country was not a real option, since we lacked money and did not possess sufficient skills. While a group of prominent *peranakan* Chinese<sup>8</sup> (Sino-Indonesians) advocated *pembaوران* (assimilation) with the Indonesian majority, others, mostly in the Baperki organisation, advocated integration, in which the ethnic Chinese minority would become an integral part of the Indonesian nation, while keeping their Chinese identity.

I myself am a cultural hybrid, an Indonesian national of Chinese origin who is culturally Dutch insofar as cultural orientation is determined by the language one speaks. I spoke Dutch at home with my parents and my two siblings and also with my wife. I am therefore the product of a colonial or, better, post-colonial Dutch education. During my student days I was neither attracted to the “assimilation group” since I interpreted their movement as negating whatever Chinese identity we still had nor to the Baperki group because of their “super-nationalist” rhetoric which sounded hypocritical to me and not credible.

My Dutch teachers at senior high school (SMA-Istimewa), as well as the Dutch professors at FEUI, were excellent teachers without any lingering colonial attitude (*koloniale houding*). Although I was not a brilliant student, my Dutch teachers at senior high school instilled in me a thirst for knowledge and a love for reading, particularly books on history.

*Professor Sumitro Djojohadikusumo is considered to be the doyen of the Indonesian economists. Would you consider yourself as Sumitro’s disciple?*

Yes, of course. Professor Sumitro was the Dean of the Faculty of Economics, University of Indonesia (FEUI) during the first half of the 1950s when I was a student. In the third year I took his course on “Economic Analysis and Public Policy” (*Analisa Ekonomi dan Kebijakan Negara*) and the textbook which we had to read for this course was Sumitro’s own “*Ekonomi Pembangunan*” (Development Economics), which was the first textbook in Indonesia on the subject of development economics. We also had to read his book “*Persoalan Ekonomi Indonesia*” (Indonesia’s Economic Problems), which contained a compilation of his articles on various problems facing Indonesia in the early 1950s.

Although on campus there were some activities by student organisations affiliated with political parties, for instance the *Gerakan Mahasiswa Sosialis*, GMS

(Socialist Student Movement) which was affiliated with the Indonesian Socialist Party (*Partai Sosialis Indonesia, PSI*), of which Sumitro was a member, their activities were not intrusive and did not cause serious political tensions on campus. It was only during the period preceding the PRRI and Permesta rebellions in 1957 that there were heated debates in the public finance class between students from the Outer Regions, particularly from West Sumatra, and the students from Java about the export revenues generated by the Outer Regions. This grievance was still not adequately addressed by the New Order government, since a large part of the export revenues from the resource-rich provinces outside of Indonesia, Aceh, Riau, East Kalimantan, and Papua, still accrued to the central government in Java until regional autonomy was introduced in 2001.

In Sumitro's class on the above "Economic Analysis and Public Policy" we had lively debates on various economic issues. Sumitro was not feudal at all, and tolerated dissenting views on the issues he discussed, including the crucial role of the state in promoting Indonesia's economic development and industrialisation. Professor Sumitro was also instrumental in changing the curriculum of FEUI which was based on the broad-based Dutch model (with more than ten required courses) into a more specialised American-style curriculum with only two required courses, namely economic theory and economic analysis and public policy, and four optional courses. This change in curriculum coincided with the exodus of Dutch professors when political relations with the Netherlands deteriorated.

Foreseeing the exodus of Dutch professors, Professor Sumitro had arranged an affiliation program with the University of California, Berkeley, under which the top graduates of FEUI would pursue postgraduate study in American universities, while American economic professors were assigned to FEUI to teach various courses vacated by the departing Dutch professors. Although these American professors, including Professors Bruce Glassburner, Donald Blake, and Leon Mears, taught only in English, in general we had not much difficulty following their courses. The reason was that our generation of students had mostly been Dutch-educated, and therefore had acquired an adequate degree of English proficiency.

Unfortunately for FEUI, in 1957 Sumitro left Jakarta for Padang when he joined the PRRI (*Pemerintah Revolusioner Republik Indonesia*) rebellion in West Sumatra. Not long afterwards, Sumitro's friend and colleague, Professor Tan Goan Po, who was Secretary of FEUI, also left Indonesia for Hong Kong to join Sumitro, who had gone there after the PRRI rebellion was squashed by the central government. With Sumitro, the Dean of FEUI, Tan Goan Po, the Secretary of FEUI, and several FEUI lecturers still in America pursuing postgraduate studies, it was not surprising that Mohammad Sadli, an FEUI lecturer, upon his return to Indonesia after finishing his Master's study in Economics at the Massachusetts Institute of Technology (MIT) and an additional one-year stay at the University of California, Berkeley, found FEUI almost empty.<sup>9</sup> There were only three Indonesian faculty members left, namely Subroto (who had just returned from McGill University, Canada, with a Master's degree), Sadli, and Maryono. Subroto became Secretary of FEUI; Sadli became Director of FEUI's Institute of Economic and Social Research (LPEM-FEUI), while Maryono was put in charge of educational affairs.

As an economist, Sumitro was fully aware of the dominant economic position of the Chinese in Indonesia. But he was not a racist, although he was in favour of the

affirmative “*Benteng*” (Fortress) Program which was introduced in 1950 by Djuanda, the then Minister of Welfare, to promote the development of indigenous Indonesian (*Indonesia asli*) Businessmen and to counter the dominant position of Dutch business, particularly in the wholesale trade, by reserving the import trade to indigenous Indonesian businessmen.<sup>10</sup> Although the *Benteng* programme was primarily aimed at reducing Dutch economic domination, it was also aimed at restricting the role of Chinese businessmen in the import trade.<sup>11</sup>

While Sumitro did not have any illusions about the effectiveness of the *Benteng* Program, he nevertheless hoped that, while “seven out of 10 indigenous Indonesian businessmen given favourable treatment might turn out to be parasites, three might develop into true entrepreneurs”.<sup>12</sup> Sumitro also recommended that small companies, which were dominated by indigenous Indonesian entrepreneurs, needed strong state support.

The fact that Sumitro was not a racist is indicated by the fact that one of his senior teaching assistants, Tjan Ping Tjwan, was an ethnic Chinese. Another example that Sumitro was not anti-Chinese was the fact that in late 1973 he appointed me as project officer of one of the seven national research projects Sumitro had designed when he became Minister of State for Research in early 1973, namely the research project on Indonesia’s Long-Term Growth Perspectives (*Proyek Perspektif Pertumbuhan Jangka Panjang Indonesia*), referred to as the LTP study. Sumitro later told me that when he reported at a cabinet session about the seven national research projects he was about to launch, including the LTP study, one of the ministers, Ismail Saleh, wondered whether it was wise to entrust this important national research project to a Sino-Indonesian, to which Sumitro responded by stating that I was a trustworthy Indonesian whom he knew very well.

Sumitro had a good sense of humour. At one of the cabinet sessions I had to attend as project officers of the LTP study, I was approached by a military officer who asked me about my identity. Sumitro later joked that the military officer might have suspected that I was a spy from North Korea!

