Structural Transformation of Foreign Interests of Indonesia's Economy at VOC Era and New Order Era

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Abstract

Historical studies, especially the political economic phenomenon in Indonesian, has never been done in the perspective of Levi Strauss's structuralism. The purpose of this research is to reveal the structural transformation of foreign interest cooptation in Indonesia's economy during the VOC and New Order Eras through Levi-Strauss's perspective of structuralism. The structural method of this research used archival documentation, historical documents and literature study. The results showed that there has been a structural transformation on the surface structure of foreign interest cooptation in Indonesia's economy for the past two periods. The deep structure of foreign interest cooptation in Indonesia's economy occurred on four themes namely perpetrator/actor, areas of life in economic sector, cooptation mechanisms and implications.

Keywords: Transformation, surface structure, deep structure, foreign cooptation, Indonesia's economy

1. Introduction

There are still some doubts among the societies in Indonesia about the nation sovereignty after the proclamation of independence in 1945. The doubt is not without evidence and empirical grounds. In the colonial period, the controlled economic sector was limited to farms and plantations. During the Old Order, New Order and the Reformation era, various strategic sectors such as infrastructure, finance and banking, oil and gas, agriculture and food were increasingly dominated by foreigners (Note 2). The economic sectors were even extended to healthcare, education, retail, telecommunication, tourism and various consulting services. These evidences confirm the view expressed by experts that Indonesia's dependence on outside parties was preserved by foreign nations in this era of globalization, much as it did in the colonial period centuries ago (Note 3).

It is not an exaggeration to say that Indonesia's economic history is repeating itself, colonialism which occurred in the colonial period is now happening again in post-independence era. Based on this historical reality, the study aims to explore foreign interests cooptation of Indonesia's economy which occurred in both periods. Through empirical facts analyzed by Levi-Strauss's structuralism perspective, this study provides a scientific contribution of structural transformation of foreign interests cooptation of Indonesia's economy.

Most of studies about foreign interests cooptation of Indonesia's economy during colonial until post independence eras used historical perspective (Breeman, 1986; Onghokam, 1983, Kemasang, 1985; Andaya, 1989; Knaap, 1999, 2006; Sutherland,2000; Souza, 2009), historical politics (Adams, 1996), political economy (Boomgaard, 1992, Robertson-Snape, 1999; Lee, 1997), Posmodernism (Henley, 2004), ecology (Maimunah, 2012). None of previous studies use structuralism of Levi-Strauss perspective. In the other hand, the structuralism of Levi-Strauss perspective is not applicated on foreign interests cooptation of economy phenomenon yet. Most of researchers used this structuralism of Levi-Strauss perspective to study myth, khinsip, art, totem, food, novel, songs lyrics, religion (Levi-Strauss, 1963, 1969, 1978; Ahimsa-Putra, 2001; Bernstein, 1979; Strenski. 1980).

Levi-Strauss's structuralism is a theoretical perspective in human sciences developed by anthropologist Claude Levi-Strauss. According to structuralisme of Levi-Strauss, cultural phenomenon basically comes from structure of human mind (Levi-Strauss, 1963, Goddard, 1964, Maybury-Lewis, 1976; Lane, 1973). The existence of structure is unconscious by humans (Rossi, 1974). Structure meant by Levi-Strauss (1963: 279-280) is a model that meets several requirements, namely:

> "First, the structure exhibits the characteristics of a system. It is made up of several elements, none of which can undergo a change without affecting changes in all the other elements. Second, for any given model there should be a possibility of ordering a series a transformations resulting in a group of models of the same type. Third, the above properties make it possible to predict how the model will react if one or more of its elements are submitted to certain modifications. Finally, the model should be constuted so as to make immediately intelligible all the observed facts."

