

to whisper a discreet word of advice in the ears of Indonesia's rampant Republicans. They could be told that it would be wiser not to push their cause by force if they want the most favorable attitude toward loans to them.

"UNIFYING" INDONESIA

The two major military revolts and a number of minor disturbances in Indonesia since the first of the year should not be ascribed solely to the difficulties of a young and relatively weak Government in keeping order. The weakness of the Government has been a factor, no doubt, but, paradoxically, it is the strength of some elements that has invited trouble. There is a very real political basis for some of the things that are happening.

The agreement that set up an independent United States of Indonesia was based on the concept of a federation of sixteen component parts. The Dutch had insisted that some such government structure was necessary because of the widely diverse elements in the archipelago and the fact that many areas and population groups were not willing to come under the rule of the Republic, centered in Java. The Republic had insisted on a unitary Government, under its control, but eventually agreed to the federal idea. The Republic was to be the largest single component in the federation.

Since the transfer of sovereignty, however, the Republic has systematically and progressively dynamited the federation idea. By a series of "decrees" the "federal" Government has attached state after state to the Republic until the original sixteen components have already been reduced to seven, with the prospect that they will shortly be only four. It is against the strongest of these four, East Indonesia, that the latest drive is being made. Naturally, there is resistance and the result is disorder.

It is quite possible that in the long run a unitary, centralized Government will be the best thing for Indonesia. It is by no means established that this is the case at present. Moreover, it was fully agreed that the federal idea should be tried out as a means of getting representative government by consent throughout the archipelago. The Republic, however, after having given nominal consent to this experiment, has gone forward with precisely the program of centralization that it agreed to lay aside. This may or may not be bad faith, but it has some elements of bad judgment. Indonesia is desperately in need of further foreign loans. Those loans may not be forthcoming unless the country is a reasonably good security risk. We have not only a right but also a duty to the United States taxpayer to set up safeguards for our foreign loans.

The State Department has told Greece to liberalize its Government if continued aid is to be expected. Korea has been instructed to balance its budget and hold an election within eight weeks or forfeit American assistance. With these precedents we might consistently instruct Ambassador Cochran