I think Sumitro appointed me since he knew me when we first met again after eleven years (I last saw him in November 1956 at FEUI during the oral examination on his course “Economic Analysis and Public Policy” for which he gave me only a “near pass” grade) in 1967 in Madison, Wisconsin, when he visited his eldest daughter Bianti. Bianti was studying at the University of Wisconsin, just like me and J. Soedradjad Djiwandono, my room-mate in Madison, who later married Bianti. Although Sumitro was still in exile, living in London at the time, he was in a happy mood because of the advent of a new anti-communist regime which had toppled Sukarno, Sumitro’s political enemy. During our meeting, Sumitro elaborated on his views about the required economic policy measures to restore macroeconomic stability in Indonesia and rehabilitate the dilapidated infrastructure.

*Could you tell us more about the LTP study in which you got involved as project officer?*

The analytical framework and approach of the LTP study was that the long-term development of Indonesian society is determined by three basic variables, namely Indonesia’s human resources, natural resources and technological development. The interaction of these three factors affects the development of Indonesia’s nation-

al income, employment opportunities, the standard of living in Indonesia, and the environment. In addition, this study would also take into account the impact of external dynamics, including international and regional developments. The objective of this LTP study was to identify the major problems which Indonesia would face in the next few decades, specifically covering the periods 1975-85 and 1985-2000, and the alternatives open to Indonesia to overcome these problems. The study would cover the period as stipulated in the General Guidelines of State Policy (*Garis-garis Besar Haluan Negara, GBHN*).<sup>13</sup>

Sumitro hoped that the Five-Year Development Plans (*Repelita*) could be embedded in the long-term perspective plan of the LTP study, since the long-term implications of population and labour force growth on the Indonesian economy and the material well-being of Indonesia's population could only be estimated by the LTP study. Sumitro was therefore disappointed when Professor Widjojo, the chairman of Bappenas, Indonesia's planning agency, did not seem interested in the findings of the LTP study.

To prepare myself for this assignment, in June 1974 Sumitro instructed me to accompany him on a two-week visit to three East European socialist countries, namely Rumania, Hungary, and Poland. According to Sumitro, visiting these socialist countries would be important for me, since, as centrally-planned economies, they would have designed long-term perspective plans in which their five-year plans were embedded.

During the strongly anti-communist New Order era, it was very difficult to visit communist countries, even for an assistant of a cabinet minister accompanying a minister. Hence, before being allowed to accompany Sumitro, I had to undergo a long screening procedure during which I had to fill out a very long questionnaire containing questions about the background of my parents, my grandparents from both sides, my younger sister and brother, my student activities, the organisations of which I was a member, and other information which might indicate whether or not I had communist links or sympathies. After I was cleared, I was finally able to accompany Sumitro on his East European tour.

Usually cabinet ministers visiting foreign countries are accompanied by a group of assistants, but on this trip I was the only assistant accompanying Sumitro. During the trip to Eastern Europe I was impressed with the work ethic of Sumitro. Every night during dinner at the hotel, we exchanged notes about the discussions we had had with the Rumanian, Hungarian, and Polish government officials in charge of science and technology. There was no small talk during these discussions, it was all pure business. However, one pleasant experience during our visits to Bucharest, Budapest, and Warsaw was that in each of these three cities, our Rumanian, Hungarian, and Polish hosts entertained us with a beautiful opera performance.

Another matter which impressed me as well as the staff of the Indonesian embassies in these three countries was that Sumitro categorically refused to receive any additional pocket money offered to him (and me) by the Indonesian embassies, telling them we had already received adequate funds from the Indonesian government to cover our travel and hotel accommodation expenses.

For me, it was an exciting trip, since I had never visited any communist country before. In fact, I was visiting *terra incognita*. With the consent of Sumitro, I was allowed to visit also the German Democratic Republic (East Germany) after the

visits to the three above countries. I explained to Sumitro that I was curious to visit the GDR since I had taken German lessons at the Institute for German Language at the Embassy of the GDR in Indonesia. In the GDR I was fortunately taken care of by helpful diplomats of the newly-opened Indonesian embassy in East Berlin. During my stay at East Berlin, my host was Professor Helmut Faulwetter, former GDR ambassador to Sri Lanka, and Rector of the “*Hochschule für Ökonomie ‘Bruno Leuschner’*” in Pankow, East Berlin, who introduced me to Dr. Herbert Molitor, an expert on long-term perspective plans in socialist countries.

*What happened with the Economic History Department at UI after all Dutch professors had left Jakarta?*

Before Professor Van der Straaten returned to the Netherlands in 1957, he had chosen two of his teaching assistants, Drs. Tan Goan Tiang and Frits Tan, to replace him as lecturers in economic history at FEUI. Since Frits Tan was at the time pursuing postgraduate study at the University of Syracuse (New York, USA), Tan Goan Tiang was assigned to teach economic history, for which he needed two teaching assistants. Tan then asked Kartomo and me to become his teaching assistants. So in late 1957 I became part of the staff at FEUI. Things abruptly changed in early 1958, when I was called to Subroto’s office, who was Secretary of FEUI at that time.<sup>14</sup> Subroto had discovered that I had passed the “candidate” (third years) exam with the grade: *ragu-ragu* (with doubts). Due to the “near pass” grade Sumitro had given me at the third year’s exam, Subroto said it would not be possible for me to be appointed as teaching assistant at FEUI, which was quite a disappointment for me.

A funny thing happened two decades later after I had been appointed by Professor Sumitro as project officer of the LTP study, when he introduced me as “one of his brilliant students”. I was embarrassed and whispered to Sumitro: “Pak Sumitro, I passed the ‘kandidat’ exam with a *ragu-ragu* (with doubts) judgement because I got an insufficient grade from you.” Sumitro laughed and said: “Is that so?” Afterwards, he did not introduce me again as one of his “brilliant students”.

*What happened after you were fired at UI?*

After being fired, I spent my free time at the Library for Social and Political Sciences on Medan Merdeka Selatan 11, adjacent to the premises of the Indonesian Science Council (*Majelis Ilmu Pengetahuan Indonesia, MIPI*). The library was a paradise with many books on economics, history, politics, and the like I loved to read, including two fascinating books on the start and end of the Pacific War, namely Herbert Feis’ *The Road to Pearl Harbor* and Robert Butow’s *Japan’s Decision to Surrender*, and the whole set of Samuel Elliott Morrison’s books on the Pacific War. At the library I met some staff members from MIPI, which was the highest scientific body in Indonesia and the successor organisation of the *Natuurwetenschappelijke Raad van Nederlandsch-Indië* (*Council for the Natural Sciences in the Netherlands Indies*) established in 1928 in Batavia. Since I wanted to work at a scientific organisation, I explored the possibility of working at MIPI after my graduation from FEUI. Through two staff members of MIPI, Drs. Eddy Masinambow and Drs. Adri Lapian, I was introduced to Professor Sudiman Kartohadiprodjo, the executive director of MIPI, to whom I applied for a job at MIPI. Professor Sudiman was a very kind per-

son, but exclaimed in Dutch: “*Wat ben je toch een rare Chinees!*” (What a strange Chinese are you!) when I assured him that I did want to work at MIPI despite the low salary (Rp. 1,405 at the time). In my job at MIPI where there were only indigenous Indonesian colleagues with whom I became lifelong friends, including the late Eddy Masinambow, Adri Lopian, Achie Luhulima, and the late Luwarshih Pringgoadisurjo. At MIPI, I for the first time felt fully accepted as an Indonesian, despite my Chinese background, and for this reason I finally felt comfortable with my identity as an Indonesian without disavowing my Chinese origin.