Through a variety of his work, Levi-Strauss (1963, 1969, 1978), conduct a structural analysis from various cultural phenomena such as kinship, myths, masks, and foods. These phenomenons can be regarded as languages, or more accurately expressed as a set of signs and symbols that convey specific messages (Lane, 1970, Lane, in Ahimsa Putra, 2001: 67). Therefore, there are orders and regularities in these phenomenons. The phenomenon of foreign interests cooptation of Indonesia's economy during colonial and post-independence, in the context of this theoretical perspective, is assumed to have orders and regularities. According to Ahimsa Putra (2001) cultural phenomenon that appears to be diverse on the surface in

Levi-Strauss's structuralism perspective is referred to as surface structure while the same nature that gives rise to a variety of surface structure is referred as deep structure.

2. Methodology

The object of this research is the political economic phenomenon of foreign interests cooptation of Indonesia's economy which occurred in two different temporal periods, the VOC period and the New Order Era. This study was conducted at two locations, namely Malang and Yogyakarta. More specifically the location of this research is in the Regional Archive Agency of Yogyakarta and Gadjah Mada University Library in Yogyakarta as well as the Laboratory of History in FIS UM, Malang. The reason for selecting these three study sites are the consideration of adequacy and availability of documents and references.

The data collection technique in this study is documentation. Documentation method is used to track various documents and references related to the phenomenon under study at Regional Archives of Yogyakarta and University of Gadjah Mada FIB Library. Various documents that were used as the data source in this study includes various agreements and rules/regulations, legislation deregulation package eg. Basic Agrarian Law, Land Acquisition Act, Presidential Decree (Keppres), Letter of Intent (LoI) that were made in the colonial period and theNew Order Era.

Data analysis in the Levi-Strauss's method of structuralism interpret object of study as a linguistic phenomenon in the sense as a series of symbols or text that convey certain meanings. Themes that have been explored are then analyzed syntagmatically and paradigmatically. Syntagmatic is a horizontal structural relationship, while paradigmatic is a vertical structural relationships that arise from the association of a particular context. Syntagmatic and paradigmatic analysis will produce a series of relations or relations of relations which then describe the overall surface structures that are being explored.

3. Result and Discussion

Results obtained through structural analysis is basically a simultaneous reading of both horizontal (syntagmatic) and vertical (paradigmatic) of foreign interests cooptation phenomenon of Indonesia's economy in both periods. Syntagmaticly, the results of structural analysis focuses on the themes of cooptation, which are perpetrator/actor, area of life in the economic sector, and cooptation implications and mechanism theme. While the paradigmatic results are based on the appropriate context from both periods, namely during the VOC and the New Order Era.

3.1. Foreign Interests cooptation of Indonesia's economy in VOC Period

Foreign interest cooptation of Indonesia's economy in colonial era takes place during the VOC *(the Verenigde Oostindische Compagnie*, Dutch East India Company) era. The main cooptation actor during VOC era were the masters in Netherlands, the bourgeoisie/businessman corporate owners. VOC was established in March 1602, with the approval of Prince Maurits representing the government and ratified by the States General of Netherlands. The approval was granted, on one hand was to protect and strengthen the long-distance business/bourgeoisie shareholders on the corporate private trading in the Netherlands, and on the other hand was to give multiplied benefits to the ruler, power and prosperity of the country. In the formation plaque which is valid for 20 years (extendable), the Dutch authorities confirmed VOC through the provision of political and economic power in its spheres of influence or power. VOC has the sovereign right as a nation which has the power as a legitimate government to make and force regulations, as well as having a monopoly right to dominate the economic and social resources from Tanjung Harapan to 100 miles East of the Solomon Islands to the Bering Strait. VOC obligation is to fill state coffers. VOC initial operation was supported by capital strength that comes from corporations and the country. This implies collusion of the state and corporate interests through trade union.VOC was an extension of the government powers to co-opt other nations to achieve economic surplus.

Cooptation perpetrators also come from the ranks of VOC organization's driving actors that exploits and leeches, namely VOC personnel or management in Netherlands and in Indonesia. VOC parent organization in Netherlands was led by a panel that is called *De Hereen Zeventien* (Gentlemen XVII), chosen from allied trading corporations. The authority of the leadership council is to set regulatory policies such as investments, shipping and distribution. Since 1650 the assembly is assisted by a permanent commission called *Haagsche Besoignes,* in charge of improving relationships and communications between the leading council in Netherlands with VOC in Asia. This facilitates the cooptation actors in Netherlands to exercises control over the cooptation perpetrators in Indonesia. Due to the expansion of VOC in the Indonesia territory, since 1609 General Governor was elected as the supreme leader of VOC.