*What was your position at MIPI?*

I was the assistant of Eddy Masinambow, Head of the General Section (*Bagian Umum*) of MIPI. We shared the room with Drs. Sartono Kardodirdjo. He was not yet famous at that time. At MIPI I learnt how to write letters in English by reading carefully the English letters of Eddy since he had studied English literature at the University of Indonesia. After Eddy left for the US to pursue postgraduate study in ethno linguistics at Yale University, I became secretary to Prof. Sarwono, MIPI's chairman. I was rather apprehensive of Professor Sarwono, a great scholar who did not talk much, never smiled, a real *priyayi* who combined the best *priyayi* values with the Calvinist values he had absorbed due to his Dutch education, since he worked very hard and had high, personal integrity.

MIPI's executive director, Professor Sudiman Kartohadiprodjo, was a very kind but also a hard-working man who also had high personal integrity. My senior colleagues, the late Eddie Masinambow, Adri Lopian, Achie Luhulima, and the late Luwarsih Pringgoadisurjo, were also hard and conscientious workers and very honest, so they and my superiors Professors Sarwono and Sudiman were good role models for me. They were the reason why I liked staying in MIPI (later LIPI) for half a century (1 September 1959-present). However, my five decades at MIPI/LIPI can also be considered as an utter lack of dynamism on my part.

Unlike my student days when I mixed mostly with ethnic Chinese students, at MIPI/LIPI my friends and colleagues were *pribumi* (indigenous) Indonesians with whom I felt very comfortable. I am sure that most of them just consider me as any other Indonesian, only with a Chinese name.

*So you were firmly attached to MIPI/LIPI. How did you manage to go abroad?*

After I had worked as Professor's Sarwono's secretary for one year (1961-2), I asked him whether I could join the newly-established *Lembaga Ekonomi dan Kemasyarakatan Nasional* (LEKNAS, National Institute of Economic and Social Research). In its Eight-Year Comprehensive Development Plan, the National Planning Council (*Dewan Perancang Nasional*) had assigned MIPI to also establish seven research institutes, including LEKNAS, which would be doing research on the development problems facing Indonesia.

But my sole obsession after graduation from FEUI was to study abroad! I was not interested in getting settled. When Dutch enterprises were taken over in late 1957 following the breakdown in Indonesia-Dutch relations on account of the acrimonious dispute about West Irian (now Papua), all Dutch books had gradually disappeared from the bookshops, while the Sticusa library was closed. With the increasing leftward drift of President Sukarno, relations with the Socialist countries,

including the Soviet Union and the People's Republic of China blossomed. In the early 1960s, the bookshops in Jakarta displayed only a dwindling number of Western books which, instead, were replaced by Soviet and Chinese books and journals. In a bookshop on Jalan Kebon Sirih I bought several Soviet and Chinese books, including Lenin's *Imperialism, the Last Stage of Capitalism*, the stirring *Communist Manifesto* written by Marx and Engels, and the four Collected Works of Mao Zedong. All these communist books were burned by my father and sister after the anti-communist New Order government took power.

Since at the time it appeared impossible to go to a Western university, I looked for possibilities to study at a university in the Soviet Union or at one of the East European Socialist countries. In the above bookshop I had purchased a book on the intellectual life at Lomonosov State University, Moscow. I was attracted to studying in the Soviet Union and sent a letter of application together with a certificate of good health, written by a friend of mine who was a physician, to Patrice Lumumba University, Moscow, which the Soviet government had established in response to the establishment of the East-West Center in Honolulu, Hawaii, by the American government. However, I never received a response from Patrice Lumumba University, maybe because I had not channelled my application through the proper network.

During the early 1960s the working hours of MIPI, just like the other government agencies, were from 7am to 2pm. Since I had ample free time after that, I utilised those hours to take free lessons in Chinese at the Indonesia-China Friendship Society and German lessons at the Institute for German Language at the Consulate General of the German Democratic Republic (DDR).<sup>15</sup> Since I liked the German lessons more, I quit taking Chinese lessons after one year, but continued with the German lessons.

Although my academic record at FEUI was not excellent, somehow I excelled in these German lessons, and received the highest grade, excellent (*ausgezeichnet*) for both my *Grundstufe* (basic) and *Oberstufe* (advanced) German grammar exams. After I had passed the *Oberstufe* exams, my German teacher, Herr Schumann, called me to his house on Jalan Cicurug, and said: "*Herr Thee, ich lade Sie ein, an der Karl-Marx-Universität zu Leipzig zu studieren.*" (Mister Thee, I have the pleasure to invite you to study at the Karl Marx University in Leipzig). I was happy to receive this news, but my mother was quite concerned since she was worried about my infatuation with socialism. I had received several books from my East German teachers, including a book on the universities in the GDR, including Humboldt University (Berlin), Karl Marx-University (Leipzig), and Friedrich Schiller University (Jena).

In the German lessons we were of course not taught anything about the tenets of Marxism-Leninism, because it would have immediately led to the closure of the German Language Institute and the expulsion of the East German teachers. But in the East German textbooks we read about the great economic strides of the GDR which had made it the eighth-largest industrial power in the world; the role of Thomas Münzer in the Peasants' War (*Bauernkrieg*); the Battle of the Peoples (*Völkerschlacht*) against Napoleon's army near Leipzig, etc.

*But in the end you went to the States and not the GDR, right?*

Indonesia's relations with the West were bad in 1963, particularly after the con-

frontation with Malaysia. However, the Ford Foundation tried to keep a presence in Indonesia through people they knew and trusted, including the economists of FEUI, including Widjojo Nitisastro, Moh. Sadli, Ali Wardhana, and Emil Salim, all of whom had studied in the US on Ford Foundation scholarships and who, upon their return to Indonesia, had been asked to become members of the Board of Advisers of LEKNAS by Professor Sadarjoen Siswomartojo, the first Director of LEKNAS. Since LEKNAS had recruited a number of young, inexperienced researchers, including me, these advisors of LEKNAS deemed it important to send us overseas for post-graduate study to enhance our research competence.

In view of the unexpected possibility to study in the US, where no one went anymore since relations with the US and the UK worsened after Indonesia's "Crush Malaysia" campaign, I abandoned my plans to study in the GDR. I told my East German teacher, Herr Schumann, a very nice man, that I was offered a scholarship by my office to study in the US. Herr Schumann was very understanding, even though he must have been a little disappointed. However, a few years after my return to Indonesia, I happened to meet Herr Schumann again in Jakarta in 1972, since he had been reappointed as head of the *Institut fuer Deutsche Sprache* (Institute for German Language) with the GDR embassy. Herr Schumann invited me to participate in a "German conversation circle" (*Konversationszirkel*). I gladly accepted this invitation since it would give me a good opportunity to improve my German proficiency. I participated in this conversation group until 1980, which accounts for why I still retain some German proficiency, even though it has naturally deteriorated over time.

Through the Harvard Development Advisory Service (Harvard DAS), which later became the Harvard Institute of International Development (HIID), the Ford Foundation offered scholarships to the young researchers at LEKNAS, including the late Harsja Bachtiar, Mely Tan, Taufik Abdullah and me. Before being selected as recipients of the Ford Foundation scholarships, we, the young researchers, had first to undergo an English proficiency test at the Jakarta office of the USAID (United State Agency of International Development), a psycho-test, and interviews by members of LEKNAS's Advisory Board and by Professor Gustav Papanek, the Deputy Director of Harvard DAS. I myself was interviewed by Professors Widjojo Nitisastro, Mohammad Sadli, and Koentjaraningrat, who peppered me with various questions to test my suitability for postgraduate study in the US.

When I mentioned to these interviewers that I wanted to specialise in Economic History, one of the members said that the University of Wisconsin at Madison was the university I should choose, since it offered a Graduate Program in Economic History.

*So you left Indonesia for Wisconsin when Suharto was not yet in power and when political tensions became grimmer and an economic crisis and inflation were about to hit the country.*

I left Indonesia in June 1963, shortly after anti-Chinese riots in various places on Java had taken place. I departed with mixed feelings because of my concern about my family. When I arrived in America, I thought I had landed on a foreign planet. It was so exciting in view of the huge differences between advanced America and backward Indonesia. Nowadays Indonesian students, particularly those living in the

big cities like Jakarta, who are going to America or any other advanced countries are not that impressed anymore because in Jakarta and other big cities you now find toll roads, over- or underpasses for the fast-moving traffic, many luxury cars, modern supermarkets and garishly opulent shopping malls, all the outward trappings of modernity which were not there in the early 1960s.

Before going to Wisconsin, I had first to participate in an Orientation Program for Foreign Economics Students at the Economics Institute, University of Colorado, Boulder, a nice, quiet American college town at the feet of the spectacular Rocky Mountains. I was the only Indonesian student at the Economics Institute, where I met thirteen fellow students from Japan, my first acquaintance with young Japanese. What impressed me about them was that they, though still in their twenties, were busy discussing the future of their country, including the “Doubling the National Income of Japan” plan which had just been launched by Hayato Ikeda, the then Japanese Prime Minister. From them I learned the words “*Sekai Ichi*” (number one in the world!) So, only eighteen years after Japan’s ignominious defeat in the Pacific War, these young Japanese were already imbued with their strong aspiration to make Japan “*Seikai Ichi!*” Even though defeated in the Pacific War, these young Japanese students had the feeling that they were a superior nation, since they were discussing a book by Isaiah Ben Dasan which had just come out, namely *The Jews and the Japanese*. What distinguishes us Indonesians from these Japanese as well as the Koreans is that we lack the determination and serious effort to become “*Nomor Satu Di Dunia*” (Number One in the World). Is it because Indonesia is, unlike resource-poor Japan and South Korea, a resource-rich country and therefore may suffer from the “Resource Curse” mentioned in economic literature?<sup>16</sup> Because of its abundant natural resources, Indonesia has thus far been unable to build a strong and internationally competitive manufacturing sector, unlike resource-poor Japan, South Korea, and Taiwan. The relative ease of exporting primary commodities up to the present has diverted us from focusing our minds and efforts on building highly efficient and internationally competitive manufacturing industries on a sustainable basis.

I was sent to Wisconsin to obtain my Master’s degree within two years, with the warning that I would have to return to Indonesia if my examination results were not adequate. However, when I was able to finish my Master’s study within one year, I requested Professor Sadarjoen, Director of LEKNAS, whether I could utilise the second year to work towards the Ph.D. degree. I asked my academic supervisor Professor Rondo E. Cameron, an eminent economic historian, whether he would support my application. Although my MA exam results were not brilliant, Professor Cameron considered my exam results (in economic theory and economic history) adequate, so he kindly wrote a letter of recommendation for me.

Since Professor Cameron in 1965 was leaving for Chile to become a Visiting Professor at the University of Santiago, I asked Professor Jeffrey Williamson, a brilliant practitioner of the “new economic history”, sometimes referred to as “cliometrician” because of his explicit use of economic theory and econometric methods in his historical research, to become my academic supervisor. However, when he too left for the Philippines for a year, I asked Assistant Professor John D. Bowman, also a cliometrician, to become my academic supervisor. After Professor Williamson returned from the Philippines, I asked him to be one of my thesis readers besides

Professor Robert Baldwin, a famous expert on international trade and economic development.

Professor Baldwin had written a well-known textbook on economic development and a book on the economy of Northern Rhodesia, which is now Zambia.<sup>17</sup> In this book Baldwin presented a development theory which he called the “export technology hypothesis” which in some ways was somewhat similar to Douglass C. North’s location theory, namely that the production function of a primary commodity in an export-oriented region determines the subsequent development pattern of that region. He distinguished between the production function of an export-oriented mining industry which is capital-intensive, labour saving, employing only a few relatively skilled, local workers, people (which gives these local workers the opportunity to learn new skills) and the production function of an export-oriented plantation industry which is labour intensive, employing lots of unskilled workers, with little spill over effects in terms of skill formation but with potentially large final demand repercussions.

Since Professor Baldwin in his book had discussed the impact of Northern Rhodesia’s export-oriented copper industry on Northern Rhodesia’s pattern of development, I decided to elaborate in my Ph.D. thesis on the impact of the export-oriented plantation industries (tobacco, rubber, oil palm, tea and Manila hemp) on Sumatra’s East Coast as a case study.<sup>18</sup> In the Netherlands Indies, Sumatra’s East Coast during the second half of the nineteenth century emerged as the most important plantation region, generating the largest amount of export surplus for the Dutch colonial government. In fact, Professor Anthony Reid, formerly from The Australian National University, Canberra, called Sumatra’s East Coast the “Jewel in the Dutch imperial crown”.

Until the end of the nineteenth century, Sumatra’s East Coast was a monocultural export region, cultivating only tobacco, specifically the much-sought Deli tobacco wrapper leaf. However, by the end of the nineteenth century Sumatra’s East Coast experienced a new phase of export expansion caused by the boom of perennial crops such as rubber, oil palm, tea, and Manila hemp. I based my research on archival material which was available in the vast Wason Collection in the Olin Library of Cornell University in Ithaca, New York, where I spent five months in the summer and early autumn of 1967.