The sovereign right that countries gave to VOC as noted above, became the foundation used by VOC officials to construct various practical-operational regulation containing the cooptation mechanisms in conquered lands. Everything is geared to realize the achievement of its monopoly rights. Cooptation mechanisms in Indonesia are constructed and implemented gradually in accordance with the development of political and economic conditions.

VOC faces the economic trade power of native rulers and merchants which traditionally holds a monopoly in the trade of commodities, as well as the Portuguese, Spanish and England who also compete for monopoly. Generally VOC launched a trade control operation by co-opting native traders to eliminate competitors from Europe (Portugal, Spain, UK), and in doing so also took over and ended the native merchants monopoly.

VOC cooptation mechanism outside Java was done through alliances, wars, and negotiations (Ismain, 1999 b). In Maluku, VOC established alliances with Islamic traditional ruler (sultan) and use them as allies to expel the Portuguese in 1605 and Spain in 1663, so they could control the spice trade. Military strength were deployed to control Makassar as a trading path for spice, and VOC gain political-economic concessions through Bongaya agreements imposed in 1669. Efforts to takeover pepper trade monopoly in Aceh was made through deception by approaching local authorities subordinate of Aceh in West Sumatra, which then offered VOC the right to purchase pepper under Painan agreement.

VOC cooptation mechanism in Java utilizes traditional power of the rulers to get the economic surplus (Ismain, 1999 a). After successfully conquering the native traders, VOC establish good relations with kings and regents to obtain a quota of mandatory submission form *(contingenten* and *verplichte leverantion).* It was as a reward for VOC being their protector and guarantor of the existence of current traditional ruler, which gradually turns into a traditional state regulator, until finally recognized as traditional rulers and subject to the VOC. Furthermore, native traders trading activity were restricted or even eliminated. VOC prefer Chinese traders as middlemen.

VOC is an organization formed for the sake of long-distance trade. All rights given by the state is intended to achieve a trade surplus that contributes to the wealth of the home country. Therefore, the main focus and the most important co-opted sector was trading. This field has been growing rapidly long before the presence of VOCs in the locale. Native traders were major spice trade monopolists, who traded up to Europe, but was later taken over by the VOC through a variety of mechanisms of cooptation. Trade done by VOC are armed and monopoly trade, in order to control trade ports that lie in the trading path of Moluccas to Malacca. At every port they controlled, they established *factorij* (trade offices, castles, forts). Since 1619 JP Coen controls and build Batavia as VOC center of power in Indonesia, and serves as the main meeting place of various *factorij* trading network controlled. From this place, activity and trading volume is recorded and distributed to the Netherlands to supply actual market needs in Europe.

Trading control process done by VOC has gotten some resistance from native traders. As noted, the main monopolists of trading before the VOC were kings, dukes who have *perivelages* rights in trade. This encourages VOC to coopt the political field to dominate the trade field. Around Indonesia, VOC did a political interference in Maluku (Ternate, Tidore), Makasar (Goa-Tallo) Sumatra (Aceh), Java (Banten, Java regent North Shore, Mataram), and others (Ismain, 1998). Generally VOC intervene traditional political power by using *divide et impera* (pitting) politics to create (enhance) the development of intrigue, conflict and succession. Furthermore VOC sides (alliance) on certain factions by force or request for help against other factions, in order to gain economic concessions by negotiation or agreement, in return of accompliance. On one hand, traditional rulers was co-opted by confirming its traditional position, on the other hand their political and economic power were reduced, restricted, and even subjected to VOC regulation.