Altogether, it took me six years, including my Master’s study, to get my Ph.D. degree. Although it was really a tough study, particularly because I was not very proficient in the use of advanced quantitative techniques required in the study of modern economics, I quite enjoyed my time in Madison, a beautiful medium-sized town of around 300,000 inhabitants located between four lakes. For this reason Madison was very cold during winter, with the temperature always below zero Fahrenheit during January. However, I was quite healthy in that invigorating climate. When I was not studying at the University Library, where I stayed most of the time until late in the evening except on Saturday evenings and Sunday mornings, I spent my free time mostly with fellow Indonesian or foreign students. On Saturday evenings we dined at a Chinese restaurant or at a pizzeria, watched films or went bowling. During my first year in Madison, I shared a very small flat with a Japanese student, a very hard-working student, who was also very attractive to girls. He taught me how to cook *ramen* (instant noodles). I sometimes took him to the weekend gathering of

my fellow Indonesian students, where he heard them talking about buying cars or tape-recorders besides their discussions of political developments in Indonesia. My Japanese room-mate was critical of that talk, and told me that Indonesian students should spend more money on buying many books to expand their knowledge, just as Japanese students did during the Meiji era when they were sent abroad for further study.

In August 1968, I was hit twice by bad news. First, the Institute of International Education (IIE), the New York-based institute which administered our scholarships, informed me that my scholarship would be terminated since the scholarship only provided money for a five-year Ph.D. study. Second, my academic supervisor said that chapter 4 of my dissertation was unsatisfactory and needed to be revised substantially. Since I had saved enough money from my scholarship, I asked both my director at LEKNAS and my supervisor whether I could stay on at my own expense. From the 220 dollars I received each month, I had been able to save 100 dollars a month. I further sold my old Volkswagen and my fridge, and the room I had rented from an old, kindly man cost only 40 dollars a month. Fortunately, both my director at LEKNAS and my academic supervisor agreed and I was able to finish the dissertation in due course. In mid-1969 I even received the pleasant and unexpected news that the Institute for International Education (Ford Institute) had agreed to resume my scholarship for a few months after I had reported to my LEKNAS director that my thesis committee had in principle approved my draft thesis, subject to a few revisions. Upon return to LEKNAS in late September 1969, I learned that my good friend and colleague Soedradjad had pleaded with our director to request the IIE to resume my scholarship for a few more months, for which I am very grateful to him. I defended my dissertation successfully on 9 July 1969, and from that day on I had a Ph.D. degree in Economics from one of America's leading universities.

*Did you hear in Wisconsin about the growing anti-Chinese sentiments and the 1965-6 killings?*

In Madison we Indonesian students were living quite disconnected from Indonesia, since international phone calls were too expensive while correspondence by e-mail was still a few decades off. The only way of communicating with my family and friends back in Indonesia were frequent letters to my parents. For two years (1965-7) I shared a flat with J. Soedradjad Djiwandono, a very nice friend with whom I forged a close friendship which has lasted until today. We talked about the anti-Chinese riots following the 30 September 1965 coup, since I was really worried. Although I toyed fleetingly with the idea of seeking asylum in the US, I also felt that I had a moral obligation to my institute which had sent me to the US and had allowed me to finish my Ph.D. study. I also wanted to go back to Indonesia to meet my parents and siblings again after six long years, even though I was apprehensive about the future for the ethnic Chinese in Indonesia.

After the Coup of 30 September 1965 we Indonesian students talked a lot about the political events in our country. They were happy and relieved that events had turned for the better when the Communist Party was destroyed. Because information from Indonesia was scarce in America, we only learned about the horrifying massacres in Java and Bali from reading the American newspapers. While I was relieved that Indonesia would not become a communist country, I was quite con-

cerned about the anti-Chinese riots which followed in the wake the September 1965 Coup in which the People's Republic of China was allegedly involved.

Two measures by the Soeharto government in particular upset and angered me, namely the change from the term "*Tionghoa*" into "*Cina*" which the ethnic Chinese considered insulting, and the appeal, if not outright coercion, on the Sino-Indonesians to drop their Chinese names and adopt new Indonesian names. The argument put forward by this measure was that it would make the ethnic Chinese "less visible" and more acceptable to the indigenous Indonesians.

Even though at first the change in name from *Tionghoa* into *Cina* was unpleasant, over time it has lost its derogatory connotation. After all, for indigenous Indonesians pronouncing the word *Tionghoa* is difficult and, more important, when they refer to "*orang Cina*" (Chinese), they don't mean to insult the Chinese, just like when they refer to "*orang Belanda*" (Dutchmen) or "*orang Jepang*" (Japanese). In Malaysia too, where Chinese are referred to as "*Cina*", the Chinese are not insulted at all. Moreover, whenever an ethnic group, like the ethnic Chinese, insists on being called "*Tiong Hoa*", while ordinary people use the term *Cina* without intending to insult the ethnic Chinese, the Chinese should not insist on being called *Tiong Hoa*. So I use the word *Cina* often, but when I write papers about China, I write "*China*", which the Chinese embassy requested when diplomatic relations between Indonesia and China were restored in 1991. This request was turned down by the Indonesian government, unwisely I think, since apparently on paper the word "*China*" does not look as derogatory as "*Cina*".

Another event which upset me at the time was when the Soeharto government urged, if not forced, the Sino Indonesians to change their Chinese names into Indonesian names. I was upset since my younger sister and younger brother changed their Chinese names into Indonesian names, although my father refused to do so. Sometime after this announcement about changing names, I received a letter from the Indonesian embassy in Washington, D.C., advising me that I should change my Chinese name into an Indonesian name. I got really angry, tore the letter to pieces and threw it in the rubbish bin. I thought at that moment: "*I cannot and will not disavow my ethnic background, and will remain Thee Kian Wie, a name given to me by my parents. I am an Indonesian of Chinese origin, neither better nor worse than any other average Indonesian.*" After all, the national motto of our country is "*Bhinneka Tunggal Ika*", which means "Unity in Diversity". However, I must say that in all these years I have never experienced any unpleasant incident with my name, since all people who know me have always treated me as any other Indonesian.

I think, however, that Indonesia has not yet, in its national self-image and rhetoric, stated explicitly that Indonesians of foreign origin (Chinese, Dutch, Indian, Arab) are integral parts of the Indonesian nation like the ethnic groups from the various regions. Pointing out this obvious fact would, I think, over time facilitate the acceptance of Indonesians of foreign origin, particularly the Sino-Indonesians, as full-fledged Indonesians.

*You returned to Indonesia in late September 1969. What did you notice?*

I was very happy seeing my parents and my two siblings again after so many years. At the same time it was a strange feeling of being back in Indonesia after six long

years. I found my institute, LEKNAS/LIPI in Jakarta, almost empty, since almost all of my colleagues who were economists and had returned earlier to Indonesia had been recruited as staff members by Bappenas, the National Planning Board, the Ministry of Trade, and other government institutions, while another one had left to work in the World Bank in Washington, D.C. Only one other economist, Julian Luthan, was left in LEKNAS. I was warmly welcomed by Harsja Bachtiar, the acting director of LEKNAS, since Professor Widjojo, the second director of LEKNAS, was now an influential Economics minister in charge of Bappenas, the National Planning Bureau.

The first large research project which was assigned to me by Harsja Bachtiar upon my return to Indonesia was to conduct a regional economic survey of the province of South Sumatra. Since we lacked the skills to conduct a regional field survey, Harsja Bachtiar made an agreement with Professor Shinichi Ichimura, Director of the Center for Southeast Asian Studies, Kyoto University (Kyodai), to make this survey a joint survey between LEKNAS and Kyodai. Since the regional survey was to be held in South Sumatra, Harsja also arranged a similar agreement with the Dean of the Faculty of Economics, Seriwijaya University (FE-Unsri), in Palembang, under which a few lecturers and students of FE-Unseri would also participate in this joint field survey, since they had a better knowledge of the local conditions of South Sumatra.