Cooptation model in this political field led to political disintegration (Ternate-Tidore, Banten, Mataram), productive economic area shrinkage. Large political entity such as the Mataram kingdom was split into four political powers. Cooptation mechanisms that cooptation actors did during the VOC era have paradox implications. VOC supremacy was increasingly dominant, while the native rulers (traders) were fading in world-trade economy. Maritime traditions and shipping and trade technology collapse, since it was isolated and replaced by VOC. The main role as a trading monopolist disappeared and shifted into pirates. Local excellence as an exporter of commodities for the world market also disappeared, shifting into a consumer and importer nation. On the other hand, traditional rulers, especially in Java, only play a role in agriculture sector and were stuck in feudal mentality (Onghokham. 1983).

3.2. Foreign Interests cooptation against Indonesia's economy in New Order Era

Foreign interests cooptation of Indonesia's economy during the New Order Era, reviewed from Levi-Strauss's structuralism analysis, shows the transformation of surface structure based on on deep structure of four themes which are actors, mechanisms, areas of life, and implications of cooptation. The actors in foreign interest cooptation of Indonesia's economy are composed of foreign and national/local actors. International actors are broadly divided into several groups, namely international agencies, foreign companies and foreign countries. International agencies, among others were the World Bank, Asian Development Bank (ADB), the International Monetary Fund (IMF) and the World Trade Organization (WTO). WTO had been making the rules in Indonesia since 1994 at a domestic level to reduce import tariffs. While the IMF and the World Bank provide loans to countries in the world by requiring them to follow regulatory requirements set by them. Prasentiatono (2003: 118-119) states:

> *IMF senantiasa beranggapan bahwa untuk semua negara hanya ada satu obat, yaitu yang terkenal dengan sebutan* "structural adjustment programs" *(SAP). Di seluruh dunia dimanapun IMF senantiasa menerapkan kebijaksanaan SAP ini terhadap negara-negara yang mengalami masalah keuangan. Negara-negara harus melakukan tiga hal: liberalisasi, deregulasi dan privatisasi. Ketiganya merupakan pilar utama dari konsep pemulihan ekonomi bagi negara-negara berkembang, yang kemudian disebut sebagai* "Washington Consensus"(Note 4).
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> IMF always assume that for all countries there is only one cure, which is known as "structural adjustment programs" (SAP). In the whole world everywhere, IMF constantly implement SAP's policy toward countries experiencing financial problems. Countries must do three things: liberalization, deregulation and privatization. All three are the main pillars of economic recovery concept for developing countries, which are then referred to as the "Washington Consensus"

Three major international institutions namely IMF, World Bank and WTO are international actors whom are referred by Peet (2003) as the Unholly Trinity because of their political economic intervention that are not in the interests of the countries assisted. Even Cavanagh in his commentary on the book by Peet firmly stated that the existence of the three international institutions have already deviated from its original mission and instead they merely serve the interests of global corporations. Cavanagh statement has a very clear relevance to the Indonesia context, as already mentioned at the beginning of this article where 85% of Indonesian oil and gas sector is controlled by foreign corporations.

During the New Order government, there was an elite group of local conglomerate that became actors in the dynamics of Indonesian economy at that time. These conglomerates enjoyed the rapid growth because of their special treatment from the government in power, especially in the provision of credit subsidies thanks to personal and business relations with the authorities at the time of President Soeharto in particular:

> Many of these conglomerates had grown rapidly during the Soeharto era because of the preferential treatment they had received from the government, notably in the allocation of large sums of subsidised credit, thanks to the personal and business relationships they had established with the indigenous power holders, particularly President Soeharto. The size of these conglomerates only became evident when they or their subsidiaries had gone public after the stock exchange boom in 1989 (Wie, 2006).

The role of actors from conglomerates were mainly from Chinese ethnic in the New Order. In fact, according to economic historian Thee Kian Wee, Tinghoa entrepreneurs have a much greater role and reach a wider economic life compared to previous periods:

> The Chinese were able to move into a wide range of economic activities, including large-estate agriculture, manufacturing, real estate and banking, and thus prosper to a much greater degree than during the Dutch colonial period and during the Soekarno era (Wie, 2006).

Foreign interests cooptation mechanism of Indonesian economy during the New Order were through formal regulations (rule of law). Regulation becomes the legality of the existence and development of foreign domination in Indonesia. Why formal institutions such as the law are so important to be influenced?