The cooperation with Professor Ichimura, a redoubtable scholar, and other Japanese researchers was tough but also very fruitful, since we gained valuable knowledge about how to design and conduct a field survey. We travelled with our research team to South Sumatra—it was my first visit to that region—in order to estimate the regional income by estimating the value added of all the economic sectors of the South Sumatran economy, including agriculture, mining, manufacturing, construction, and the service industries.

I soon noticed that the Japanese were quite different from Americans. First of all, Professor Ichimura, the leader of the joint LEKNAS-Kyodai-Unseri team, was very authoritarian. We had a senior-junior relation, what the Japanese refer to as an *oyabun-kobun* relationship, with professor Ichimura being the senior, the *oyabun*, while we Indonesian researchers were the juniors, the *kobun*, who were expected to obey Professor Ichimura and Mr. Hiroshi Midzuno, the statistician, who designed and oversaw the field survey. Professor Ichimura exhorted me and my colleagues: “Thee, you have to work hard!” We were rather afraid of him, but also respected him because of his dedication to the work he had undertaken, his considerable knowledge about the subject and his hard work.

Since I was the coordinator of the LEKNAS team, I was sometimes squeezed between the demands of Professor Ichimura to work hard and my colleagues who sometimes rebelled at being ordered by Professor Ichimura. We worked eleven hours per day. It was a great learning period. For the first time, I learned how to conduct a field survey which we learned from the best statistician of the Japanese Statistical Bureau, Mr. Hiroshi Midzuno, a tough task master but kind-hearted man. All of them spoke fluent English. Prof. Ichimura had received a Ph.D. in Economics from MIT and a second doctorate in Economics from Osaka University to make his father happy, professor Ichimura told me later. The project on the regional economic survey of South Sumatra led to my first publication which came out in Jakarta in

1975 entitled “The Regional Economic Survey of the Province of South Sumatra, 1970-71”, which I edited with Professor Ichimura, and was published by LIPI.

Later in 1976-8 a similar regional survey was conducted in the province of North Sumatra, involving Professor Ichimura, Mr. Midzuno and Professor Sugiura Ippei, and the Faculty of Economics, University of North Sumatra. The coordinator of the LEKNAS team was my good friend, the late J.L. Tamba. During this survey, our survey team visited all the *kabupaten* (districts) in North Sumatra, except Nias. These surveys gave me a good opportunity to visit various parts of Sumatra which I otherwise might never have visited.

*In 1976 you also came to the first Dutch-Indonesian history conference in Noordwijkerhout. How did it feel to be in the Netherlands? How did the get-together with some of the Dutch historians go?*

It was my first contact with Dutch scholars. My first impression was that they were naturally rather different than Americans, more formal and reserved, but also friendly and courteous. I became friends with several Dutch historians, including Cees Fasseur who kindly gave me his doctoral dissertation on *Kultuurstelsel en koloniale baten – De Nederlandse exploitatie van Java 1840-1860* (The Cultivation System and Colonial Profits – The Dutch exploitation of Java, 1840-1860). At that Conference I met Mr. Creutzberg who before the war had worked at the Statistical Office in Batavia and at an advanced age had undertaken the arduous task of continuing the work initiated by Mr. W.M.F. Mansvelt, the pre-war head of the Statistical Office, to continue and re-edit the long-time series on the Indonesian economy. The outcome of this enormous effort was the publication of fifteen volumes entitled *Changing Economy in Indonesia – A Selection of Statistical Source Material from the Early 19th Century up to 1940*. These volumes contain valuable statistical data on various aspects of the Indonesian economy during the Dutch colonial period, which are essential to economic historians on Indonesia. In a way they are similar to Japan's Long-Term Economic Series which were prepared by the redoubtable Professor Kazushi Ohkawa and his colleagues at Hitotsubashi University. Mr. Creutzberg, a very kind man, took a fatherly interest in me, and wanted me to join his group working on the *Changing Economy in Indonesia* series in view of my interest in Indonesia's economic history. I had to decline this tempting invitation, since I was at the time still Assistant Director at my institute, LEKNAS-LIPI.

Before the Conference we first came into contact with a young, cheery Dutch historian, Leonard Blussé, who was the efficient organiser of the conference. Leonard became a good friend of Adri Lapien, one of Indonesia's most eminent historians whom Leonard called Oom Adri (uncle Adri), and me. During one of his first visits to Indonesia, Leonard visited my parental home and got to know my parents. During the conference I also came in contact with Jouke Wigboldus from Wageningen Agricultural University with whom I commenced a lively correspondence about our interest in economic history in the years after the conference. He had arranged the publication of the two volumes on Indonesia's sociological and economic history by D.H. Burger. I also became friends with Gé Prince from the University of Groningen who was a really nice man. However, it was only in September 1984 at a Conference on Indonesia's Economic History at the University of Groningen that I got to know Dr. J. Thomas Lindblad, who became my closest

colleague in the Netherlands because of our joint work on Indonesia's modern economic history.

*In 1978 you were fired as assistant director of LEKNAS-LIPI—what happened?*

One day in early 1978 the famous poet and playwright Rendra visited our institute. He knew Taufik Abdullah from Cornell University, but I did not know him. He asked Taufik, and through Taufik also our colleague Dr. Mely Tan and me, to sign a petition addressed to Adam Malik, who was at the time chairman of the parliament, and to Admiral Soedomo, who was Head of the feared Kopkamtib (*Komando Operasi Pemulihan Keamanan dan Ketertiban*—the Operational Command for the Restoration of Security and Order; that is, the internal security force), requesting the government to lift a ban it had imposed on eight newspapers and weeklies for publishing what the government considered inflammatory articles. The petition also contained a request to free all the student leaders who had been arrested for organising protest demonstrations against the government. Rendra had promised us to hand the appeal over solely to Mr. Adam Malik and Admiral Soedomo. However, Rendra did not keep his word since he also gave the appeal to an ABC (Australian Broadcasting Corporation) correspondent. As a result, the following evening ABC Radio in its Indonesian program reported this appeal and mentioned the thirteen signatories, including Taufik, Mely Tan, and I, who were the only government civil servants. The second head of LIPI, Professor Bachtiar Rifai, was angry about our actions, which had upset the government. Not long afterwards, we (Taufik, Mely, and me) were summarily relieved from our official functions, which a colleague, Dr. Hilman Adil, called a “massacre”. Besides being relieved of my function as assistant director of LEKNAS, I was also relieved of my function as project director of the LTP study. I went to Professor Sumitro and apologised to him for causing him difficulties. Knowing Professor Sumitro well, I ventured to say, “I am very sorry for causing you this difficulty, but I only signed a petition, while you rebelled against the central government”. To my relief Professor Sumitro just laughed and shook his fist at me.