> *Jawaban sederhananya adalah karena institusi formal ini menyediakan struktur bagi pola relasi sosial. Apapun aktivitas yang dilakukan, baik individual maupun sosial, sangat dipengaruhi oleh institusi sosial yang dalam hal ini adalah aturan hukum. Dengan kata lain, hukum mendeterminasi semua interaksi sosial dan politik dalam suatu masyarakat. Namun, di sisi lain, institusi sosial, termasuk aturan hukum, juga merupakan produk politik di mana isi setiap produk hukum dan semua elemen institusi sosial tersebut akan sangat ditentukan oleh kepentingan politik yang melingkupi kemunculannya, Dengan demikian seperti dikatakan oleh para teorisi public choice, proses pembentukan institusi (proses pembuatan aturan hukum atau legislasi) akan selalu melibatkan proses transaksi politik. Dan proses transaksi politik ini sangat dimungkinkan oleh struktur institusional yang lebih besar, yakni sistem politik yang dianut sebuah negara, baik sistem demokratis mapun sistem ototriter*. (Hadi, 2010: 8-9)
> The simple answer is because it provides a formal institutional structure for the pattern of social relations. Whatever the undertaken activities is, both individual and social, are strongly influenced by social institutions which in this case is the rule of law. In other words, the law determine all social and political interaction in a community. However, on the other hand, social institutions, including the rule of law, is also a political product in which the contents of any legal product and all elements of social institutions will be very much determined by political interests surrounding its emergence, thus as said by the public choice theorists, the establishment process of an institution (the process of making laws or legislation) will always involve a process of political transactions. And this political transaction processes are made possible by the larger institutional structures, namely the political system adopted by a country, either a democratic system or an authoritarian system (Hadi, 2010: 8-9).

This regulatory mechanism is what generates a lot of formal legal rules in various forms in the New Order Era. At the beginning of the New Order government, UU No. 1.Tahun 1967 about Foreign Direct Investment (FDI) was introduced which includes the provisions that foreign party may only own shares up to 5% on a wide range of strategic sectors. While at 1967 foreign party may only have a maximum stake of 5%, a year later the regulation undergo significant change. Government, through Law No. 6 In 1968 clearly affirms that the foreign party may own shares up to almost 50%. This can be seen in Article 3 Paragraph (1) which states that national company is a company that is owned at least 51% through domestic capital investement by the state and/or national private. --- A change that foreigner may own 49%.

In 1985 BKPM as the body that regulates the flow of FDI made a policy: the period of investment approval by BKPM changed from 12 weeks to 6 weeks. In 1986 the government made a fundamental change in the UU 1967 about FDI, which concerns the extension of foreign companies permits for 30 years and the elimination of an investment requirement of US $ 1 million in some activities such as consulting and others. At this time the policy was called *Paket 6 Mei 1986* with some policy points: (1) encourage businesses that at least 85% of its output is exported, (2) provide loans and bank facilities when approximately 75% of capital stock (equity) are owned by Indonesian people, when at least 51% of the shares are offered in the Jakarta Stock Exchange (JSX), and if at least 51% of the shares are owned by the Indonesian people and for at least 51% of the shares offered, 20% are offered on BEI. To provide legal protection for foreign investors, the government agreed on Investment Guarantee Agreement (IGA) with 61 countries.

In May 1990 the New Order government changed the regulation of FDI through government regulation to reduce the minimum investment that can be embedded by foreign inverstor in various sectors from US $ 1 million to US $ 250 thousand. This regulation also provides an opportunity for foreign investors to invest in various sectors previously closed to foreigner such as telecommunications, shipping, aviation, railway and mass media (Hadi, 2010: 19).

On November 2 1994, Indonesia ratified the WTO Establishment Agreement through UU No. 7 Tahun 1994. Through this policy, Indonesia not only liberalized its trade system, but also reduced its protection.

In 1994 the government issued PP No. 20/1994, in article 5, paragraph (1) there is a provision: "Companies which are established as referred to in Article 2 paragraph (1) letter (a) can conduct business activities that are categorized as important for the country and dominate the life of the people, namely ports, production, transmission and distribution of electric power generally, telecommunications, shipping, aviation, water, common rail, atomic power plant and the mass media. Article 6, paragraph (1) PP No. 20/1994 contains the following provisions: "Indonesian participant shares as referred to in Article 2 paragraph (1) letter (a) are at least 5% of the total paid up capital of the company at the time of establishment. These provisions allowed foreign investors to own shares up to 95% (Hadi, 2010: 19-20).

Foreign interests cooptation implications on Indonesia's economy during the New Order Era through a series of regulatory mechanisms as stated above eventually led to a debt trap that becomes a vicious circle in the national economy . Rachbini (1995: 63) highlights the problems of a country's debt as follows:

> *Utang luar negeri kemudian harus dipahami sebagai bisnis biasa, yang dilaksanakan oleh lembaga-lembaga multilateral dengan resiko banngkrutnya sistem ekonomi suatu negara sebagaimana resiko dialami oleh perusahaan-perusahaan bisnis biasa. Pada sisi pandangan seperti ini, kita tidak bisa melihat peranan normatif Bank Dunia dan IMF sebagai agen pembangunan yang bisa menyelamatkan ekonomi negara-negara miskin. Yang terjadi sebaliknya, transaksi utang luar negeri dilakukan tanpa kendali di luar batas kemampuan ekonomi suatu negara sehingga timbul kesulitan dalam pengembaliannya*
>
> *Kenyataan sebaliknya kita lihat karena dalam kenyataan justru negara-negara yang tidak banyak tergantung pada utang luar negeri yang berhasil memacu pembangunannya seperti Taiwan, Korea Selatan, Hongkong, dan Singapura. Sebaliknya negara-negara yang tergantung pada utang luar negeri justru semakin kritis kondisi ekonomi dan ketergantungannya terhadap utang luar negeri.*
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> Foreign debt should then be understood as an ordinary business, which is conducted by multilateral institutions with the risk of the collapse of the economic system of a country as the risk experienced by ordinary business firms. On this side of view, we cannot see the normative role of the World Bank and the IMF as an agent of economic development that could save poor countries. The opposite happens, the foreign debt transaction are done without control and outside the limits of a country's economy causing difficulty in repayment
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> The fact is we see the contrary in reality, countries that are not too dependent on foreign debt successfully spurred development such as Taiwan, South Korea, Hong Kong, and Singapore. Instead, countries that depend on foreign debt their economic conditions and dependence on foreign debt become even more critical.

Foreign interests cooptation implications on Indonesia's economy during the New Order Era were not just limited to the economic field, in particular the national debt, but what was also very politically substantial was the issue of sovereignty as a nation. Various international agencies which act as donors turned out to have been dictating development policies in Indonesia behind their debt provision scenario through various regulatory mechanisms which must be implemented by the government. In addition to the issue of sovereignty as a nation, foreign interests cooptation on Indonesia's economy also resulted in human rights violations and Customary Law, that led to social conflict and environmental damage (Maimunah, 2012).

The research finding as discussed above can be formulated in table 1 below.

Table 1. Structural Transformation of Foreign Interests of Indonesia's Economy at VOC Era and New Order Era

DEEP STRUCTURE							
ACTORS		**ECONOMICS LIFE**		**MECHANISM**		**IMPLICATIONS**	
SURAFCESTRUCTURE		**SURAFCE STRUCTURE**		**SURAFCE STRUCTURE**		**SURAFCE STRUCTURE**	
VOC	**NEW ORDER**	**VOC**	**NEW ORDER**	**VOC**	**NEW ORDER**	**VOC**	**NEW ORDER**
the masters in Netherlands	Tionghoa conglomerates	Plantation	Plantation	alliances	Corruption Collusion Nepotism	Maritime traditions and shipping and trade technology collapse	Trap Debt Nation
Prince Maurits	Indegenous conglomerates	Trade	Trade	War	Giving debt	From trader to pirate	human rights violations and Customary Law,
the bourgeoisie/businessman corporate owners	MNC		Mining	negotiation	Regulation	Split of kingdom	social conflict
De Hereen Zeventien (Gentlemen XVII)	ADB		Banking and finance	Regulation		Kingdom sovereignty	Environ-mental damage
Chinesse traders	IMF		Real estate	utilizes traditional power of the rulers to get the economic surplus			Nation soverignty
	WORLD BANK		Auto-motive				
	WTO						
	MNC						