Taufik, Mely, and I owe it to the Deputy Chairman of LIPI for the Social Sciences and Humanities, the late Professor Harsoyo, for defending us to the late General Benny Moerdani, head of intelligence, so that we were not fired right away as public servants. Professor Harsoyo suggested to me to look for an opportunity to go overseas for awhile to allow things to cool down.

Quite coincidentally I heard about a study seminar on the *New International Economic Order* to be held at the Institute of Development Studies (IDS) at the University of Sussex, Brighton, UK. I applied for a short-term fellowship from The British Council to enable me to go to IDS, and had to take a really tough English exam which I thought I would never pass. I said to myself: “You have lived for six years in America, so it would be a shame if you fail.” In the end, I passed, to my surprise, with very good results, and went for two months to IDS at Sussex University. There I got access to an entire new body of British literature on development issues on Africa and Southeast Asia which I was not aware of when I studied in America. The study seminar was led by Professor Hans Singer, one of the great pioneers of development economics and a very kind man, and Professor Reginald Green. I learned a lot from the study seminar which lasted one month. I spent the second month writing a paper on the basic needs approach under the guidance of

Professor Singer. I really enjoyed those two months in England, and every weekend went to London, visiting museums, watching concerts, musicals, and plays and enjoying delicious Greek, Turkish, and Indian food—all kinds of exotic food not available in Indonesia.

*What happened after your return to Indonesia in late 1978? Did you face any problems?*

There was no problem at all, since I just returned to LEKNAS-LIPI as a researcher, which I liked much better than being an administrator. I was also asked by the United Nations Economic and Social Commission for Asia and the Pacific (ESCAP) to participate in a comparative study on technological transfer from the transnational corporations (TNCs) to their host countries. This was a controversial topic because foreign investors were often accused of not transferring technology. I wrote a report which was published by ESCAP. I looked at the training skills of local managers and workers, the extent to which foreign TNCs procured intermediate inputs from local supplier firms (i.e. the stimulation of backward linkages), and the adjustment of process technologies to local conditions. I also did consultancies with the World Bank, the Jakarta Office of the International Labour Organisation (ILO), the United Nations Centre for the Study of Transnational Corporations (UNCTC), the Foreign Investment Advisory Service (FIAS), and The Asia Foundation, which enhanced my knowledge of practical economic issues faced by these organisations.

*Your Australian link was also established in 1979, right?*

In 1979 Dr. Peter McCawley (Research Fellow at the Department of Economics, Research School of Pacific Studies, The Australian National University, Canberra) sort of “discovered” me, because I had started writing papers in English, including a chapter on the State of Economic Education and Research in Indonesia which was included in the book *Social Sciences in Indonesia*, Volume 2, which was edited by the late Professor Koentjaraningrat, Deputy Chairman of LIPI for the Social Sciences and Humanities, and published by LIPI in 1979.

Dr. McCawley suggested to Professor Heinz W. Arndt (a German-born Jew who was the redoubtable Head of the Department of Economics, Research School of Pacific Studies, The Australian National University (ANU), Canberra) to invite me to ANU for one year as a visiting fellow with the Indonesia Project. So I, just married for a year with Tjoe, my wife, visited ANU in October-November 1980 for four weeks and then in 1982-3 for one year. During that year I wrote a long paper on Regulating Foreign Direct Investment in Indonesia, a part of which on Japanese Direct Investment in Indonesia was published in the Special Issue of BIES, August 1984, on the occasion of Professor Arndt’s retirement.

My long visit to ANU, and subsequent visits, really changed my life and gave a strong boost to my academic career. I am eternally grateful to the many friends I made there for encouraging me in my research, and giving tough but valuable comments and suggestions on my papers which every researcher needs. I owed the Japanese professors a lot for enhancing my skills, but it was in Canberra where I really learned to write good papers in English. Since then up till the present, ninety per cent of my publications are in English. Before these revised papers were published in refereed journals, they were heavily edited, heavily commented upon,

but as a scholar you are a *Mahasiswa Abadi*, an eternal student! The learning never stops until you die or you get Alzheimer's disease.

Arndt was like a father to me, a mentor who was very generous and warm. Arndt realised that Australia is the closest neighbour to Indonesia, and that an unstable and impoverished Indonesia could be a threat to Australia. He had established the Indonesia Project at ANU and supervised the doctoral dissertations of several post-graduate students who became eminent experts on the Indonesian economy, including Peter McCawley, Stephen Grenville, Anne Booth, Howard Dick, Hal Hill, and Chris Manning. Professor Arndt was also the founding editor of the *Bulletin of Indonesian Economic Studies (BIES)* which is the only economic journal in the world solely devoted to publishing articles on the Indonesian economy and related fields, such as Law, the environment, demography, education, and health. I think there was and is no other university in the world but ANU which packed so many eminent Indonesianists and Southeast Asianists.

Professor Arndt went to Indonesia even before the September 1965 coup and got to know Widjojo, Ali Wardhana, Mohammad Sadli, Subroto, and Emil Salim, who became the economic advisers to General Soeharto and subsequently economic ministers in the New Order government. After the New Order government came to power, economic research by foreign scholars on the Indonesian economy became easier. The following years Professor Arndt's doctoral students, including Peter McCawley, Hal Hill, Anne Booth, Howard Dick, Phillips Rosendale, and Chris Manning, came to Indonesia to do field research in Indonesia on various topics of their own choosing.

I've been to Canberra around fifteen times and stayed there for two years as a visiting fellow, the first during March 1982-March 1983 and the second one in 1990-1. Those two years in Australia have really enriched my life, both intellectually and personally because of the life-long friends I made there. For this reason both Tjoe and I consider Canberra our second home town. ANU, however, has not been the only university in Australia which I have visited. During my visiting fellowships at ANU, I was invited to give seminars at Deakin University, Monash University, and Flinders University. In August and September 2003 I also spent a delightful two months as a Sir Allen Sewell Visiting Fellow at Griffith University, Brisbane, at the invitation of my dear friend, Professor Robert Elson, the eminent historian on Southeast Asia, particularly Indonesia.

*From 1986 until 1989 you were head of the Centre for Economic and Development Studies at LIPI. How would you describe this period?*

In early 1986 as part of LIPI's reorganisation, LIPI's Division of Social Sciences and Humanities of LIPI was split up in four different research centres: one on economic and development studies; one on population growth and labour force studies; one on social and cultural studies; and the last on political studies. I was appointed as the head of the Centre for Economic and Development Studies (PEP-LIPI). At the time the financial conditions of LIPI was not very good, since the Indonesian government was pursuing a tight fiscal policy after the end of the oil boom in 1982. Hence, government funds for research were severely slashed, so that our Centre received only 25 million Rupiah for research. That was not much, in fact very little for our Centre to conduct proper research. I was forced to look for new external

funds for research, in which I succeeded to some extent. Since most of my colleagues had only graduated from local universities, I strongly felt that my colleagues had to pursue postgraduate study abroad to enable them to improve their skills. When I became head of the Centre, I said to my young colleagues, “*Going abroad is not a right, it is a duty*”, which I never tired of preaching to them. I looked for scholarships from aid organisations, such as AusAID (Australian Aid Agency for International Development), to enable my colleagues to pursue postgraduate study in Australia. I was also able to obtain a commitment from the Representative of the British Council, Jakarta, to give two scholarships each year to our Centre to enable my colleagues to pursue postgraduate study in Britain to obtain Master’s degrees in various universities, including one who studied at Oxford University, two at the University of Manchester, and three at the University of East Anglia.