4. Conclusion

The application of Levi-Strauss's theory of structuralism in this study proved to be able to demonstrate the structural transformations of surface structures from the historical phenomenon in the form of foreign interest cooptation of Indonesia's economy during the VOC and the New Order Era. The surface structure of the historical phenomenon indicates differences but also structural similarities (deep structure) in the theme of the actors, the mechanism of cooptation, who co-opted the field of life and the implications of cooptation. At this stage it appears that foreign cooptation of Indonesia's economy, despite happening in two very distant and different period of time, has regularity and repeatability, as assumed by Levi-Strauss's theory of structuralism.

These results indicate that we have not yet achieved true freedom as long as the sovereignty of the nation is still not in the hand of the motherland. This reality should be a matter of national reflection so that the future of this nation's sovereignty would no longer be a hostage to foreign interest cooptation. The new government of Indonesia with the "Work Cabinet" should concretely started realizing Bung Karno's idea so that foreign interests do not dominate the country more freely as had happened since the days of VOC.

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Notes

Note 1.. This article is largely based on a paper, Transformasi dalam Struktur Luar Kooptasi Kepentingan Asing terhadap Ekonomi Indonesia Masa VOC dan Orde Baru (Transformation in Surface Structrure of Foreign Interest Cooptation In Indonesia's Economy during The VOC and New Order Eras), recently published in national seminar proceeding of History Learning inThe Centre of Change form by Faculty of Social Science, Universitas Negeri Malang and Asosiasi Pendidik and Peneliti Sejarah (Waskito and Ismain, 2014, pp. 53-63).

Note 2. Today, almost 85 % of Indonesia's Oil and Gas are controlled by Foreigners. Foreign investments oil and gas sector has become more dominant. The number reached 11 billion USD in 2010 to 13,7 billions USD in 2011, the increased is almost 20%. (Sprague, 2014: vii, in Yuwono, 2014. *Mafia Migas VS Pertamina Membongkar Skenario Asing di Indonesia.* Yogkarta: Galang).

Note 3. Indonesia economist such as Sritua Arif and Adi Sasono.

Note 4. Washington Consensus are 10 policies suggested by IMF to be implemented in aided country that are involved in crises (further information about those 10 policies could be seen in Prasentiantono, Tony A. IMF in I. Wibowo and F Wahono (eds). 2003, Neoliberalisme. Yogyakarta: Cindelaras Pustaka Rakyat Cerdas.

Note 5. '*Unholy Trinity* provides an important History lesson of how the IMF, World Bank, and WTO were twisted from their original mandates to serve the interests of Corporate globalization.' John Cavanagh, Director, Institute for Policy Studies.

Note 6. See Yuwono, I.D. 2014. Mafia Migas VS Pertamina Membongkar Skenario Asing di Indonesia. Yogkarta: Galang.

Note 7. Indonesia's *Utang Luar Negeri* (Foreign Debt) on January 2014 was noted USD269,3 billions which increased 7,1% (yoy), it has increased from the growth in Desember 2013 at 4,6% (yoy). This increase was mainly influenced by the private sector Foreign Debt position raise by 12,2% (yoy) to USD141,4 billions. Meanwhile, the public sector Foreign Debt position raised by 1,9% (yoy) to USD127,9 billions. Compared to the position from last month, the private sector Foreign Debt only grow by 0,6%, while the public sector Foreign Debt increased by 3,5% (http://www.bi.go.id/id/ruang-media/info-terbaru/Pages/Utang-Luar-Negeri-Indonesia-Januari-2014.aspx, accessed 5 September 2014).

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