I resigned as head of my Centre in late June 1990 to accept a position as Visiting Fellow again for one year with ANU’s Indonesia Project at the kind invitation of Dr. Hal Hill, Head of the Indonesia Project, and a very good friend of my family and I. It was a happy and productive year for me and my wife and son, perhaps one of the happiest in our life.

*What are your plans for the future?*

Well, when you are 74 years old, time is catching up with you, since I don’t work ten hours or more every day, perhaps only seven or eight hours on the average, including reading economic or economic history papers and doing a lot of e-mail correspondence with colleagues or students. But I still like writing “Mickey Mouse” papers—“Mickey Mouse” since my papers do not contain the sophisticated econometric models which are now common in the economic journals. It is therefore a source of modest satisfaction that this year three of my papers were published in foreign, refereed journals.

I very much enjoy talking with my young colleagues and students, including postgraduate students from overseas, who want to consult with me or ask me to read and comment on their papers or draft dissertations. Such meetings are mutually profitable, since I also learn from talking or corresponding with these students about their research. I feel that it is my duty to encourage them and share whatever knowledge I have with them, and read, comment, and edit their papers if they ask me. I think that in this way I can express my thanks to my mentors, including Professor Sumitro, Professor Sadli, Professor Arndt, Professor Jamie Mackie, Professor Ichimura, Professor Van der Straaten, and my colleagues and friends who were or are still at ANU and at other universities, to whom I owe a great deal because they taught me how to become a better scholar.

I also hope that my younger colleagues in Indonesia will become much better scholars than I am, and with my limited means I never tire to encourage them to enhance their knowledge by reading, sustained reading, to keep abreast of recent developments in their respective fields. How else can Indonesia progress if the younger generation is not better and more capable than the older generation? Of course, technical capability is only a necessary but not sufficient condition, since some idealism is also absolutely necessary, lest the advanced skills my young colleagues acquire is not used just to gain power or wealth. Scientific research is a calling, since its sole purpose is the search for truth, however defined.

## Notes

- 1 Speech to the research staff after the appointment as head of the Centre for Economic and Development Studies, Indonesian Institute of Sciences (PEP-LIPI) in June 1986 to exhort them to pursue postgraduate study overseas to enhance their capacity as researchers.
- 2 Professor Sarwono Prawirohardjo was the first head of the Indonesian Council for the Sciences (MIPI) and the Indonesian Institute of Sciences (LIPI), the successor organisation to MIPI.
- 3 The recordings of the interview sessions in Jakarta on 8 and 9 May 2009 are kept in the archive of KITLV in Leiden.
- 4 Later this institution became known as the Netherlands School of Economics (*Nederlandse Economische Hogeschool*).
- 5 A detailed interview with Sumitro can be found in Thee Kian Wie, ed., *Recollections. The Indonesian Economy, 1950s-1990s*. Singapore: Institute of Southeast Asian Studies, 2003, 49-86.
- 6 Mr. Assaat, *Perlindungan Khusus bagi Usaha Nasional* (Special Protection for National Companies). Keynote Speech given at the Congress of National Importers of All Indonesia, Surabaya, 19-23 March 1956.
- 7 See Thee Kian Wie, "Indonesianization: Economic aspects of decolonization in Indonesia in the 1950s". In J. Thomas Lindblad & Peter Post, eds., *Indonesian Economic Decolonization in Regional and International Perspective*. Leiden: KITLV Press, 19-38.
- 8 Peraanakan Chinese are ethnic Chinese born in Indonesia who in general are culturally not Chinese anymore, since they don't speak Chinese, and converse with each other in Dutch (the older, prewar generation) or mainly Indonesian or in one of the local languages (Javanese, Sundanese, and so forth).
- 9 See: Mohammad Sadli, "Recollections of My Career". *Bulletin of Indonesian Economic Studies (BIES)* 29:1 (April): 35-51; also republished in: Thee Kian Wie, ed.): *Recollections – The Indonesian Economy, 1950s-1990s*. Singapore: Institute of Southeast Asian Studies, 2003, chapter 6.
- 10 See: Thee Kian Wie, "Indonesia's First Affirmative Policy: The Benteng Program in the 1950s". *Lembaran Sejarah (History Papers)* 8:2 (2005): 33-45. Jurusan Sejarah dan Program Pascasarjana Studi Sejarah, Fakultas Ilmu Budaya, Universitas Gadjah Mada, Yogyakarta.
- 11 See also: Thee Kian Wie, in: Lindblad & Post, eds. (2009): 31-6.
- 12 See: Sumitro Djojohadikusumo, "Recollections of My Career". *Bulletin of Indonesian Economic Studies* 22:3 (December 1986): 27-39; republished in Thee Kian Wie, ed., *Recollections – The Indonesian Economy, 1950s-1990s*. Singapore: Institute of Southeast Asian Studies, 2003, 47-65.
- 13 See: Sumitro Djojohadikusumo, "Indonesia Towards the Year 2000". In *Ekonomi dan Keuangan Indonesia – Economics and Finance in Indonesia XXIII:3* (September 1975); and Sumitro Djojohadikusumo: *Indonesia dalam Perkembangan Dunia – Kini dan Masa Datang* (Indonesia in World Development – Present and Future). Jakarta: LP3ES, 1976. See also: Thee Kian Wie, M. Arsjad Anwar, and J.L. Tamba, *Indonesia's Long Term Perspectives Study*. Report presented to a Conference on Population, Resources, Environment and the Philippine Future (PREPF) at Tagaytay City, Philippines, 12 January 1978.
- 14 Subroto, "Recollections of My Career". *BIES* 34:2 (August 1998): 67-92; republished in Thee, ed. (2003), 221-50. Can be found here: *Recollections* (2003).
- 15 The Indonesian government only established official diplomatic relations with the German Democratic Republic in 1974 after official relations between the Federal Republic of Germany and the German Democratic Republic were normalised.
- 16 For an interesting discussion on the "resource curse", see e.g. Ian Coxhead, "International Trade and the Natural Resource 'Curse' in Southeast Asia: Does China's Growth Threaten Regional Development?". In Budy P. Resosudarmo, ed., *The Politics and Economics of Indonesia's Natural Resources*. Singapore: Institute of Southeast Asian Studies, 2005.
- 17 Robert E. Baldwin, *Economic Development and Export Growth – A Study of Northern Rhodesia, 1920-1960*. Berkeley and Los Angeles: University of California Press, 1966, particularly chapter 3.
- 18 Thee Kian Wie, *Plantation Agriculture and Export Growth – An Economic History of East Sumatra, 1863-1942*. Unpublished Ph.D. thesis, University of Wisconsin, Madison, July 1969. This thesis was subsequently published under the same title by LEKNAS-LIPI in 1977.